# Withdrawal/Redaction Sheet
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### RESTRICTION CODES

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Office of Domestic Policy
Room 218/Kathi Way

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Child Support
Communication
Comparison
Congressional EITC
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Food Stamps Cash Out
Health Care
IDA /Micro Enterprise
National Governor's Assoc.
Counties
States
Intergovernmental
Internal Communication. *
Republician Welfare Reform Plan
Administration Plan
Prevention

ADVOCACY Groups

CHILDREN NOW

CHILDREN NOW

DEPARTMENT OF HEALTH & HUMAN SERVICES · USA ·

U.S. Department of Health and Human Services
200 Independence Ave., SW
Washington, D.C. 20201

DEAR LORD BE GOOD TO ME THE SEA IS SO WIDE AND MY BOAT IS SO SMALL

Children's Defense Fund

# FAX TRANSMITTAL COVER SHEET

**TO:** Kathi Way, Special Assistant to the President for Domestic Policy

**FIRM:** The White House

**FAX#:** (202) 456-7028

**FROM:** Cliff Johnson and David Kass

**If you have a transmittal/receiving problem, please contact me at (202)662-3542.**

**DATE:** 3 December 1993 **TIME:** 1:00 pm

**NUMBER OF PAGES SENT (INCLUDING COVER SHEET):** 6

**COMMENTS:** We thought you would be interested in seeing the attached. Please let us know if there is any way we can be helpful.

25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787

Children's Defense Fund

December 1, 1993

Bruce Reed, Deputy Assistant to the President
for Domestic Policy
David Ellwood, Assistant Secretary
for Planning and Evaluation
Mary Jo Bane, Assistant Secretary
for the Administration for Children and Families
Co-Chairs, Working Group on Welfare Reform,
Family Support and Independence
Washington, D.C. 20500

Dear Bruce, David and Mary Jo:

As the time for final decisions on the broad outlines of the Administration's welfare reform plan draws near, I want to convey my great hopes that this effort will bring the nation a step closer to ending child poverty in America. We can do enormous good for poor children, families and the nation under the rubric of welfare reform. To realize this potential, however, we must begin to tackle the root causes of child and family poverty in America and do our utmost to see that the resources committed to welfare reform are commensurate with the plan's scope and scale.

The opportunities before us are unmistakable. Elements of the current welfare system that discourage work and marriage can be changed to reward initiative and facilitate family formation. Messages of parental responsibility can be strengthened. Barriers to secure employment at family-sustaining wages -- ranging from inadequate child care, education and training services to chronic job shortages in many communities -- can be substantially reduced, if not overcome. We hope the Administration will seize these opportunities to chart a bold new course for the nation.

This effort to reform our nation's welfare system should reflect our most basic values: the importance of work; the responsibility of parents to care and provide for their children; the nurturing of hope for a better life among children and parents alike; and compassion and a helping hand to those who face personal crises or insurmountable barriers to employment. These values -- work, responsibility, hope, opportunity and compassion -- must provide the basis for a new social contract between government and low-income parents, one that challenges all of us to lift our sights and rescue our children from the dangers of sustained poverty. It is shameful that children are the poorest citizens in the richest nation on earth, and our failure to act to end their continuing impoverishment now costs us dearly.

25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787
Fax 202 662 3510

The central premise of this social contract should be that every parent, if given the opportunity, has the ability to contribute to the care, nurturing and support of children. Parents receiving AFDC who can work should be expected and enabled to do so, and those who cannot move immediately toward employment should work to strengthen their families and communities by participating in parent education programs, seeking substance abuse treatment, and/or promoting the development of their children through involvement in Head Start or similar programs.

For this new social contract to succeed, government also must do its share. In this context, I was deeply troubled by the Administration's recent approval of Wisconsin's AFDC waiver request -- an action that I fear gives legitimacy to the claim that it is morally acceptable to cut off basic income support for poor children merely because their parents are unable to find work. This approach is antithetical to the basic tenets of a new social contract for parents on AFDC. Rather than establishing a principle of reciprocal obligation in our welfare system, the Wisconsin plan signals the state's intention to walk away from families when they cannot make it on their own. We fervently hope this action on waivers is <u>not</u> an indication that the Administration similarly will walk away from the tough decisions and key investments that must be made in order for national welfare reform efforts to be successful.

Within the broad framework of a new social contract, reinvigorated federal leadership and increased investments in a number of key areas are crucial to support the work efforts of parents receiving AFDC and to fulfill the promise of the President's bold welfare reform pledge:

<u>Child care</u> - Even under the current system, AFDC child care programs are under enormous strain. States are taking or considering extraordinary steps to limit access to child care assistance, reducing child care help for working poor families in order to serve families on AFDC, and purchasing care of frighteningly low or uncertain quality. An infusion of new child care funds is essential if parents on AFDC are to increase their participation in education, training or work activities and if low-income working families teetering on the brink of the welfare system are to continue their quest for economic self-sufficiency. We will accomplish nothing through welfare reform if we do not at the same time nurture our next generation of children and prevent their future need for welfare.

<u>Work incentives</u> - Our welfare system must encourage and promote work. The Administration has taken an enormously important step in increasing the rewards of work by securing approval for the historic expansion of the Earned Income Credit this summer. Now we must build upon this progress by lowering the extraordinarily high marginal tax rates on earnings (ranging from 70 percent to over 100

percent) imbedded in the current welfare system so that parents on AFDC have the same financial incentives to work that other Americans enjoy. A long-overdue increase in the minimum wage also would bolster the message that this Administration intends to "make work pay."

Employment opportunities - We cannot achieve the fundamental goal of "ending welfare as we know it" without creating paid work opportunities for parents on AFDC when jobs are not otherwise available. Those who are ready and able to work should have access to full-time jobs with family-supporting wages. While some say it is not possible, given current budget constraints, to create enough full-time jobs for all parents who are ready to work, the dignity of paid employment is terribly important and we must all work to keep jobs at the top of any agenda to strengthen family self-sufficiency. Tens of thousands of important jobs can be created through full funding of Head Start, expansion of child care programs, and full utilization of the summer food program alone. Part-time jobs paying wages at or above the minimum wage represent the very least we should do in order to put parents on the road to full participation in the economic mainstream.

Job retention - For millions of parents on AFDC, the key issue is not work motivation but job retention. Recent studies show that half of all welfare spells now end because parents do find jobs, but many families return to AFDC when work or child care arrangements fall apart. Finding ways to keep these parents on the job and off the AFDC rolls is one of the greatest challenges of welfare reform. We need new mechanisms to offer help in overcoming temporary job or family crises that jeopardize the work efforts of such parents and to continue the investments in education and training that will lead to long-term employment stability. We also need to take additional steps to ensure that parents who leave AFDC for work get child care assistance beyond the 12 months currently available and have access to other follow-up services they need to succeed.

Child support - Every child deserves the support of two parents. More vigorous efforts to establish paternity and tougher child support enforcement should be central elements of any welfare reform plan, sending an unambiguous message of the importance of parental responsibility to the well-being of children. We believe a federalized, universal system of child support enforcement coupled with an assured benefit would best meet children's needs. At a minimum, we hope that state demonstrations of child support assurance can be structured to build quickly upon successful models and enable states meeting established criteria to join the program in future years.

Education and training - Many parents who receive AFDC or pay child support need additional skills if they are to avoid the endless cycle of brief periods of employment followed by repeat welfare spells. Americans have enormous faith in the power of education and training to usher in a new era of "high skills, high wage" employment for the vast majority of us; improved skills surely play a similar role in enabling poor parents to secure stable decent-paying jobs. The JOBS program, with its promising focus on education and training for those AFDC parents who need such services, still is a fledgling effort only recently implemented fully in all states. Our next wave of welfare reform should build upon the foundation that JOBS provides rather than moving -- prematurely and counterproductively -- to dismantle it.

Serious initiatives in the areas outlined above -- child care, work incentives, employment opportunities, job retention, child support, and education and training -- require substantial new investments by the federal government. While understanding that the resources available for welfare reform may be sharply limited, I continue to hope that we can achieve significant gains in these areas despite difficult budget constraints. It would be a great disservice to children on AFDC and the nation as a whole to cling to bold, expansive rhetoric and goals for welfare reform while failing to marshal the resources necessary to unlock the doors of economic opportunity for families on AFDC. It would be an even greater disservice to use the rhetoric of self-sufficiency as a Trojan horse of punishment by driving parents off welfare rolls when no jobs are available.

I am deeply concerned about the harmful consequences for children on AFDC that likely would result from a dramatic mismatch of small welfare reform investments and reform plans of sweeping scope and scale. Broad new mandates that spread resources too thinly and fail to tackle the central barriers to employment and eventual self-sufficiency will not solve our welfare problem. Such an approach can only distract us from the more fundamental tasks we must undertake -- rewarding work, encouraging family formation, reinforcing parental responsibility and creating the stable base of jobs that will provide a lasting alternative to welfare and poverty.

No one gains when welfare is a way of life. But the need for a basic safety net to protect children from severe deprivation will not disappear until we address the underlying causes of child poverty in America. If we set realistic goals that are consistent with the resources at hand, this welfare reform effort can succeed. If we merely impose a rigid new set of requirements on families on AFDC without providing more effective assistance to overcome their barriers to employment, we only will add to the plight of our nation's poorest and most vulnerable children.

We look forward to working with the Administration to develop a welfare reform plan of which we all can be proud, and remain eager to assist you in whatever way we can.

Sincerely yours,

Marian

Marian Wright Edelman

MWE:stb
cc: Donna Shalala
Carol Rasco

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[001]

THE WHITE HOUSE
OFFICE OF DOMESTIC POLICY

**CAROL H. RASCO**
*Assistant to the President for Domestic Policy*

To: Reed
WAY

Draft response for POTUS and forward to CHR by: ______

Draft response for CHR by: ______

Please reply directly to the writer (copy to CHR) by: ______

Please advise by: ______

Let's discuss: ______

For your information: ✓

Reply using form code: ______

File: ______

Send copy to (original to CHR): ______

Schedule ? : ☐ Accept ☐ Pending ☐ Regret

Designee to attend: [redacted] (b)(6)

Rem[redacted] (b)(6) (b)(6) (b)(6)

(b)(6) this idea of the luncheon w/ JOBS grads has some potential perhaps. CHR

CC: Carol Rusco

OCT 25 1994

APWA

AMERICAN PUBLIC WELFARE ASSOCIATION

Kevin W. Concannon, President
A. Sidney Johnson III, Executive Director

# MEMORANDUM

To: Hillary Clinton

From: Sid Johnson Sid

Subject: Welfare Reform 1995: Prospects and Problems

Date: October 21, 1994

## Introduction

This memorandum follows our conversation last Friday about prospects and problems for welfare reform next year, and your request that I write you a memo expanding on my concerns and suggestions.

Everyone wants to change welfare. No one defends the current system. And unlike health care -- welfare does not directly affect all Americans and therefore does not generate fear about how change will affect them and their families.

Welfare reform will be enacted in 1995. The only question is: what **kind** of welfare reform will emerge.

## Impact on children

The AFDC Program has a bigger impact on the lives of poor children than any other government program. Successful welfare-to-work programs can make a positive difference for children. Parents in the JOBS Program tell me they come home from a day of education or training, fix dinner, and get out their books to study. And their children get their own school books and they study together--something that seldom if ever happened before. Welfare reform should build on that kind of success with legislation to strengthen families and children, not penalize them.

