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NEW YORK STATE
DEPARTMENT OF SOCIAL SERVICES

Welfare Reform

NEW YORK STATE

DEPARTMENT OF SOCIAL SERVICES

40 NORTH PEARL STREET, ALBANY, NEW YORK 12243-0001

MICHAEL J. DOWLING
Commissioner



January, 1994

Dear New Yorker:

To most people, welfare means public assistance -- the cash and other benefits provided to eligible poor recipients in two programs: Aid to Dependent Children (ADC) and Home Relief (HR).

The truth is, however, that the social services system -- in New York as elsewhere -- encompasses more than public assistance. It is concerned as well with the welfare of children, with those abused or neglected or for other reasons deprived of the adult care they need. The foster care and adoption systems, for example, are part of social services.

Homelessness, too, is a large concern of the system, as are a number of the other vulnerabilities that poverty or addiction or physical and mental disease can bring with them.

These vulnerabilities frequently overlap and impinge upon the same individuals. But, because of the size and complexity of the problems, especially in bad economic times, the bureaucracy charged with handling them tends to segregate them, dealing with each through different offices and workers. The interrelatedness of the problems is frequently ignored, and solutions are delivered in segmented, unrelated services.

When we talk about welfare reform, we mean changing how the entire social services system operates.

Part of the reform we undertake in 1994 will be the attempt to break through old and long-held habits of thought that keep workers in one part of the system from considering how their work might affect another part. Generally, for example, child welfare workers do not work in public assistance offices where individuals make their applications for benefits. Just as bad, employment workers may not deal with applicants until considerably long after eligibility workers have performed their task. And it will probably be even longer after that when someone talks to the applicant about the advantages of receiving medical benefits under the managed-care model. Managed care is the major element of our on-going reform of Medicaid, and can help keep families healthy through increased access to preventive and primary health care.

The central and prime element of our reform is a "Jobs FIRST" strategy because we see work as the surest -- indeed, the only -- way to achieve self-sufficiency. Employment must become the business of everyone who works in the social services system.

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

We are developing a series of papers to explain our proposals for reform in the various parts of the system. Although they are presented separately, they share a number of common elements. For example, the best thing we can do for people -- for public assistance applicants, for children at risk of foster care and families at risk of losing their children, for those who may be homeless because of some family crisis -- is to keep them out of the formal, long-term system, and to provide the temporary assistance they or their families may need to preserve their independence, and safety and sense of permanency.

There is, throughout the various proposals, an emphasis on alternatives to business as usual, and on the obviously beneficial uses of prevention. Likewise you will see a greater emphasis everywhere on what we legitimately expect of those who seek assistance: that they use public resources as the last resort, not the first; that they do something in return for what they get.

Taken together, these reforms are the most sweeping attempted in many decades. Our success will be measured step by step, individual by individual, one at a time. It will be measured by the number of people who go to work, by the number of families that are preserved and strengthened, by the number of individuals who leave a life in the streets and begin to put their lives together again.

I thank you for your interest and active involvement in the reform of New York's welfare system.

Sincerely,

A handwritten signature in cursive script, reading "Michael J. Dowling". The signature is fluid and elegant, with a long, sweeping underline that extends to the left.

New York's Welfare Reform Agenda:

A "Jobs FIRST" Strategy

Changing How The Welfare System Operates

Summary



New York State Department of Social Services
Michael J. Dowling, *Commissioner*
January 1994



Goals of Reform

- To improve the welfare of families and children.
- To change the *culture* and *operation* of the overall system so that employment, not the distribution of cash assistance, is the primary priority.
- To ensure that only those who legitimately need assistance receive it. Every effort should be made to weed out fraud and abuse.
- To target efforts to local conditions by providing flexibility and opportunities for innovation.
- To develop interagency and public/private partnerships to address the welfare problem. The responsibility does not belong to social services alone.
- To improve child support enforcement and family responsibility.

Key Principles

- All work is good and all efforts to work should be supported and rewarded.
- If you are on welfare you should be doing something in return for your check.
- Education and training is not an end in itself but a tool to promote employment.
- Funding to service providers must be tied to performance, with the key performance measure being job placement.
- The roles of all workers in local welfare departments must change. Employment must become everybody's business.