**The political landscape**

As I said last week, my major concern is that the **public and political debate about welfare reform is shifting from a centrist position to a much tougher and harsher place.** This shift is most apparent in the welfare reform legislation pending in Congress:

- **In the center** are the Administration's bill with nine cosponsors, and APWA's bipartisan proposal. Both share the goal of self-sufficiency through work by building on the JOBS program, with reasonable two year time limits, expanded child care, stronger child support enforcement, and national health care reform.

- **On the right** is the House Republican Bill, with 163 cosponsors. It mandates an education and training program, denies welfare assistance to children whose paternity is not established, places a financial cap on AFDC and Food Stamps; and cuts $21 billion in benefits for non-citizens by ending their eligibility for AFDC, Medicaid, Food Stamps and 60 other federal programs. The recent Republican Contract with America makes some of these provisions even tougher.

  Also to the right of center is the Democratic Mainstream Forum bill, with 33 cosponsors. Further to the right are bills to end AFDC altogether for families headed by unmarried women under age 21.

- **On the left** is a virtual vacuum. Congressman Matsui and 30 cosponsors have introduced a bill I would characterize as slightly left of center, with no national time limits. Other bills have one or two sponsors. There is no legislation on the left that even begins to balance the Republican bill in either its distance from the center or in having the force of 163 cosponsors.

**Given this landscape, I doubt that the center will hold.** Without serious pressure from the left, it seems inevitable that the center will move right, perhaps significantly. Add to this scenario projections that Republicans will pick up seats in the House and Senate, and the impact that Charles Murray's new book *The Bell Curve* could have on public and political perceptions.

**Public and political perceptions**

The shape of this political landscape reflects -- above all -- the perceptions people have of welfare, and welfare recipients. More than any other single factor, these perceptions will shape the welfare reform that is enacted. Moving the debate to the right is the way many elected officials and members of the public see welfare recipients as lazy, dishonest, promiscuous, drug addicted, and inadequate parents. Clearly some welfare recipients experience some of these problems, but most do not -- **certainly not the more than nine million children receiving AFDC.**

The stakes in this, as you know, are high. Yet the public and policymakers often lose sight of who really is on welfare, and the unintended consequences proposals may have for poor families with children.

**Opportunity**

Celinda Lake, who codirected the APWA focus group research on welfare, told us the best way to address public stigmas about welfare clients is to **put a face on welfare.**

The very best faces are successful graduates of the JOBS Program created by the 1988 Family Support Act that then-Governors Clinton and Castle were instrumental in persuading Congress to pass. The JOBS Program now has over 500,000 participants nationwide, and incorporates the exact values the public wants in the welfare system. And it works. Rigorous evaluations by the Manpower Demonstration Research Corporation in California and Florida document increased recipient earnings and reduced taxpayer costs.

**Yet the JOBS program is invisible.** Our focus groups and other research indicate that the public doesn't know this program exists. The JOBS program is a hidden success that needs to be unveiled and marketed. While it will not erase all the deep-seated stereotypes about welfare recipients, it represents the best hope to change some of this stigma and to move the welfare reform debate toward reason and reality.

APWA has a project that promotes JOBS successes nationally and in the states, and is holding a conference for Washington policy makers next Monday featuring a panel of successful JOBS graduates. State Human Service Commissioners have created special programs and awards to focus public attention on the achievements of their JOBS participants.

These efforts are helpful but not sufficient.

## Recommendations

We need the kind of public attention and understanding that you and the President can command. Last June in Kansas City President Clinton took a major step in this direction when he met with JOBS graduates and introduced them at the press conference to unveil his welfare reform proposals.

Let me suggest two additional steps:

(1) The President could ask each Governor to identify one or two successful JOBS graduates to be honored at a White House awards luncheon he would host; invite their children as well. Holding the awards luncheon the day the Administration's welfare reform bill is reintroduced in Congress -- to assure media coverage of the JOBS graduates and underscore that the legislative goal is to build on JOBS.

(2) When you, the President, and Secretary Shalala plan domestic travel have a JOBS event on the check list of possibilities. Any of the following public/press events would be helpful.

- meet with JOBS graduates and their children in major cities and state capitols you visit or in or near airports anywhere on your itinerary
- attend a JOBS graduation ceremony -- one of the most joyful, hopeful events in American life
- visit businesses that are successfully employing JOBS graduates.

There are many good variations on this theme. The key is planning repetitive public/media events that market this outstanding program, especially the former welfare recipients who have become self-sufficient and their children. In these and related ways we can put a face on welfare, and, in so doing, help focus the welfare reform debate on facts and realities, instead of prejudices and anger.

## Conclusion

Thank you for the opportunity to share my thoughts with you.

If you are interested in pursuing any of these suggestions, I would be delighted to work with you and your staff to refine them and make them happen.

# LIF LATINO ISSUES FORUM

A Public Policy and Advocacy Institute



July 1, 1994

JUL 7 REC'D

Carol Rasco
Assistant to the President
1600 Pennsylvania Ave.
Washington, DC 20500

RE: **WELFARE REFORM PROPOSALS**

Dear Ms. Rasco:

Latino Issues Forum, a public policy and advocacy institute, wishes to express its concern over the proposed reductions in welfare eligibility for legal immigrants, refugees and other non-citizens. Cutting benefits and limiting welfare recipients will not eliminate the needs of these groups. Financing federal welfare reform by shifting costs to state and local governments will have detrimental effects on states heavily impacted by immigration, such as California.

Proposals to finance welfare by cutting benefits to legal immigrants, if adopted, will undermine this nation's commitment to family reunification. It will also unjustifiably create discriminatory distinctions between lawful residents and native born citizens.

Moreover, the United States will not succeed in improving the health of its residents if both health and welfare proposals seek to exclude large sections of the population. Both reforms must work to protect the well-being of all residents by improving the quality and efficiency of federal policies.

The Latino community has a great deal at stake in both health care and welfare reform. Protecting the health of the Latinos is vital to our own and the nation's success. If you have any questions or need clarification, please feel free to contact me directly at 415-552-3152. The Latino community is counting on your support.

Sincerely,

Guillermo Rodriguez, Jr.
Director of Policy and Research

1535 Mission Street • San Francisco • California • 94103
Phone (415) 552-3152 • Facsimile (415) 552-3177

APWA
AMERICAN PUBLIC WELFARE ASSOCIATION

A. Sidney Johnson III, Executive Director

Dear Kathy,

I want you to have a copy of the resolution we adopted this week at our summer meeting on the Clinton Welfare Reform proposal.

I look forward to continuing to work with you to obtain the goals we share and the means necessary to get there.

Best regards,

Sid

810 First Street, N.E., Suite 500, Washington, D.C. 20002-4267 (202) 682-0100

AMERICAN PUBLIC WELFARE ASSOCIATION

Kevin W. Concannon, President

A. Sidney Johnson III, Executive Director

# APWA Policy Statement on The Work and Responsibility Act of 1994

## Introduction

On December 8, 1993, the APWA Board of Directors, National Council of Local Public Welfare Administrators, and National Council of State Human Service Administrators approved a resolution adopting the report and recommendations of the APWA Task Force on Self-Sufficiency. The major recommendations identified in the report, *Responsibility, Work, Pride: The Values of Welfare Reform*, called for:

- an agreement of mutual responsibility between the government and the applicant as a condition of eligibility for assistance;
- a new job development/creation strategy;
- requiring work in the private or public sector or community work experience following up to two years in education and training;
- expanding child care options;
- increasing federal funding for the JOBS program;
- improving paternity establishment and enforcement and collection of child support; and

810 First Street, N.E., Suite 500, Washington, D.C. 20002-4267 (202) 682-0100 FAX: (202) 289-6555

- enacting APWA legislative and regulatory proposals for simplification and coordination of welfare and food stamp policies.

On January 11, 1994, APWA released the report, and since that time nearly 20 welfare reform bills have been introduced in Congress, including a proposal by President Clinton, the Work and Responsibility Act of 1994, introduced by the House and Senate Democratic leadership on June 21, 1994.

This statement outlines APWA's policy positions on the Work and Responsibility Act.

**General Policies Consistent with APWA's Proposal**

The Work and Responsibility Act of 1994 is consistent with APWA's proposal for welfare reform. Its commitment to strengthening the JOBS program, establishing a mandatory work requirement, strengthening child support enforcement, improving child care, and simplifying AFDC and food stamp policies are in many ways similar to APWA's recommendations. The policies in the act that are consistent with APWA's recommendations include, but are not limited to the following:

- It builds on the JOBS Program and the Family Support Act (FSA). Like APWA's proposal, it utilizes JOBS and the child care and child support provisions in FSA as the foundation for further reform of the welfare system.

- Funding for the JOBS Program is increased and the state match is lowered. The administration's proposal recognizes that the lack of resources for the JOBS program has been a major impediment to full implementation of the program. Of particular importance is the recognition of the fiscal constraints under which states continue to operate. APWA particularly supports the provision in the act, that lowers a state's match requirement and raises a state's capped entitlement during periods of high unemployment.

- The mandatory work requirement embraces the important values of mutual responsibility and work--values recognized as critically important by human service administrators, federal and state policy makers, and the American public.

- Implementation of the new requirements under the act are phased in over time and in terms of who is served. Phase-in and targeting are important to ensuring states' success in meeting the challenges of welfare reform.

- Improvements are made in policy and regulation on child care for AFDC families, Transitional Child Care, and At-Risk Child Care, which will lead to greater conformity in program policies and improve the availability of quality child care.

- States are provided greater flexibility in how they operate their AFDC program through a provision that allows them to implement certain policy changes through the state plan process rather than the waiver process. In seeking a state plan change, states will also now avoid requirements such as cost-neutrality. APWA proposed a similar process.

- The nearly two dozen changes in AFDC and food stamp policy will lead to greater conformity between the two programs. Many of these changes were proposed by APWA.

**Specific Policies Consistent with APWA Proposal**

In addition, the following provisions are nearly identical to policy changes recommended by APWA:

- establishment of an agreement of responsibility at the time of application for benefits;

- development of an employability plan within 90 days of eligibility determination;

- requiring up-front job search for those who are job ready;

- establishing 20 hours as the minimum work standard for those working and on welfare; and

- allowing states to operate CWEP in addition to WORK, although states must seek a waiver to do so under the Administration's plan

**Policies Inconsistent with APWA Proposal**

- <u>Penalties on States:</u> The administration's plan includes a 25% reduction in federal funding for AFDC if states fail to: (1) stay under the deferral cap of 10% for good cause waivers; (2) meet a 45% JOBS participation rate requirement; (3) meet WORK participation rate requirements; (4) keep accurate records on time-limits; and (5) stay within the cap on extensions of the time-limit. States may also lose IV-A funds if certain paternity establishment tolerance levels are not met. APWA opposes these penalties that result in a loss of IV-A funds. Instead, APWA supports retaining the current JOBS penalty structure of loss of enhanced JOBS funding.

- Penalties on Recipients: The Administration also proposes to reduce the parents' share of the AFDC grant for non-compliance under JOBS and loss of the entire family's grant for refusal to take a job. APWA proposed a 25 percent reduction of combined AFDC and food stamp benefits for non-compliance. APWA continues to support its proposal.

- JOBS Prep vs Deferrals: APWA's proposal calls for creation of a JOBS Prep program to provide services to individuals for whom the time-limit does not apply. The administration creates a new deferral category for this group and allows states to provide services. APWA supports additional funding of at least $435 million over five years (as opposed to cuts elsewhere) in order to allow the inclusion of JOBS Prep.

- WORK: APWA's proposal calls for mandatory work in a private sector job with placement in CWEP only as a last resort. The Administration establishes a new, separate, mandatory program--WORK--administered by the welfare agency or some other agency, thta uses federal funds to subsidize wages. APWA supports allowing states the flexibility to design a mandatory work program, that must include WORK and may include wage supplementation, an alternative work program approved by the HHS Secretary via the state plan, or CWEP as a last resort.

- Job Creation Strategy: APWA's proposal calls for a new federally-funded private sector job creation strategy. The Administration's proposal does not. APWA supports adding a private sector job creation strategy to the bill.

- Conditions for Receiving Enhanced Match: States are eligible for enhanced federal match for JOBS and WORK. The enhanced rate is phased in over a five-year period before reaching 70/30 or a state's Medicaid match rate if states: (1) operate JOBS and WORK on a statewide basis; and (2) meet a FY 93 or 94 maintenance of effort requirement whichever is greater. Maintenance of effort requirements apply to JOBS, WORK, AFDC Child Care, Transitional Child Care, and At-Risk Child Care. APWA recommends that the enhanced match rate be available without a statewide requirement and with maintenance of effort based on FY 92 expenditures, and only for JOBS funds that are federally matched.

- Binding Arbitration/Mediation: The act imposes numerous new requirements on states to resolve disputes on displacement of existing workers under the WORK program. Current law already prohibits displacement of existing unfilled positions in CWEP and work supplementation. APWA opposes the arbitration and mediation requirements.

- Teen Pregnancy Prevention: The administration proposes to spend $300 million over five years for adolescent pregnancy prevention demonstration projects at the local level. The funds are provided under Title XX and will go directly to the grant recipient with no state-level involvement. APWA supports a set-aside for teen pregnancy prevention based on multi-level, multidisciplinary approaches with a meaningful state role to help leverage state and local resources with a new federal approach.

- Financing: All but $2.1 billion in new funding under the Administration's plan will be offset through reductions in entitlement spending, including: tightening SSI, AFDC, and Food Stamp sponsorship and eligibility rules (deeming) for noncitizens and requiring sponsors of legal aliens to assume greater financial responsibility; limiting SSI eligibility for drug and alcohol addicted recipients; placing a cap on federal spending for the AFDC Emergency Assistance program; establishing a new income test for meal reimbursements to family day care homes under the Child Nutrition Program; and extending the 1990 Farm Bill provision that reduced the percentage of recovered Food Stamp overpayments retained by states. APWA opposes any financing provisions that result in a cost-shift to states.

**APWA Concerns About Elements of the President's Proposal:**

- Participation Rates: The administration's proposal requires participation rates for JOBS, AFDC-UP, and WORK. APWA calls for making the definition of participation as flexible and realistic as possible. In addition, high unemployment within a state or political subdivision of a state should be taken into consideration in defining participation.

- Administrative Capacity: Concern is raised about the state's ability to implement the requirements of the Work and Responsibility Act within the prescribed timeframes and available resources. Of particular concern is the impact of placing a cap on the federal portion of both the enhanced and the regular match for design and development costs for automation systems. There is additional concern that the act limits state flexibility by mandating that in order to receive an enhanced match rate for JOBS, WORK, and Child Care systems, states must either (1) work with the federal government to develop a model system for each program or (2) collaborate with at least one other state to develop model and support case management systems.

- Reciprocity between JOBS/WORK and other delivery systems: Concern is expressed about the numerous requirements on the JOBS/WORK agency to coordinate planning and service delivery with other systems like JTPA, adult education, and vocational education, without a requirement for reciprocal requirements of these other system.

**APWA believes further that:**

- Passage of Health Care Reform Legislation: APWA's recommendations call for national policy to assure health care coverage for poor children and families and assert that reform of the welfare system is inextricably linked to reform of the health care system. APWA underscores the importance of enactment of health care reform guaranteeing universal coverage with subsidies, if necessary, for lower income families.

- Child Support and Welfare Reform: Efforts are underway in the House and Senate to move forward with child support reform separate from welfare reform. APWA strongly urges Congress to enact reforms for both policy areas in the same legislation. In doing so, APWA supports existing policy that allows the non-IV-A population to receive government child support services at the individual's option.

- Consistency Between the Goals of the Act and Audit and Quality Control: APWA calls on the administration and Congress to ensure that the AFDC and food stamp quality control systems, and federal procedures for auditing of programs under the act, are consistent with and support the goals of work, family stability, and self-sufficiency.

**Approved by the NCSHSA July 27, 1994.**

FOR IMMEDIATE RELEASE
Tuesday, June 14, 1994
Contact: Stella Ogata 202-662-3609

Reed / Way
Sig

DEAR LORD BE GOOD TO ME THE SEA IS SO WIDE AND MY BOAT IS SO SMALL

Children's Defense Fund

# CDF GIVES ADMINISTRATION WELFARE REFORM PLAN A MIXED REVIEW

**WASHINGTON, D.C.** -- Citing concerns about inadequate investments in real job creation and cuts in help for poor children and families, the Children's Defense Fund (CDF) today said that it will work with Congress to improve key provisions that adversely affect children in the Administration's welfare reform plan.

"While there are some important new initiatives in this plan, other provisions threaten to push some poor children and families deeper into poverty," said CDF President Marian Wright Edelman.

CDF specifically criticized a proposed option for states to exclude children born to families already on Aid to Families with Dependent Children (AFDC) from assistance, and to eliminate the safety net for children whose parents don't comply with all welfare rules.

However, Edelman praised provisions of the plan that add new federal funds for child care, education, and training as well as measures to strengthen child support enforcement and create child support assurance demonstration opportunities. In another provision of importance to children, the plan also protects parents who are willing to work from losing all income support when jobs are not otherwise available.

"We desperately need to reform the current welfare system," said Clifford M. Johnson, CDF director of programs and policy. "But cutting programs that prevent homelessness, provide help to families in crisis, and give assistance to elderly and disabled immigrants is not the answer. We must change current budget rules that stymie efforts to move parents into the workforce and lift children and families out of poverty."

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25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787
Fax 202 662 3510

NCJW

National Council of Jewish Women – Daring To Make A Difference

53 West 23rd Street • New York, NY 10010 • (212) 645-4048 • Fax (212) 645-7466



*Washington Office*
Suite 1012
1101 15th Street, N.W.
Washington, DC 20005
202-296-2588
Fax: 202-331-7792

*Israel Office*
NCJW Research Institute
School of Education
Hebrew University
Mount Scopus
Jerusalem, Israel 91905
NCJW Office:
972-2-882-208
972-2-813-264
Institute Office:
972-2-882-016
FAX: 972-2-322-545

June 13, 1994

President William J. Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton:

As you prepare to formally release your Welfare Reform plan, we are writing to you on behalf of the 100,000 members of the National Council of Jewish Women (NCJW) in order to express our concern. In particular, we believe that your plans to include a family cap provision will only add more strife to the already impoverished families of our country. Such a plan would punish innocent children and their siblings in families struggling to stretch meager resources just to provide the necessities for their children.

Child Exclusion, or family cap, provisions do not take into account the many reasons why mothers and their children are struggling with poverty. Many more mothers than fathers are left abandoned with the burden of caring for their children without a job. The feminization of poverty is becoming more widespread, and it is not something which can be ignored. Quite often, mothers simply want to ensure that they care for their children properly, and therefore, choose not to work. These mothers are trying to prevent the cycle of poverty from continuing, but they need your help. The Child Exclusion provisions will contribute to the cycle of poverty, as more and more children will be born into families without enough money to provide adequate food, clothing, and housing.

Furthermore, it has been repeatedly shown that mothers have children for many different reasons. The small gain in welfare benefits which mothers would realize by having additional children is not an incentive to increase their family size. In fact, NCJW believes that denying families additional benefits for children born while the family is on welfare is counterproductive.

We urge you not include the Child Exclusion provision in your welfare reform package, as it would contradict the goal of "ending welfare as we know it."

The Child Exclusion provision would hamper the ability of our younger generation to grow up in a healthy environment. Welfare families need resources in order to move out of poverty. A child exclusion provision cuts these necessary resources. As an organization that cares about women's issucs, family unity, and the well-being of children, NCJW urges you to reconsider this element of your Welfare Reform package.

Thank you.

Sincerely,

Susan Katz

Susan Katz
National President

# WORKING GROUP ON WELFARE REFORM, FAMILY SUPPORT AND INDEPENDENCE

*MEMORANDUM*

| | |
|---|---|
| *TO:* | *Kathi Way, White House, Domestic Policy Council*<br>*Loretta Avent, White House, Office of Intergovernmental Affairs*<br>*John Monahan, Director, Intergovernmental Affairs, DHHS*<br>*Emily Bromberg, Special Assistant, ACF* |
| *FROM:* | *Patricia Sosa, Director, Public Outreach, WRWG* |
| *RE:* | *Letter to Tribal Leaders*<br>*Revised Tribal Specifications* |
| *DATE:* | *May 26, 1994* |

Please see the attached draft letter addressed to tribal leaders regarding the proposed welfare reform specifications relating to Native Americans and Alaska Natives. The purpose of this letter is to brief the Native American community about the development of our proposal and outline the key components directly affecting Native Americans and Alaska Natives. The idea is to send the letter to all tribal leaders, tribal JOBS program directors, and Native American and Alaska Native associations.

I would appreciate it if you could review the letter for clarity and tone. We need to make sure that we are following the appropriate protocol. The salutation to Tribal Leaders is the Department of Interior's standard salutation. I also thought it would be important for Mary Jo Bane to sign the letter since she not only Co-Chairs the Working Group but also heads the agency that would administering the program. For your benefit, I have also attached the latest version of the Tribal Specifications. Please fax changes to Patricia Sosa, 205-9688 (fax) or call me at 401-9261.

Dear Tribal Leader,

As you know, welfare reform is a top priority of the Clinton Administration. On June 11, 1993, President Clinton announced the Working Group on Welfare Reform, Family Support and Independence.

As the Assistant Secretary for Children and Families in the Department of Health and Human Services and co-chair of the Working Group on Welfare Reform, I want to assure you that we are interested in input from Native Americans on how welfare reform issues will affect Native American communities, particularly those in Indian country.

As part of the Working Group's public outreach efforts, several meetings have been held with representatives of Indian tribes, Alaska Native organizations and other Native American organizations to hear the concerns about welfare reform from the perspective of Native Americans who know first hand the problems resulting from the economic conditions in Indian country. As a result of these meetings, recommendations have been drafted to be incorporated into the President's welfare reform package. The purpose of this letter is to provide you with a general overview of the Administration's proposal and to share with you the recommendations that have been drafted concerning Indian country.

<u>Overview of the Administration's Welfare Reform Plan</u>

Although a final proposal has not yet been introduced to Congress, the President's welfare reform plan will be based on two simple principles: work and responsibility. Unfortunately, the current welfare system undermines these values by making welfare more attractive than work, and allowing some parents to avoid the responsibility for supporting their children. The President's plan would restore the basic values of work and responsibility, provide opportunity, and promote the family.