Jobs FIRST

Changing how welfare operates

Three Components

- A) Diverting entry at the front end: changing what happens to clients when they show up at the welfare office.
- B) Preparing for self-sufficiency: changing what's expected of clients while they are on welfare.
- C) Promoting exit from welfare: helping people to leave welfare and stay off.

A) Changing the Front End

The goal is to change how the system operates so that we provide alternatives to going on welfare by:

- Providing one-time emergency assistance in a variety of ways that can help avoid welfare.
- Intensifying up-front efforts to place employment-ready individuals in jobs.
- Maximizing use of other disability benefits such as SSI and veterans' benefits.
- Connecting individuals to other needed services (e.g., child welfare services, mental health and substance abuse treatment).
- Intensifying fraud and abuse efforts.

B) Preparing for Self-Sufficiency

The goal is to make sure that all those on public assistance actively participate in activities that lead to employment as quickly as possible. This requires:

- Tying education, training and job placement programs to performance.
- Expanding work experience assignments in state, local, federal and not-for-profit agencies.
- Targeting single parents and teens with young children:
 - require school attendance
 - require teens to live at home
 - expand school/welfare collaborations
 - develop programs for non-custodial parents
 - develop innovative education and training programs for parents with young children.
- Encouraging both custodial and non-custodial parents to accept responsibility for their children's upbringing.
- Targeting Home Relief recipients:
 - require intensive participation in programs
 - develop a new work-for-benefits system.

C) Promoting Exit from Welfare

- Expand the Child Assistance Program (CAP)
- Expand transitional benefits
- Change the operation of welfare offices to support those who are working
- Develop partnerships with private business and economic development activities to provide job opportunities
- Maximize the use of Earned Income Tax Credits
- Leverage government investments to create job opportunities for public assistance recipients.

New York Will Seek Federal Waivers, including:

- Allowing payments or loans for one-time emergencies to avoid welfare dependency.
- Consolidating and streamlining food stamp and ADC eligibility requirements.
- Modifying allowable work experience, job training and other employment activities in addition to job search for ADC and food stamp applicants and recipients.
- Allowing development of a pay-for-performance system.
- Providing incentives for children to attend school.
- Making unemployed non-custodial parents of children receiving AFDC eligible for participation in JOBS programs.
- Broadening eligibility for the Child Assistance Program (CAP) and expanding the program across the state.

Legislative Approval Will Be Sought, Including:

- Expanding the obligation of applicants to participate in JOBS activities.
- Permitting payments or loans for one-time emergencies in order to avoid welfare.
- Permitting the development of a "pay-for-performance" system.
- Expanding finger-imaging of Home Relief applicants and recipients.
- Providing incentives for children to attend school.
- Requiring minors to live at home as a condition for receiving public assistance.
- Requiring participation in JOBS programs for unemployed non-custodial parents of children on ADC.
- Providing State authority to require applicants or recipients to sign self-sufficiency contracts.
- Expanding eligibility for CAP-like benefits.

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*Promoting self-sufficiency, healthy outcomes and
quality family life among our neediest citizens.*



PUBLIC ASSISTANCE FACT SHEET¹

ADC Program

	<u>Total</u>	<u>New York City</u>	<u>Rest of State</u>
Cases	442,200	295,915	146,285
Persons	1,224,423	800,308	424,115
Children	797,720	522,102	275,618
percent	65.2%	65.2%	65.0%
Persons per case	2.77	2.70	2.90
Percent of Recipients Deemed Employable	18.8%	18.3%	19.8%
Percent of Adults Deemed Employable	53.9%	52.6%	56.6%
Percent of Cases Containing an Employed Person (as of 12/92)	4.3%	1.7%	9.7%

Home Relief Program

	<u>Total</u>	<u>New York City</u>	<u>Rest of State</u>
Cases	312,483	234,930	77,553
Persons	389,610	296,361	93,249
Persons per case	1.25	1.26	1.20
Percent of Recipients Deemed Employable	52.3%	53.1%	49.9%
Percent of Cases Containing an Employed Person (as of 12/92)	2.4%	1.3%	5.3%

Food Stamps Program

(includes cases and persons also on PA)

	<u>Total</u>	<u>New York City</u>	<u>Rest of State</u>
Cases	969,564	637,406	332,158
Persons	2,088,799	1,334,755	754,044

Monthly Grant Amounts by Household Size for New York City *

(for cases with no income other than public assistance)

	<u>Household Size</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
PA	\$352	\$468	\$577	\$687	\$800	\$884	\$1010	\$1101
FS	\$112	\$178	\$239	\$290	\$332	\$400	\$422	\$483

* Public Assistance amounts shown include allowances for basic needs, heat, home energy and rent at the maximum allowed. Food Stamp amounts reflect changes implemented in October 1993.

¹ All figures from August, 1993, unless otherwise noted

New York's Welfare Reform Agenda:

A "Jobs FIRST" Strategy

Changing How The Welfare System Operates



New York State Department of Social Services
Michael J. Dowling, *Commissioner*

January 1994



NEW YORK'S WELFARE REFORM AGENDA: A "Jobs FIRST" Strategy

In 1994, New York will begin dismantling the traditional welfare system. In its place will be a new system better suited to the times, more responsive to society's current needs, with a greater capacity to inculcate the values and promote the benefits of work, family life and parental responsibility.

This welfare reform effort begins from the firm base established by New York's Child Assistance Program (CAP), a unique welfare-reform demonstration program that has been operating since 1988, has been subjected to the most rigorous of evaluations, and has received national and international acclaim. CAP promotes work over welfare, and embodies the principle that both parents are responsible for the support of their children.

CAP is a natural complement to many of New York's other trend-setting efforts to make the welfare system more constructive, including the Comprehensive Employment Opportunity Support Centers (CEOSC), which provide training for mothers on welfare with young children, the application of computer-based technology to the administration of our Child Support Enforcement program, and our successful campaign -- one of the most aggressive in the nation -- to combat fraud and abuse.

Now Governor Cuomo has directed the State Department of Social Services to change the way the entire welfare system operates. The keystone of the new welfare system will be New York's **Jobs FIRST** initiative.

A. How "Jobs FIRST" Will Work

PHASE I: Diverting Entry to the Welfare System

A considerable portion of the problem with the present welfare system lies right at the beginning of the process, when an individual first appears at the local social services office seeking assistance.

As it now stands, the system initiates a process to determine whether or not the individual or family is eligible for either of New York's two welfare programs -- Aid to Dependent Children (ADC) or Home Relief (HR).

Too frequently, little attention is paid to the variable and numerous causes that can force applicants to seek assistance. All applicants exhibit a common symptom -- lack of money with which to support themselves. And they are all prescribed a single treatment -- placement on the welfare rolls, if they are found to meet eligibility requirements. That

treatment is, in many cases, either more than is required, less than is required, or just the wrong prescription to get the applicant on the road to recovery and self-sufficiency.

Jobs FIRST changes the emphasis and the focus right at the beginning of the process. Its prime tenet is that the best, wisest and most compassionate way to help those in need is to connect or re-connect them to the labor force as quickly as possible and to do it whenever possible without engaging ADC or HR.

Jobs FIRST will include an initial screening at the beginning of the process to determine the level of need, the suitability of engaging the formal welfare system to satisfy the need, and possible alternatives to long-term welfare.

Alternatives to Going on Welfare

Four alternatives, particularly, will be explored:

- emergency one-time cash assistance, loans or other non-welfare services if some temporary setback has resulted, or may result, in job loss or impoverishment;
- Supplemental Security Income (SSI) or veterans' benefits eligibility determination if the applicant clearly appears to suffer from a chronic, disabling health condition that would preclude getting a job;
- access to other income supports such as child support payments; or
- immediate job search and participation in job readiness training, or referral to transitional/permanent employment if the applicant is job-ready.

To illustrate, consider the situation of a single mother with young children who is able to work and support her family because she has an old car to drive to work and a relative who cares for the children during working hours. The car breaks down and needs substantial repairs, but the woman has not been able to save for a "rainy day." She will lose her job if she can't get there. She needs help, but she does not need welfare as we know it. Part of New York's welfare reform package is a proposal that would make it possible -- if federal waivers are granted -- for this woman to get the assistance she needs to repair the car, without going on welfare.

Most applicants will enter into an agreement between themselves and the local social services districts that during the typical 30-45 day eligibility determination period they will participate in an intensive set of work-like activities designed to help them enter or re-enter the labor force.