To reinforce and reward work, our approach is based on a simple compact. Support, job training, and child care will be provided to help people move from dependence to independence. But after two years, anyone who can work, must work -- in the private sector if possible, in a public service job if necessary.

Our approach builds on the successful philosophy of the Family Support Act of 1988. Our plan provides additional federal funding and makes sure that the Job Opportunities and Basic Skills (JOBS) program established by the Family Support Act really works. Our plan will create the WORK program which will make paid and unpaid work assignments available to individuals who cannot find private sector employment after up to two years of JOBS education and training.

## Recommendations Based on Input from Native American Organizations

The success of the President's welfare reform program depends largely on local implementation and cooperation. Additionally, the Administration is committed to the maintenance of the Federal government's unique and continuing relationship with, and responsibility to, the Native American community. In an effort to allow Native American communities to better serve their welfare populations and in support of the principles of Indian self-determination policy, the Working Group is recommending several provisions to address the needs of Native American communities.

We are recommending that Indian tribes and Alaska Native organizations be allowed to operate their own JOBS and WORK programs. It is also being proposed that tribal grantees be allowed to provide extensions to the two year time limit to up to a specified percentage of those individuals required to participate in JOBS, if necessary to meet the needs specific to reservations and Alaska Native communities.

Additionally, under current law States are the only entities eligible to administer child care funds used to guarantee child care for those who participate in either a State or tribal JOBS program. Under welfare reform, it is being recommended that Indian tribes and Alaska Native organizations be eligible to apply to administer their own child care funds in support of a JOBS/WORK program. Included in this proposal are transitional child care funds which support certain individuals who have left AFDC because of employment.

The other recommendations we want incorporated into the welfare reform package, which expand upon the JOBS program, are summarized below.

- Base funding to Tribal governments for the JOBS program on the number of Native Americans who receive AFDC and who reside within the designated service area of the tribe or Alaska Native organization. Currently, JOBS funding for Indian tribes and Alaska Native organizations is based on the number of tribal members who receive AFDC and who reside within a grantee's designated service area.

- Re-open the application period for JOBS to Federally recognized Indian tribes who did not apply during the application period that was established by the Family Support Act. The Family Support Act gave Indian tribes and Alaska Native organizations a six month period in which to apply to operate a JOBS program. The six month period ended on April 13, 1989.

- Fund the tribal JOBS program though a set-aside from the total federal JOBS allocation. Current JOBS funding for the Indian tribes and Alaska Native organizations is accomplished through a reduction in the amount of JOBS funds allocated to the States where the reservations and Alaska Native organizations are located.

- Allow tribal JOBS grantees to carry over up to twenty percent of JOBS funds awarded in one fiscal year into the next fiscal year. This would assure a continuity of program operation from one fiscal year to the next.

- We recognize that there cannot be significant movement towards self-sufficiency if there is a lack of employment opportunities. Although JOBS program funds can be used to educate and train individuals to work in economic development related enterprises, JOBS funds cannot directly be used for economic development. Thus under welfare reform, we are recommending that tribal JOBS grantees be permitted to use a specified amount of JOBS funds for economic development projects related to the training of JOBS participants.

- Include tribal grantees for consideration in areas such as technical assistance and demonstration projects and grants.

I have presented here just a brief synopsis of the recommendations that we are making to President Clinton for inclusion in his welfare reform package.

We look forward to continuing to work with the Native American community as we progress with welfare reform. If you have questions, please contact Patricia Sosa or Patricia Williams of my staff at 202-401-9200.

Sincerely,

Mary Jo Bane
Assistant Secretary
for Children and Families

## JOBS, TIME LIMITS, WORK AND CHILD CARE

**Provisions in this section apply specifically to Indian tribes and Alaska Native organizations.**

### JOBS AND TIME LIMITS

1. NEW TRIBAL JOBS FUNDING FORMULA

Current Law

*Under current law, funding for Indian tribes who operate a JOBS program is based on the number of adult Tribal members who receive AFDC who reside within the tribe's designated service area. Funding for Alaska Native organizations is based on the number of adult Alaska Natives who receive AFDC who reside within the boundaries of the region the organization represents. Indians living on the same reservation are currently subject to either the Tribal JOBS program or the State JOBS program depending on Tribal affiliation. Indians living in Alaska who are not Alaska Natives are subject to the State's JOBS program.*

*Tribal JOBS grantees currently receive funding based on a count of just under 31,000 adult Tribal members who receive AFDC. It is estimated that the adult AFDC population for all reservations (including those where a Tribal JOBS program does not exist) is 58,000.*

Vision

*All Native Americans living within the designated service area of an Indian tribe or Alaska Native organization would be subject to the tribal JOBS program regardless of tribal affiliation, if the tribe elects to run a JOBS program.*

Rationale

*Programs operated by the Department of Labor and the Bureau of Indian Affairs for Indians do not use Tribal affiliation to establish program funding or eligibility.*

Drafting Specifications

a. All Indians, living within the designated service area of an Indian tribe or within the boundaries of the region served by an Alaska Native organization which is a JOBS grantee, would be included in determining the amount of the grantee's JOBS funds.

b. An Indian is one who meets the definition of Indian as given in section 4(d) of the Indian Self-Determination and Education Assistance Act.

2. NEW JOBS APPLICATION PERIOD

Current Law

*Under current law, Indian tribes and Alaska Native organizations had until April 13, 1989 to apply and until October 1, 1990 to begin operating a JOBS program. Indian tribes who did not meet these deadlines are prohibited from submitting applications to operate JOBS programs.*

Vision

*Indian tribes who did not meet the application deadline for JOBS would be given additional opportunity to do so.*

Rationale

*The window in which Indian tribes had to apply for JOBS was very limited. Other Federally funded formula grant programs available to Indian tribes do not have similar restrictions.*

Drafting Specifications

(a) All federally recognized Indian tribes not operating a JOBS program may submit applications and plans to do so.

(b) There would be no new application deadline.

(c) New applications/plans would have to be submitted by July 1 of each year, with the effective date of approved plans to be October 1.

(d) An Indian tribe or Alaska Native organization who terminates or has its JOBS program terminated will be eligible to reapply for JOBS after a five year period. Such Indian tribe or Alaska Native organization can reapply by July 1 of the fifth year by submitting an application and plan, with the effective date of an approved plan to be October 1. (This is to prevent a Tribal grantee from frequently entering and leaving the program.)

(e) The current restriction that an Indian tribe must have a reservation to be eligible to operate a JOBS program would be retained.

3. FUNDING SET-ASIDE FOR TRIBAL JOBS GRANTEES

Current Law

*Currently, funding for Indian tribes who operate a JOBS program is based on the number of adult Tribal members who receive AFDC who reside within the tribe's designated service area. Funding for Alaska Native organizations is based on the number of adult Alaska Natives who receive AFDC who reside within the boundaries of the region the organization represents. Yearly, Tribal grantees (includes Alaska Native organizations) and the State in which they are located must reach an agreement on the number of Tribal members who receive AFDC who reside within the grantee's designated service area. Any amount due a grantee by this agreement is deducted from the JOBS funding allocated to the State.*

*Although in some cases it does not cause problems, States and Indian tribes/Alaska Native organizations have found it difficult to come to agreement on the number of adult Tribal members who receive AFDC.*

Vision

*A set-aside of 2% out of total JOBS funds would be established to distribute to Indian tribes and Alaska Native organizations to provide JOBS.*

*The proposed percentage set-aside for Tribal JOBS grantees was determined based on two assumptions. First, that Indian tribes who do not currently operate a JOBS program will be given the opportunity to do so. Second, that all Indians, not just Tribal members, will determine Tribal funding. Using these assumptions, it is estimated that almost 2% (58,000 individuals) of the eligible adult AFDC population are Indians living on or near reservations or in areas served by Alaska Native organizations.*

<u>Rationale</u>

*Additional funding for the tribal JOBS grantees would make up for the lack of matching funds. States spent approximately $1,395 per JOBS participant from Federal and State matching funds in FY 93. Indian tribes spent approximately $935 per JOBS participant, all from federal funds as tribes are not required to provide matching funds.*

*Establishing a set-aside in lieu of the current funding formula would benefit both the Indian tribes, Alaska Native organizations and the States. States would not have any vested interest in the number of adult AFDC recipients who are Indians residing within a Tribal grantee's designated service area as the numbers would not have an impact on the States' JOBS allocations.*

*Funding for Indian tribes in the Child Care and Development Block Grant (CCDBG) program is a set-aside of the total allocated CCDBG funds.*

<u>Drafting Specifications</u>

(a) Allocate a set aside of 2% of the total JOBS allocation to Indian tribes and Alaska Native organizations.

(b) Each grantee's share of the set aside would be determined by its percentage share of the entire adult Indian AFDC population which is living on or near reservations or within the boundaries of the region represented by an Alaska Native organization.

(c) Provide for a periodic review of the percentage set-aside to ensure that it is based on an accurate percentage of adult AFDC recipients who are Indians living in the designated service area of a grantee. Provide for an automatic adjustment of the set-aside based on the results of this review.

(d) The remainder of the funding issued to an Indian tribe or Alaska Native organization who wishes to terminate or who have their programs terminated after the start of a fiscal year would revert to the State in which the Indian tribe or Alaska Native organization is located. This is because the State would then be responsible for serving the AFDC recipients who had been subject to the Tribal program.

(e) An Indian tribe or Alaska Native organization would be permitted to reallocate up to 10% of its JOBS allotment to its WORK program, and vise versa.

4. CARRY-OVER OF FUNDS

<u>Current Law</u>

*States, Indian tribes and Alaska Native organizations are currently prohibited from carrying over* *federal funds awarded in one fiscal year to the next fiscal year. All federal funds received in a fiscal year must be obligated by the end of the same fiscal year. Indian tribes and Alaska Native organizations have sometimes had to shut down their JOBS programs because new fiscal year funding is often not received until November. Unlike States which are in a position to use their own resources for operating JOBS pending the issuance of grant awards, Indian tribes and Alaska Native organizations do not have this luxury. States also have the advantage of the Cash Management Improvement Act (CMIA) which does not apply to Indian tribes and Alaska Native organizations. CMIA says that the Federal government must pay interest to States if States are forced to use State funds for something for which Federal funds are normally used. Thus, for example, States were issued a portion of their fiscal year 1994 JOBS funds a month before Indian tribes and Alaska Native organizations were issued any funds.*

*Without timely grant awards and without forward funding, Indian tribes and Alaska Native organizations either had to cease the program or use other limited tribal funds in the interim.*

Vision

*The JOBS programs operated by Indian tribes and Alaska Native organizations will not have to cease operation at the beginning of a fiscal year due to the non-timely issuance of new grant awards.*

Rationale

*The Job Training Partnership Act program under the Department of Labor has authority for forward funding. JTPA grantees are permitted to carry over a maximum of 20% of funds from one program year to the next.*

Drafting Specifications

(a) Indian tribes and Alaska Native organizations who operate JOBS programs would be permitted to carry over no more than 20% of the funds awarded in one fiscal year into the next fiscal year.