From the outset, welfare applicants will be held to work-like expectations in order to reinforce the notion that the help they receive demands something in return. The **Jobs**

FIRST welfare system is not about eligibility for a handout. It is about work. Employment is the goal. The restructured front-door of the welfare system will also be used to promote two additional goals of the Department of Social Services: good health and quality family life. Aggressive efforts will be made to enroll families and individuals in managed health care in order to ensure access to basic primary care and to discourage use of inappropriate emergency services. The new system will also provide, at the application stage, an opportunity to identify other stresses that some families may labor under, and to intervene early with help -- for example, parenting training or other preventive child-welfare programs -- that can avert crises and reduce foster care placements.

"Jobs FIRST" Philosophy in Practice

In Phase I of the **Jobs FIRST** process, emergency transitional benefits, including child care benefits, would be available until the public assistance applicant has (a) located a job, (b) obtained the necessary short-term assistance, or (c) started receiving SSI benefits or other non-welfare income supports.

In addition, it is government's obligation to ensure that effective employment and training programs are made available to public assistance applicants. **Jobs FIRST** will hold providers of employment and training programs to high standards through performance-based contracting.

Jobs FIRST will also include experimentation with a number of different modalities for delivering employment and training assistance. For example, in several counties we will initiate experimental programs that will combine job search with transitional employment opportunities for able-bodied HR applicants. The purpose of these experiments will be to provide applicants with what they need most -- a temporary job, an immediate source of income and a connection to the labor market.

One example is a model that incorporates elements of the Neighborhood Works Program operated by the Vera Institute of Justice. The Department of Social Services and selected social services districts would develop, on a demonstration basis, temporary employment opportunities with not-for-profit contractors. The contractors would perform various unskilled work assignments, such as highway cleaning, for state and local agencies, under subcontract to existing state contractors.

HR applicants would be expected to report for work assignments four days a week and would be paid weekly for their work. The fifth day of each week would be spent in job search and related activities to improve employability. HR applicants would be expected to participate in this program during the eligibility determination period for public assistance.

Jobs FIRST will also encourage the use of private employment agencies and of job placement programs such as America Works. These programs employ performance

based contracts where reimbursement is contingent on successful placement and retention of clients in jobs.

PHASE II: Welfare as Preparation for Self-Sufficiency

Phase I is all that some applicants will need of the social services system. Clearly, however, many individuals will not be diverted from the system during Phase I, will not find work during the initial job search, and will need longer-term help.

They will become recipients of ADC or HR, assuming they meet all the stringent eligibility requirements and checks for fraud and abuse.

In the new **Jobs FIRST** welfare system, it will not be enough to be a passive recipient of cash benefits. As a condition of receiving benefits, all recipients will become participants, undertaking activities appropriate for them, tailored to their levels of family responsibility and leading to self-sufficiency. Having additional children while on welfare will not alter a recipient's obligation to work toward self-sufficiency. Appropriate self-sufficiency activities will be developed for parents with young children, including those under age three.

Self-Sufficiency Assessments, Plans, Contracts in Phase II

Each person who enters the system will undergo a comprehensive assessment to identify service needs, personal strengths and skills, and barriers to employment. These barriers may include lack of education, inability to speak English, lack of prior labor force attachment, alcohol or substance abuse problems, or difficulty in managing daily life.

After the assessment, an individualized self-sufficiency plan will be developed. This plan will clearly lay out a strategy that may include education, vocational training, counseling, child care, or obtaining a child support order. The plan will clearly delineate time frames for these activities, and will include periodic job searches involving job placement agencies such as America Works to ensure that participants become connected to the labor force as quickly as possible.

A job will be the ultimate goal. Everything else -- education, training, counseling, day care -- are but means to that end.

This plan will become the basis for a self-sufficiency contract that will be mandatory for everyone who enters the public-assistance system. Under the current system, recipients who fail to comply with required employment/training programs are "sanctioned" -- for example, by reducing a portion of their grants. Under **Jobs FIRST**, we will move toward a system in which recipients earn their grants like pay checks. They

will be "paid" for their actual work or work-like effort, reinforcing again the link of welfare to work.

Depending on the categories of recipients and their readiness for training or employment, there will be differing sets of expectations which will be reflected in the self-sufficiency plans and contracts.