5. JOBS FUNDS FOR ECONOMIC DEVELOPMENT

Current Law

*Under current law, JOBS funds cannot be used to build/improve infrastructure which is so badly needed by Indian tribes and in areas served by Alaska Native organizations. JOBS funds cannot be combined with economic development funds to write proposals, make capital expenditures, etc. Indian tribes and Alaska Native organizations can apply for grants from ACF's Administration for Native Americans that if received can be used to support these activities. What Indian tribes and Alaska Native organizations can and what some do is to use JOBS funds to train individuals to work in economic development enterprises.*

Vision

*Allowing tribal JOBS grantees to denote a portion of their JOBS funds to economic development would give them additional opportunity to help their clients move towards self-sufficiency.*

Rationale

*Without the leveraging of Federal funds for economic development, there will be fewer employment opportunities for Native Americans.*

Drafting Specifications

(a) Upon approval by the Secretary, Indian tribes and Alaska Native organizations would be permitted to use no more than $5,000 or 10%, whichever is less, of their JOBS funds on economic development related projects.

(b) All economic development related projects that use JOBS funds must involve the training of JOBS participants for related jobs.

6. JOBS-PREP

**All provisions in the earlier discussion on JOBS-Prep apply except for the following.**

Drafting Specifications

(a) Indian tribes and Alaska Native organizations who operate a JOBS program will be responsible for the determination as to whether an AFDC recipient is to be assigned to the JOBS-Prep phase.

7. EXTENSIONS

Vision

*Tribal JOBS grantees will not be held to the same limitation on the granting of extensions to time limited AFDC benefits as will be the States.*

Rationale

*Many reservations and areas served by Alaska Native organizations suffer from lower literacy rates and higher unemployment than most areas of the country.*

Drafting Specifications

(a) The total number of extensions would be limited to 25% of the number of persons participating in the Tribal JOBS program.

# WORK

## 1. INDIAN TRIBES AND ALASKA NATIVE ORGANIZATIONS TO OPERATE THEIR OWN WORK PROGRAMS

Current Law

*Refer to this section under the general discussion of the WORK program.*

Vision

*Tribal AFDC recipients would be subject to the requirement to participate in JOBS just as they are now. They would also be subject to time limits.*

*Indian tribes and Alaska Native organizations would have the option to run JOBS. An Indian tribe or Alaska Native organization that operates JOBS would be required to operate a WORK program also. Indian tribes and Alaska Native organizations are responsible for determinations of JOBS-Prep status and extensions; however, there may be additional extensions because of unique tribal circumstances. tribal members subject to tribal JOBS/WORK programs are excluded from any State program measures.*

*The Tribal WORK program will have to look different from the State WORK program because of the proposed funding formula. The portion of the WORK funding based on a diversion of AFDC grants would be difficult and complicated to accomplish because of the State's continued responsibility for AFDC funds and the need for extremely close coordination between the State and the Indian tribe or Alaska Native organization. Therefore, it is envisioned that the tribal WORK program will more closely resemble a Community Work Experience Program (CWEP) than a work for wages model (i.e., a tribal member would continue to receive cash assistance, but would be required to participate in a WORK activity). Indian tribes and Alaska Native organizations would be able to use WORK allocation to create job opportunities.*

Rationale

*Since the Indian tribes and Alaska Native organizations would have to be involved in the development of WORK assignments on the reservation, it follows that the Indian tribes and Alaska Native organizations be given the administration of the WORK program. Keeping the WORK program at the tribal level will allow for a continuum of activity. It also advances tribal self-determination and provides for a more holistic framework for addressing the needs of Native Americans.*

Drafting Specifications

(a) Indian tribes and Alaska Native organizations which operate a JOBS program would apply to administer a WORK program. Any application will have to be approved by the Secretary.

(b) Indian tribes and Alaska Native organizations who do not want to operate a WORK program could not continue to operate a JOBS program.

(c) Funding for the tribal WORK program would be a percentage set-aside of the total WORK allocation.

(d) An Indian tribe or Alaska Native organization would be permitted to reallocate up to 10% of its JOBS allotment to its WORK program, and vise versa.

(e) An Indian tribe or Alaska Native organization would not be required to match Federal funds.

(f) The WORK program set forth in the application of a Indian tribe or Alaska Native organization under this part need not meet any requirement of the State WORK program that the Secretary determines is inappropriate with respect to a tribal WORK program.

(g) The Secretary shall develop appropriate data collection requirements.

(h) Appropriate performance measures will be developed.

## CHILD CARE

### 1. ALLOCATE JOBS AND TRANSITIONAL CHILD CARE FUNDS TO TRIBES AND ALASKA NATIVE ORGANIZATIONS

Current Law

*Under current law, States are the only entities eligible to administer title IV-A child care funds. Participants in Tribal JOBS programs who need child care have to be referred to the State IV-A agencies in order to receive needed child care.*

*Although data is not collected on the extent that title IV-A child care is used by Tribal JOBS participants, anecdotal information from Tribal JOBS directors seems to indicate that Tribal JOBS participants do not always get their child care needs taken care of through the State. Potential child care providers on reservations are often intimidated or unable to provide necessary information to the State in order to meet State requirements. Indian tribes and Alaska Native organizations that receive Child Care and Development Block Grant (CCDBG) funds sometimes use these funds to pay the cost of the child care to avoid dealing with the State. By using CCDBG funds to pay for the child care needed by Tribal JOBS participants, the Indian tribe or Alaska Native organization cannot use the funds to serve the child care needs of others who qualify.*

Vision

*Indian tribes and Alaska Native organizations would not have to rely the State IV-A agencies to guarantee the child care needed by Tribal JOBS participants and transitional child care. Funding the Tribal JOBS grantees to guarantee child care makes it easier for these entities to ensure that Tribal child care needs are met. Tribes would be provided funding for child care up to an amount equal to their JOBS/WORK allotment from title IV-A funds to address JOBS and transitional child care needs.*

Rationale

*Indian tribes and Alaska Native organizations who currently rely on the use of CCDBG to provide child care that is the responsibility of the State IV-A agency will be able to use CCDBG funds for their intended purpose once JOBS and transitional child care funds are available to them. The amount of child care funding available to the Indian tribes and Alaska Native organizations from title*

*IV-A funds for JOBS and transitional child care and CCDBG should be sufficient to meet the child care needs without the additional funding provided by At-Risk Child Care. Therefore, it is not being recommended to fund the Indian tribes and Alaska Native organizations directly for the At-Risk Child Care program at this time. However, we are adding a provision to give the Secretary authority to determine that there is a need in the future and to allocate funds for At-Risk Child Care to tribal programs at that time.*

Drafting Specifications

(a) Upon an approved application, all Indian tribes and Alaska Native organizations that operate a JOBS/WORK program would be allowed to administer title IV-A JOBS and transitional child care funds.

(b) Tribes that elect to administer title IV-A JOBS and transitional child care funds will receive reimbursement from title IV-A funds for the actual amount spent on child care up to an amount equal to their combined JOBS and Work allotment.

(c) Indian tribes and Alaska Native organizations would not be required to match Federal funds.

(d) The JOBS and transitional child care program set forth in the application of an Indian tribe or Alaska Native organization under this part need not meet any requirement of the JOBS and transitional child care programs that the Secretary determines is inappropriate with respect to such tribal JOBS and transitional child care program.

(e) The Secretary shall develop appropriate data collection requirements.

(f) Appropriate performance measures will be developed.

(g) Provide for the periodic review of the child care allotment to ensure that it is sufficient to meet the JOBS and transitional needs of tribal grantees. Provide for an automatic adjustment in the allotment based on the results of this review.

(h) The Secretary has the authority to conduct a study of the use of JOBS and transitional child care by Indian tribes and Alaska Native organizations to determine if child care needs are being met. If there are unmet child care needs, the Secretary has the authority to award At-Risk child care funds to Indian tribes and Alaska Native organizations through a set-aside.

## MISCELLANEOUS

### 1. TECHNICAL ASSISTANCE, DEMONSTRATIONS AND EVALUATIONS

Current Law

*The three year contract awarded in 1990 to provide technical assistance to Tribal JOBS grantees expired last year. Tribal JOBS grantees are not eligible to operate demonstration projects. And evaluations of the Tribal JOBS programs have not been done.*

Vision

*To gain more thorough information about what makes a successful Tribal or Alaska Native JOBS program, evaluation is needed just as it is for State programs.*

Rationale

*Welfare reform will be a major force in Indian country. Whatever form welfare reform will take, Indian tribes and Alaska Native organizations will need ongoing technical assistance to understand and implement necessary changes to their JOBS programs.*

*Most Tribal (including areas served by Alaska Native organizations) environments are sufficiently different from State environments to warrant the involvement of a certain number of Indian tribes or Alaska Native organizations in demonstration projects. A demonstration project may further allow an Indian tribe or Alaska Native organization to design and implement a program that tests innovative approaches that suits the unique circumstances of that Indian tribe, Alaska Native organization or of Indian country.*

Drafting Specifications

(a) Indian tribes and Alaska Native organizations would be eligible to submit applications for demonstration projects related to welfare reform, such as combining JOBS and WORK into a block grant.

(b) Any contract awarded for the provision of technical assistance following the passage of welfare reform legislation must specify that Indian tribes and Alaska Native organizations receive a fair share of the technical assistance.

(c) Amend the qualifying entities that can apply for Job Opportunities for Low-Income Individuals (JOLI) demonstration grants (authorized by section 505 of the Family Support Act) to include Tribal governments and Alaska Native organizations.

ADDITIONAL CONSIDERATION

1. EXCLUSIONS/DEFERRALS

**This discussion is included for consideration in any further discussion on how to treat areas of high unemployment in the context of time-limited AFDC benefits.**

**There is a very real lack of employment opportunities on many reservations and in areas served by Alaska Native organizations. Although seasonal employment is available on some reservations, there are not as many opportunities to work year-round. Without a large expansion of opportunities for full-time, non-seasonal work, individuals more than willing to work will be unable to do so.**

**Time-limiting cash assistance for those subject to the JOBS program operated by an Indian tribe or Alaska Native organization would necessitate the creation of many WORK assignments. If**

**AFDC recipients who reside in areas of high unemployment in the States are excluded from time-limited benefits, AFDC recipients subject to a Tribal JOBS program should be specifically mentioned.**

Drafting Specifications

(a) Specifically include reservations and areas represented by Alaska Native organizations in any designation of areas of high unemployment to be excluded from time-limited AFDC benefits.

(b) Limit the exclusion from time-limited AFDC benefits to AFDC recipients subject to a JOBS program operated by an Indian tribe or Alaska Native organization whose unemployment rate is 50% or more.

Progressive
POLICY INSTITUTE

**Statement By Will Marshall**
**President, Progressive Policy Institute**
**June 14, 1994**

President Clinton has unveiled a welfare reform plan that represents a solid start toward fulfilling his pledge to "end welfare as we know it." His blueprint begins what the Progressive Policy Institute has identified as the central challenge of reform -- replacing welfare with a new social policy based on work.

The Administration's plan already has drawn predictable fire from ideologues on both the left and the right -- from liberals who have reflexively defended a failed welfare system and from conservatives who would abolish that system without putting something better in its place. President Clinton's approach seeks neither to protect the status quo nor to punish the poor, but rather to liberate impoverished citizens from the trap of poverty and dependence. He deserves great credit for making radical yet constructive change possible and for putting the values of work, family and individual responsibility back at the center of our social policy.

President Clinton's call for a two-year limit on welfare fundamentally changed the terms of the debate, making possible a true system change rather than the incrementalism that has failed so often in the past to improve the lives of poor Americans.

In general the Administration's plan is built on five solid pillars: 1) making work pay; 2) universal health care; 3) child support enforcement; 4) fall-back public sector jobs; and, 5) prevention (discouraging illegitimate births, especially to teen age girls.) While these elements will change the behavior of welfare recipients, successful reform will also require changing the behavior of the welfare bureaucracy. PPI believes that, as Congress takes up the Administration bill, it should explore ways to use outcome-based performance standards, incentives and the power of competition to covert welfare into a true employment system. The overriding challenge of welfare reform is to reconnect recipients to the world of real, private sector work before they reach the two-year limit.

PPI also salutes the imaginative and meticulous work of the White House/HHS Working Group On Welfare Reform, Family Support and Independence, led by Bruce Reed, David Ellwood and Mary Jo Bane. The working group's deliberations were open and public; its members made themselves accessible to civic organizations and took pains to solicit the ideas of the poor citizens who would be affected by welfare reform -- not just the experts and social service professionals whose voices have dominated past reform efforts.

###

518 C Street, NE, Washington, D.C. 20002 202/547-0001 Fax 202/544-5014

**NARAL** *Promoting Reproductive Choices*

**STATEMENT OF JAMES WAGONER**
Vice President
National Abortion and Reproductive
Rights Action League (NARAL)

**CONTACT:** Karen Schneider
Darryl Lynette Figueroa
202/973-3032

On President Clinton's Inclusion of So-Called
Family Caps in National Welfare Reform

June 14, 1994

President Clinton's proposal to deny benefit increases to women if they have additional children while receiving public assistance is a terrible idea. This child exclusion policy, if passed by Congress, would harm already hard-pressed families, punish innocent children and coerce some low-income women to have abortion. Truly pro-choice policies maintain that forcing abortion is every bit as wrong as denying women access to the procedure. America has an urgent and compelling need to reform our welfare system. But solutions don't lie in callous policies that infringe on women's liberty, coerce reproductive decisions and punish their families. We call on Congress to reject this cruel and counterproductive measure.

-30-

National Abortion
and Reproductive Rights
Action League

1156 15th Street, NW
Suite 700
Washington, DC 20005

Phone (202) 973-3000
Fax (202) 973-3096

20 YEARS ADVANCING WOMEN'S RIGHTS

# NEWS RELEASE

FOR IMMEDIATE RELEASE
JUNE 14, 1994

CONTACT: NANCY DUFF CAMPBELL
202 328-5160

## NATIONAL WOMEN'S LAW CENTER CALLS PRESIDENT'S WELFARE REFORM PLAN A "WORK IN PROGRESS"

The National Women's Law Center today described President Clinton's welfare reform plan as a "work in progress" that needs improvements if it is to help low-income women and their families achieve self-sufficiency. "We applaud the child support and teen-parent case management sections of the plan, but have serious concerns about the two-year time limit, the inadequate funding, and the option to deny AFDC benefits for children conceived while their parent is on welfare," says Nancy Duff Campbell, Co-President of the Center. "We must remember that our goal cannot simply be to get families off welfare; rather it must be to eradicate women's poverty and the poverty of their children."

The President's plan includes many of the Center's child support recommendations. These include: coordination of efforts between state and federal governments to improve collection; a new system to update awards; a commission to develop a new national child support guideline; and a demonstration project to test the concept of child support assurance, in which single-parent families are guaranteed a monthly child support payment even when the other parent does not pay.

The President's plan also rightly recognizes that young mothers, with less education and lower skill levels, need special support systems to get their families out of poverty. "The proposal's mandate for case management for teenage mothers is crucial to ensuring that these young women get the support and attention they so desperately need," says Campbell. "This is particularly important since teenage mothers, as they enter their 20's, will become subject to the two-year limit on receipt of welfare benefits.

"Even restricted to young recipients, however, we cannot accept a two-year limit on public assistance," Campbell adds. "If sufficient resources are invested in providing education and training, creating jobs, and ensuring necessary support services such as child care, women will move off the welfare rolls into employment without the need of arbitrary time limits."

The Center is concerned that sufficient resources have not been committed to helping recipients achieve self-sufficiency. For example, the resources allocated to funding child care for women as they move off welfare are insufficient to meet even the current demand for child care for low-income families.

The Center also objects to the option for states to impose a "family cap," which would deny AFDC benefits for children conceived while a parent is receiving AFDC. "Excluding a child from the grant will simply push the family deeper into poverty," says Campbell. "That cannot be our approach if we truly want to help families." #30

NATIONAL WOMEN'S LAW CENTER

1616 P Street, NW • Suite 100 • Washington, DC 20036 • (202) 328-5160 • FAX (202) 328-5137

NCLR
NATIONAL COUNCIL OF LA RAZA

News Release

Contact:
Lisa Navarrete
Sonia Pérez
(202) 289-1380

FOR IMMEDIATE RELEASE
June 14, 1994

## NCLR CAUTIONS ADMINISTRATION ON WELFARE REFORM

Washington, D.C. -- Raúl Yzaguirre, President of the National Council of La Raza (NCLR), cautioned that the Administration's welfare reform proposal, announced today by President Clinton, risks doing more harm than good. "We believe the Clinton Administration is attempting to do the right thing. Unfortunately, by insisting that welfare reform be financed through cuts in existing benefits, the Administration has unnecessarily limited the scope of what it can accomplish while at the same time endangering vulnerable populations. This is not the way to engage in an effective strategy to reduce poverty."

Yzaguirre outlined the portions of the plan which don't go far enough to enable women to return to the workforce. "Arbitrary time limits don't take into account the barriers that some women face, including low education levels, limited English proficiency, and access to quality, affordable child care. In addition, the job training component of the President's plan may not be enough to do the job. It is not reasonable to expect many Latinas in high unemployment areas to find a job in two years without any provisions for job creation." Noting that Latinos are overrepresented among low-wage workers Yzaguirre warned, "We don't want to turn the welfare poor into the working poor."

MORE

Yzaguirre had particularly harsh words for the financing mechanism in the Clinton proposal, which severely cuts benefits to legal immigrants in the U.S. "This proposal tells hard-working American families that their tax dollars will support everyone's parents except their own, simply because they are foreign-born. Today's announcement does a great disservice to immigrants who have 'played by the rules,' that is, come to this country to work or be reunited with their families."

Yzaguirre concluded with words of caution to everyone in the welfare debate. "If we are going to fairly accomplish the goals of welfare reform, we must conduct a responsible debate. It is essential that policy makers remain focused on substantive issues rather than political expediency. We have already seen far too many attacks on poor women and their children, including the imposition of a 'family cap' which assumes women have children just to collect welfare benefits. Now the Administration is contributing to an atmosphere which places the welfare reform debate, which should be about supporting certain groups in society, in grave danger of being overtaken by ugly anti-immigrant rhetoric."

###

The National Council of La Raza is a private, nonprofit research and advocacy organization representing more than 170 "affiliates," Hispanic community-based organizations in 37 states, the District of Columbia, and Puerto Rico, serving more than two million Hispanics annually.

# CWLA news release

Child Welfare League of America • 440 First Street, NW, Suite 310 • Washington, DC 20001-2085 • (202)638-2952

**FOR IMMEDIATE RELEASE**
**June 14, 1994**

**Contact: Joyce Johnson**
**202/942-0244**

**DAVID S. LIEDERMAN, EXECUTIVE DIRECTOR**
**CHILD WELFARE LEAGUE OF AMERICA**

## STATEMENT ON PRESIDENT CLINTON'S WELFARE REFORM PROPOSAL

June 14, 1994

Everybody agrees that welfare as we know it doesn't work well for most involved -- families, workers or administrators. Everyone favors reform of the current system, with vastly differing views of why and how to achieve change.

I commend President Clinton for putting this issue on the table.

Reforming the welfare system and improving the lives of poor children and families is very important. The challenge is enormous. We have much work to do, but it has to be done with care and it has to be quality reform. If not, it could be disastrous and poor families as well as the rest of us will face more severe problems down the road.

The President's proposal contains several good provisions -- it expands child care, improves child support enforcement, and enhances the JOBS program.

But, by introducing a plan which permits harmful state options (e.g., arbitrary time limits, child exclusion/"family caps" provisions), the President opens the door for every Member of Congress and state politician to concoct a ludicrous scheme to experiment haphazardly on poor children and for them to make "political hay" out of going after poor families.

Much in the President's proposal may harm children, result in breaking up families, and cause many children from AFDC families to enter the child welfare system, swelling the out-of-home care population.

### TIME LIMITS AND WORK

The President wants young parents to train for work, and he sets arbitrary time limits for them to find jobs. But the jobs aren't there -- we have 8 million people already unemployed and looking for work -- and the time limits fail to take into account individual circumstances and the needs of children.

We need job development, and we need to encourage AFDC parents -- especially young parents -- to get an education, take internships, do part-time work, and be the best parents enforcement and assured child support benefits for all children with an absent parent, improved access to federal nutrition programs, as well as other reforms and initiatives outside of the AFDC system.

## PARENTING

**We must value and encourage excellent parenting.** Young mothers, for example, must not simply be tossed into the working world -- parenting itself is too important and parenting is indeed hard work.

**We must expect both parents to be responsible for their child(ren).**

**We must encourage and assist AFDC parents to become self-sufficient** and to act responsibly, find and keep work outside of the home, pursue education, maintain adequate and stable earned income, and contribute to the care of their children. Permit and encourage young people, however, to gain experience through education, internships, and other learning experiences, without having the immediate and premature responsibility of a job. AFDC recipients who are ready and able to work but cannot find a job in the private sector should be provided with quality full-time public sector work at family-supporting wages.

We must **support comprehensive, high quality early childhood programs** and child care assistance for AFDC families. Even now, demand for child care cannot be met.

We must **improve child support** which will solve part of the problem. However, low-income children whose parents do not or cannot pay child support rely on AFDC. A federally assured minimum child support payment, proposed by Representative Woolsey, would help many families achieve a decent standard of living.

We must **improve efforts to prevent teen pregnancy** to help young people stay healthy and in school, and reduce poverty, HIV/AIDS cases, and dependence on government assistance. Experts have identified three major program strategies that prevent adolescent pregnancy -- informing and influencing attitudes about sexual behavior in order to encourage teens to delay sexual activity, providing sexually active teens with family planning services, and expanding adolescents' awareness of life options.

We must assure **health care coverage** -- promised by health reform. Real welfare reform depends on it.

We must address the housing needs of AFDC families.

## CONCLUSION

Children are lost in this debate. We need to put children first and lose the rhetoric of "get tough" policies. Let's make sure that every American child has the basic resources of food, clothing, shelter, education.

This debate is a choice between the politics of punishing the poor or lifting families out of poverty.

possible until they can find private-sector work.

Instead of pushing the youngest parents into the workforce, we should focus on the 70% of AFDC parents who already leave AFDC within two years, by helping them stay off. We need to target these families with intensive case management, training, jobs, health care, and child care (including significant child care support for the working poor).

## CHILD EXCLUSION POLICIES

The President wants to permit states to deny parents the AFDC increase when they have an additional child while on AFDC.

Yet AFDC families receive only $2.30 extra per day. Any parent knows that that doesn't even come close to covering expenses.