For example:

- Individuals not ready for education or training activities, whether due to substance abuse problems, health problems, or other family problems, will have self-sufficiency plans that require participation in treatment or other steps to ameliorate obstacles to employment. Recipients with permanent disabling conditions will be expected to cooperate fully with efforts to document their disabilities and apply for SSI and/or veterans' disability benefits.
- Employable single mothers and teen parents with young children, will have plans that are unequivocal in requiring activities leading to work readiness -- for example, finishing high school or part-time job training. Efforts will be made to develop innovative programs that reconcile the schedules of those involved in job-readiness activities with the schedules of their children enrolled in pre-school programs such as Head Start. Experimental labor force preparation programs involving in-home computer-based instruction combined with occasional tutorials will also be explored. Efforts will also be made to integrate various services programs for teens with **Jobs FIRST**.
- Home Relief recipients will be expected to participate continuously in **Jobs FIRST** activities including job search, education and training, and work experience.

Parental Responsibility Part of Phase II Contracts

Two-thirds of ADC recipients are children. Each one of them has a mother and a father. Both parents have an obligation to support their child(ren). It is wrong for parents -- usually fathers -- to simply walk away from that obligation and forget it. And it is wrong for government to allow them to do so.

Under current law, applicants for ADC are required to cooperate with efforts to establish paternity and to seek orders of child support. These requirements will be rigorously enforced. The ability of the system to hold non-custodial parents accountable for the economic support of their children is seriously compromised when custodial parents fail to establish paternity.

To further encourage the connection of fathers to their children, we will strengthen and expand New York's in-hospital paternity establishment program. This type of program has proven successful in helping to forge parent-child relationships by encouraging paternity establishment right after the child's birth, rather than waiting months or years, as has previously been done.

It would be equally wrong for the state, through its welfare system, to preempt the responsibilities of parents except where there is danger to the children, or in any way to encourage minors to become pregnant, leave home and establish separate households so that they can receive welfare benefits. Legislation will be submitted again this year that will require pregnant and/or parenting adolescents to live with their parent(s) as a condition of receiving ADC.

Another initiative to foster parental responsibility will be New York's School to Success program that will provide incentives to public assistance families whose children regularly attend school. In today's information society, there are few opportunities for economic independence for the uneducated and illiterate. For past generations, education has been one of the main routes to a better life. It is of paramount importance that children remain in school at least through high school.

PHASE III: Leaving Welfare

Work is better than welfare and people should be better off working than they were on welfare. Too frequently, in the present system, they are not. New York has taken on this problem with its successful Child Assistance Program (CAP).

There are two important underlying premises of CAP. One is that both parents have the primary responsibility for the economic support of their children. The second is that work should leave a person better off than being on welfare. Through a radically different benefit structure and with thorough case management, CAP encourages single mothers to make work the main source of income, while enabling them to realize the benefits of a higher standard of living and the opportunity to leave welfare. CAP is succeeding in putting participants on the road to self-sufficiency. It has opened a door out of poverty for many women by providing incentives to work and encouraging parental responsibility through child support. CAP has enabled its participants to be better off, and its positive mix of work, child support and supplementary assistance has begun the process of restoring public support for New York's public assistance programs.

The exit from a reformed welfare system is an expanded and strengthened CAP for single mothers who have child support orders and a new program to be called CAP-Plus for Home Relief recipients.

The reality of the 1990's labor market is that many people will need to supplement their wage incomes and child support collections with other benefits. CAP and CAP-Plus

will encourage this through a benefit structure which allows recipients to keep more of their earnings, encourages savings, and provides support for staying on the job. A strengthened CAP and the new CAP-Plus will also facilitate ongoing access to education and training so that participants can improve their job situations and eventually become economically self-sufficient.

These initiatives will be undertaken in a specialized program environment that is hospitable to working people. For example, the program will attempt to:

- provide longer and non-traditional office hours;
- conduct optional work-site recertifications;
- offer scheduled appointment times for working recipients.

Many times, the rigors of a new job and the demands of new and often complex daily schedules present almost insurmountable problems for people who are trying to get their lives in order and have meager financial resources. Whatever the terms of an individual's self-sufficiency contract, case managers will be empowered to broker the services necessary, even after he or she has found employment.

B. The Larger Context of Reform

Welfare reform built on the **Jobs FIRST** philosophy cannot be the work of the Department of Social Services alone. In our system, welfare reform will be driven by actions taken in Albany by the Governor and the Legislature and the State Department of Social Services. Welfare reform begins in Albany, but it does not end there. It will happen individual by individual, job by job, all across the state.