## FINANCING

Welfare reform will cost a lot of money. Overhauling the welfare system immediately would require dedication of resources that no one as yet has been able to identify and guarantee.

The President wants to finance welfare reform on the backs of poor people, that is, by cutting other programs that serve children and families -- SSI and Emergency Assistance. That merely "robs Peter to pay Paul."

The President's proposal does not allocate adequate resources. $9 billion will go only part of the way toward real welfare reform.

Even this year without welfare reform, only a fraction of what was requested this year for child care for the working poor is likely to be funded -- not a good sign for real welfare reform that seeks to prevent dependency and supports families who leave AFDC.

## "CHILD-FRIENDLY" WELFARE REFORM

We must create opportunities that reduce welfare rolls, not simply start the clock running and cut AFDC recipient names from the list.

We must improve the lives of AFDC-eligible children -- they are the prime beneficiaries of welfare. **We should only accept welfare reform that protects and helps children.**

Welfare reform should bring us closer to **ending child poverty** in America.

We must provide **strong transitional support services** for AFDC families expected to work. These service components should include superb education resources, job training, and child care, and an increased minimum wage that "makes work pay."

We must promote, in addition to AFDC transitional support services, a **meaningful anti-poverty strategy** that includes improved unemployment insurance protection, a refundable children's tax credit, universal access to health care, paternity establishment, child support

WOW

# Wider Opportunities for Women, Inc.

A nonprofit tax-exempt Women's Employment Organization
1325 G Street N.W., Lower Level, Washington, D.C. 20005-3104 (202) 638-3143

NEWS RELEASE
For Immediate Release
June 14, 1994

CONTACT: Diana Pearce
or Cindy Marano
(202) 638-3143

While supporting President Clinton's goal of helping welfare recipients move towards work, Cindy Marano, Executive Director of Wider Opportunities for Women (WOW) today criticized the President's proposal. "President Clinton's welfare reform plan puts the cart before the horse" she says. "It imposes "tough" new requirements on welfare recipients without addressing the many inadequacies in the current welfare system. Most welfare recipients want to get back to work and become self-sufficient--indeed, the majority leave within two years, many for jobs. But many who embrace the values of work and responsibility promoted in the Clinton plan cannot leave, for the system simply does not work for them. Many thousands are currently languishing on waiting lists for child care and job training: in New York, 48,000 welfare mothers await child care so that they can enter training or employment. In Los Angeles, those who finally get child care have waited an average of 2.5 years."

Dr. Diana Pearce, director of WOW's Women and Poverty Project, notes that expanding job training services, while an essential component of welfare reform, will not work by itself. She observes that "Our current training programs are based on the "field of dreams" approach--if we train them, the jobs will come." We tried this approach with the Family Support Act of 1988, when we attempted to increase child-care simply by making it an entitlement. By not addressing the infrastructure issues or funding problems, we now have even more of a crisis-level shortage of child-care. The President's equally piecemeal approach to job training will not result in either the kind of job training needed, nor will it create the jobs needed.

Wider Opportunities for Women concludes that welfare reform today should focus on correcting the many inadequacies of our welfare and job training systems before imposing time limits and other requirements on recipients. Cindy Marano notes that "the Clinton Administration's welfare reform plan will be a practitioner's nightmare; WOW's experience in providing job training to welfare recipients and our conversations with service providers around the country lead us to believe that the President's proposals will be disastrous for welfare recipients, and will doom welfare reform to failure." President Clinton's new requirements would in effect ask recipients to be accountable for welfare systems and an economy that recipients cannot control.

WOW's analysis finds that while the President has often emphasized giving states flexibility, many elements of his welfare plan impose "one-size-fits-all" requirements on states and individuals whose circumstances vary widely:

- **Time-Limits:** All individuals would have a two-year *lifetime* limit on receipt of services, even though this is clearly inadequate for many to overcome severe barriers and enter employment.
- **Extensions and Exemptions:** All states would have the same cap on extensions and exemptions, even though unemployment rates, child care and job training systems, and recipient needs vary greatly. Rural states have pockets of unemployment, lack of child care and transportation problems unique to their situations. Urban areas have large welfare populations and cannot possibly provide all the support services needed.

- Upfront Job Search: THe President's plan would require upront job search for most recipients. While appropriate for those who are job ready, this provision delays the start of training, and often adds another failure experience. Many who do find employment this way find themselves in low-wage deadend jobs that result in recycling back onto welfare, delaying the achievement of longterm self-sufficiency. Recent research has shown that two-thirds of recipients who leave for jobs cycle back onto welfare. Upfront job search for everyone only exacerbates this trend and will not break the cycle of poverty and welfare.
- Teen Parent Residency Requirement: All teen parents would be required to live with their parents. Recent research has documented that the majority of teen parents have experienced abuse, physical and/or sexual, as children. Their efforts to break those patterns, and become good parents, should be supported rather than rely on a single rule for all situations.

WOW found many elements missing in the President's proposal, elements that their experience has found to be essential for welfare mothers to permanently leave welfare and poverty. Upfront career counseling opens up opportunities for women, including nontraditional occupational training, that result in carefully made choices and workable plans. Important as the EITC and health care are, the 100% tax on earnings and unrealistic child care reimbursement levels undercut the Administration's efforts to make work pay. Particularly since the plan does not address the shortage of jobs, the minimal support for self-employment and IDAs (Individual Development Accounts) which promote entrepreneurial efforts are short-sighted.

WOW is disappointed in the President's welfare reform proposals. Together with practitioners from around the country with years of hands-on experience in helping welfare recipients become self-sufficient, WOW is developing the Act for Family Development and Independence (AFDI). The AFDI is a two-generation approach that focuses on longterm self-sufficiency through employment and training programs that comprehensively meet the needs of women on welfare and their families. It supports the efforts of welfare recipients to become self-sufficient, and to be both good workers and good parents. It is scheduled to be released within the next month. WOW hopes that the President's proposals can be refined before being sent to Congress.

"We look forward to working with both the Administration and members of Congress to strengthen welfare reform so that it results in not just fewer families on welfare, but more families who break the cycle of poverty and become self-sufficient," said Cindy Marano, WOW's Executive DIrector.

* * * * * * * * * *

Wider Opportunities for Women is thirty-year-old organization which does advocates for women on employment and training issues, and conducts local training programs for low-income women, many of whom are welfare recipients. The Women and Poverty Project is a non-profit organization located at WOW which does research and advocacy on issues of concern to low-income women, including welfare reform, low-wage employment, poverty trends, and housing and homelessness. The project's founder and Director, Diana Pearce, coined the phrase "the feminization of poverty" and has written and spoken widely on these issues for over a decade.

<< END >>

Catholic Charities USA

Statement of Sharon Daly
Catholic Charities USA
June 14, 1994

The Clinton Welfare Plan: Or, Back to the Orphanage

The administration's welfare reform pretends newborn babies, young teen moms, immigrant grandparents, and vulnerable families aren't there. The administration is turning its back, pretending their problems will go away.

*The proposal tells newborn babies in a welfare family:*

"The United States of America says you are a mistake. Sorry you were born. And you will be sorry, too, because this country is going to make your family even poorer and more miserable than before."

*To the teenage mother and her infant, the administration's plan says:*

"Go back to the family that neglected and abused you; to where you first got pregnant. Your government has no interest in your having a place to live that is safe from abuse. You don't need help to raise your child in dignity."

*To families in danger of eviction and homelessness the plan says:*

"There are just too many of you. There's help for some, but the rest of you are out of luck. Find a bed at a shelter, or if they're filled, try a park bench, doorway, or sidewalk grate. This country cannot afford decent housing for everyone."

*To new immigrant parents and grandparents of American citizens, the administration says:*

"Welcome to America! But if you are old, frail, or disabled, don't expect any



1731 King Street • Suite 200 • Alexandria Virginia 22314 • Phone: (703) 549-1390 Fax: (703) 549-1656

help. This country accepts only the young , strong , and those savvy enough to become citizens. We hope you don't become citizens. In fact, we're counting on it — because the savings will pay for welfare "reform."

The administration's welfare plan turns our backs on those who have nowhere to go and don't vote: newborn babies, teenage mothers, almost homeless families, and immigrant grandparents. Pretending they are not there will not make their problems go away.

On the other hand, the administration is to be commended for keeping the safety net intact for one group of welfare recipients. Those who work hard to improve their skills and find jobs will not be abandoned. They can survive on a combination of subsidized jobs and welfare while they continue their job search. The administration recognizes that there just are not enough jobs to go around for all the parents on welfare who want and need them. We will work to help the Congress to see the wisdom of retaining the safety net for parents who are doing their best, and whose unemployment is structural, not personal.

It is not so clear however, what will happen to the children of parents who cannot or will not follow every rule and regulation of the new program. When their parents' welfare checks are cut off, where will the children go? The Clinton plan treats children like orphans if their parents miss a deadline or job interview. This is not a good public policy direction.

We know, we have been in the orphan business.

# Catholic Charities USA 1992 Annual Survey

*Catholic Charities USA, a network of 1,400 social service agencies and institutions and thousands of volunteers and staff members, assists people in need without regard to religious, racial, ethnic, or economic background. Catholic Charities USA supports families, strengthens communities, and addresses the root causes of poverty.*

| | 1991 | 1992 |
|---|---|---|
| People Served | | |
| Emergency | 8,397,379 | 10,610,303 |
| Social Services | 3,906,128 | 3,769,721 |
| Total | 12,303,507 | 14,380,024 |
| Income | $1,842,601,182 | $1,848,465,891 |
| Paid Staff | 56,388 | 55,945 |
| Volunteers | 191,789 | 158,050 |

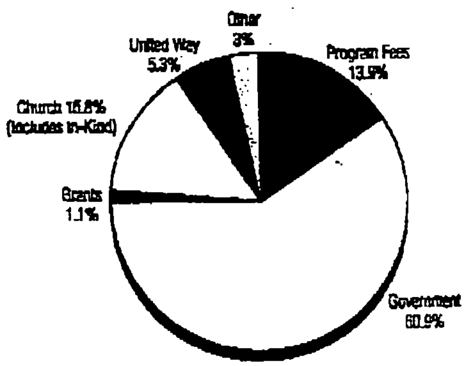
**Individuals served: 14,380,024**
Emergency services: 10,610,303
Social services: 3,769,721 people

**Income: $1,848,465,891**

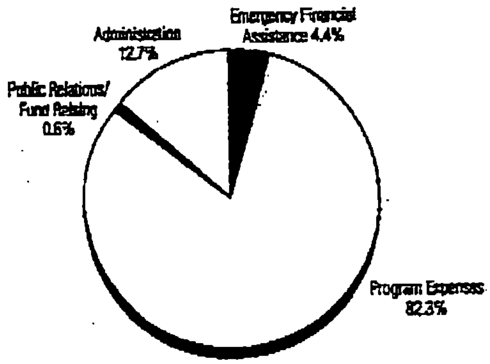
**Expenditures: $1,792,466,265**

Agencies served more than 14 million people in 1992 with the same income and virtually the same size staff available to serve 12 million people in 1991.

**1992 Income**




**1992 Expenditures**




## Emergency services

***Food services:*** 8.1 million people. Up from nearly 6.8 million the year before.
Soup kitchens rose from 2.1 million to 3.5 million.
Food banks dropped slightly, hovering around 4.6 million.

- **Children:** 2.7 million. Numbers nearly doubled from almost 1.5 million. The greatest increase was among children coming to soup kitchens, from 131,500 to about 1.2 million in one year.

***Shelters:***

308 shelters, compared to 233 in 1991.
Population rose from 98,000 to 285,000.

***Other crisis services*** (such as financial assistance or clothing): from 1.5 million to 2.2 million in one year.

# Catholic Charities USA 1992 Annual Survey

## Social services

**3.8 million people**
1.3 million children
1.9 million adults
486,000 elders

- **Social Support:** 1,299,133
  including 42,948 children receiving day care
- **Counseling:** 708,231 individuals served,
  including: At-risk families receiving counseling: 161,378
  Addiction services: 53,872 people
  Employment services: 35,430 people
- **Socialization** (such as programs for youth and elderly): 559,422
- **Education and family support:** 422,759
- **Refugee/immigration:** 268,456
- **Disaster relief:** 264,402
- **Out-of-home care of children and adults:** 115,206
- **Housing:** 86,997 (Housing units provided: 35,228)
- **Pregnancy:** 68,298
- **Adoption:** 33,366
- **Other:** 207,853

### Unmet needs

- Homelessness and housing services
- Health care access
- Services to children and adolescents
- Employment services
- Substance abuse services
- HIV/AIDS-related services

## Social action

Each year, the survey asks agencies what actions they have taken to help eliminate the causes of people's problems. Catholic Charities agencies are most likely to be involved in state-level legislation which affects their clients. Overall, almost three-fourths of the reporting areas were involved in legislative advocacy.

- The top five issues of *national* legislative advocacy focused on the economy, refugees and international justice, family life, hunger, and housing.
- The top five *state-level* issues were family life, the economy, housing, health, and hunger.
- Parish social ministry: Out of a total of 19,863 parishes, 4,511, or 23 percent, had social ministry programs, to involve parishioners in social action and service.

## Personnel

- 55,545 paid staff members
- 158,050 volunteers, down from 191,769 in 1991
- 8,527 corporate board members

## 10-year comparisons

A comparison of the same 115 agencies that responded in 1982 and 1992.

- Cash income: increased from $541 million to nearly $1.7 billion. (More than doubled when corrected for inflation.)
- Emergency food services: rose 1,047 percent, from 376,406 to 4,317,656 individuals.
- Government funding as a share of total income rose from 52.6 to 64.3 percent.
- The number of people receiving counseling declined 26 percent, from 913,181 to 671,774.
- The number of people in emergency shelter went up 179 percent, from 96,128 to 268,159.

# STATEMENT ON PRESIDENT CLINTON'S WELFARE REFORM PROPOSAL

**Catholic Charities USA**
**Center for the Study of Social Policy**
**Child Welfare League of America**
**Family Service America**
**Food Research and Action Center**
**National Association of Social Workers**
**NOW Legal Defense and Education Fund**
**Wider Opportunities for Women**
**Women and Poverty Project**

We believe that welfare reform is necessary. However, it is vitally important to the task of enabling families to achieve self-sufficiency that welfare reform be based on policies of assistance rather than punishment and harm.

We applaud President Clinton for taking on welfare reform, and we support the President's intention to expand child care, improve child support enforcement, and enhance the JOBS program. These important steps are critical to reforming the welfare system. Welfare reform must insure that an adequate safety net exists for children and their families, that parents work for wages instead of welfare, and that families have access to quality child day care, education, and employment opportunities.

However, we cannot support major elements of the President's proposal in its current form that could hurt, rather than help, children and families. Several provisions -- time limits on cash assistance, child exclusion policies (also known as "family caps"), state options for harmful experiments, and financing that cuts benefits to the poor -- will endanger innocent children and may cause increased family stress and dissolution, homelessness, and hunger.

AFDC parents do not need the threat of a cutoff of all assistance to their families to motivate them to work. The vast majority of AFDC parents have worked before and want a job to support their children. Time limits on AFDC benefits are unacceptably arbitrary; they fail to take into account individual circumstances, the needs of dependent children, and the failure of the economy to generate life-building jobs.

The proposal's focus on young parents coupled with its emphasis on work inadequately addresses several problems that jeopardize its goals. Jobs at wages that can sustain families remain elusive for many Americans, and especially for ill-prepared young people, not just those on AFDC. In addition, study after study has confirmed that "responsible parenthood" is vital to the development of children into healthy and productive adults. Welfare reform needs real jobs and needs to support, not discourage, good parenting. Toward that end, young parents under 23 years of age -- the least likely recipients to succeed in the workplace -- should not be pushed prematurely into work. They should be encouraged to care for their children, to advance their education, to explore part-time work and to participate in job training. That will prepare them to be the self-sufficient families that we all want.

Vulnerable families need a safety net program of last resort. Allowing states to enact child exclusion policies, denying additional income support for children born to welfare families, unfairly punishes women and children. There is no evidence that supports the effectiveness of these proposals. Our nation cannot abandon our most basic commitment to provide income assistance to poor families in need.

We all agree that financing welfare reform will be difficult and that the cost will far exceed what the President has allocated. Unfortunately, the President finances his plan on the backs of the poor. Denying public assistance to legal immigrants unfairly penalizes families who pay taxes and legally live in this country. A cap on the Emergency Assistance program, which helps prevent homelessness and foster care placements, further jeopardizes families.

We want to work with the President and with Congress to develop a welfare reform plan that protects children and families while providing the assistance needed to help families become self-sufficient. This is a tough issue. We need to deal with all of these issues in a deliberative and child-friendly way. Real welfare reform must help the majority of families who leave AFDC within two years stay off by providing job training, job development, parent education, intensive case management, health care, child support assurance, and child care. Above all, we need an all-out attack on poverty in order to make welfare reform and family self-sufficiency achievable.

June 14, 1994

***

(For more information, contact Thomas Brooks or Karabelle Pizzigati of the Child Welfare League of America - 202/638-2952)

DRAFT

O.K. Patricia Sosa

Dear Tribal Leader:

Welfare reform is a top priority of the Clinton Administration. To address these issues President Clinton formed the Working Group on Welfare Reform, Family Support and Independence (Working Group). The Working Group is mandated to develop a bold new program that will not simply change the welfare system but will ultimately provide a genuine alternative to it.

In an effort to allow Native American communities to better serve their welfare populations and in support of the principles of Indian self-determination policy, the Working Group is recommending several provisions to address the needs of Native American communities. These recommendations evolved from a series of meetings held with representatives of some of the Indian tribes, Alaska Native organizations and other Native American organizations. During these meetings we heard first hand the problems resulting from the economic conditions in Indian country. It became clear that a welfare reform proposal that recognized the unique problems of Indian Country could be an effective vehicle for addressing some of these concerns.

The purpose of this letter is to share with you these recommendations. The recommendations have been designed in the context of a comprehensive welfare reform proposal which calls for major changes in Aid to Families with Dependent Children (AFDC) and the child support system.

The principles of work and responsibility are the driving force of the entire welfare reform package, including the options under consideration for Indian Country. As we are all well aware, the current welfare system undermines the values of work and responsibility by making welfare more attractive than work, and allowing some parents to avoid the responsibility for supporting their children. To reinforce and reward work, the proposals under consideration would call for a major expansion of job training and child care to help people move from dependence to independence. After two years, anyone who can work, will be required to work -- in the private sector if possible, in a public service job if necessary.

The President's proposal will build on the successful philosophy of the Family Support Act of 1988. The plan will provide additional federal funding and higher federal match rates to ease state fiscal constraints and make sure that the Job Opportunities and Basic Skills (JOBS) program, including the Tribal JOBS program, established by the Family Support Act really works. The plan will create the WORK program which will make paid and unpaid work assignments available to individuals who cannot find private sector employment after up to two years of JOBS education and training. The proposal will also build on the best state and federal initiatives at improving the child support enforcement system. The plan will seek to establish paternity

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for all births, reassess awards guidelines and update payment sums as parental incomes change, include noncustodial parents in training and employment activities as needed, and ultimately enforce collection of support payments.

In an effort to allow Native American communities to better serve their welfare populations and in support of the principles of Indian self-determination policy, the Working Group is recommending major reform of the options available for Tribal Governments to administer some of the key programs.

We are recommending that Indian tribes and Alaska Native organizations be allowed to operate their own JOBS, WORK and child care programs. For the Tribal JOBS program we are proposing both increasing funding and reopening the application period for new Tribal JOBS programs. Special provisions have been included to provide extensions to the two year time limit to JOBS participants, if necessary to meet the needs specific to reservations and Alaska Native communities. In addition, an Indian tribe or Alaska Native organization that operates a JOBS program will be required to run the WORK program and use this new allocation of funding to create job opportunities.

Under current law States are the only entities eligible to administer child care funds used to guarantee child care for those who participate in either a State or Tribal JOBS program. The President's proposal will be recommending that Indian tribes and Alaska Native organizations be eligible to apply to administer their own child care funds in support of a JOBS/WORK program. Included in this proposal are transitional child care funds which support certain individuals who have left AFDC because of employment.

The other recommendations under consideration, which expand upon the JOBS program, are summarized below.

- o Include all Indians, living within the designated service area of an Indian tribe or within the boundaries of the region served by an Alaska Native organization which is a JOBS grantee, in determining the amount of the grantee's JOBS funds. Under current law, only actual Tribal members, and not others who might reside within the designated service area, are included in determining the amount of JOBS funds.

- o Re-open the application period for JOBS to federally recognized Indian tribes who did not apply during the application period that was established by the Family Support Act. The Family Support Act gave Indian tribes and Alaska Native organizations a six month period in which to apply to operate a JOBS program. The six month period ended on April 13, 1989.

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- o Fund the Tribal JOBS program through a set-aside from the total federal JOBS allocation. Current JOBS funding for the Indian tribes and Alaska Native organizations is accomplished through a reduction in the amount of JOBS funds allocated to the States where the reservations and Alaska Native organizations are located.

- o Allow Tribal JOBS grantees to carry over up to twenty percent of JOBS funds awarded in one fiscal year into the next fiscal year. This would assure a continuity of program operation from one fiscal year to the next.

- o Permit Tribal JOBS grantees to use a specified amount of JOBS funds for economic development projects related to the training of JOBS participants. We recognize that there cannot be significant movement towards self-sufficiency if there is a lack of employment opportunities. Under current law, although JOBS program funds can be used to educate and train individuals to work in economic development related enterprises, JOBS funds cannot directly be used for economic development.

- o Consider Tribal grantees for technical assistance funds, demonstration projects and other grants.

I want to assure you that the Working Group recognizes the federal government's unique and continuing relationship with Tribal governments. I have presented here just a brief synopsis of the recommendations that I hope will be included in President Clinton's welfare reform package. The drafting of the President's proposal is just the beginning of the process. Once the proposal enters the Congressional process, we hope that Administration officials, key Congressional leadership and Tribal leadership will engage in a broader dialogue to refine these proposals in the context of our commitment to the policy of self-determination for Indian country.

If you have questions, please contact Patricia Sosa of my staff for additional information. Ms. Sosa may be reached at 202-401-9261.

We look forward to working with you in this important matter.

Sincerely,

Mary Jo Bane
Assistant Secretary
for Children and Families
Co-Chair
Working Group on Welfare Reform,
Family Support and Independence