Every absent parent who starts making regular child-support payments is part of welfare reform. Each enrollment in Medicaid managed care provides good health and supports welfare reform's work effort. Every time a local social services district worker helps a welfare applicant or recipient put together a package of services that makes it possible for the individual to go to work, welfare reform progresses. And every time a private-sector business hires a welfare recipient, welfare reform advances.

A much stronger partnership between the Department of Social Services and other state and local agencies, together with the business community, will be required in order to create transitional and permanent employment opportunities for welfare recipients, to supplement the earnings of those who are working but still cannot make it wholly on their own, and to help working parents get the non-employment supports they may need to keep working.

The Role of the Local Social Services Districts in Welfare Reform

The fifty-eight local departments of social services will be charged with the front line implementation of this state's welfare reform program and in particular with the **Jobs FIRST** initiative and the targeted job creation efforts designed to support that initiative. Their cooperation and support in this endeavor is vital. The Department will use every means available, including teleconferences, to communicate the basic tenets of the **Jobs FIRST**, and will work with every local district in the state on the development of detailed plans to implement the **Jobs FIRST** initiatives. The Department will in particular seek the assistance of county executives and local commissioners in the development of these implementation plans in order to fashion programs that relate to the labor market and economic conditions prevailing in each county. At the same time, efforts will be made to ensure that the front line staff in local districts understand the importance of this overall effort. As the primary point of contact with clients, it is they who will make this program real. The Department, in partnership with the local social services districts, will seek and expect their full cooperation.

Real welfare reform also needs to be placed within the context of discussions on economic development, workforce preparation and development, improvements in the educational system, other economic supports and government transfers, and national health care reform. Changes in these policies will be important steps to take in concert with welfare reform, so that the state can prevent some of the entries (and re-entries) to public assistance.

State Earned Income Tax Credit

A prime objective is to encourage self-sufficiency through work. This can be accomplished by using incentives in our tax policies. The Earned Income Tax Credit (EITC) is an incentive to low-income workers, and a very real way to help make work pay. It rewards work, and helps people improve their standard of living.

As proposed by Governor Cuomo, the passage of a New York State EITC to supplement the recently expanded federal credit would provide added assistance to working poor families, and help reduce the number of people on welfare.

Increasing Child Support Collections

The judicial branch can also help enact beneficial welfare reforms. In collaboration with the Family Court, the Department of Social Services will develop a program in which parents who fail to pay child support will be directed by the courts to participate in the transitional employment program for able-bodied public assistance applicants. A portion of the wages earned through the program will be applied to child support payment.

obligations. The program will also assist parents who fail to pay child support with job search and offer training in parenting skills. This new effort will ensure that the work obligations imposed on custodial ADC parents are shared by non-custodial parents. Rather than simplistic proposals to cut the welfare benefits of single women who have children while on welfare, New York's approach is to insist that both parents make all possible efforts to provide economic support for their children and, at the same time, to assist them positively in doing so.

The Business Community and Job Creation

The obligations of government and its partners in the business community must be equally clear. Employing welfare recipients must be everybody's responsibility, not just the state's. Diligent preparation for entering the labor force must be met with an opportunity to work, not a return to welfare.

All avenues for targeting jobs to employment-ready welfare recipients will be explored. For example, economic development activities such as the Economic Development Zones, state tax credits and economic development subsidies will be reviewed for welfare employment opportunities. The feasibility of requiring state contractors to establish transitional employment opportunities for public assistance applicants through sub-contracting with not-for-profit organizations for low-skill work terms will be explored as well. Another possibility is use of a portion of federal highway infrastructure funds and existing public authority and state agency capital funds to create jobs for welfare recipients.

C. Implementation Strategy

Strengthening Existing Efforts

New York's welfare reform plan calls for two parallel implementation efforts. The first involves immediate, local or statewide initiatives designed to strengthen the current welfare-to-work program. These initiatives can be undertaken under existing or anticipated legislative and regulatory authority. They will include:

- initiatives to make the application process and the eligibility determination stage a period of intensive activities to divert people from the system whenever appropriate, and to engage other non-welfare solutions to their problems;
- initiatives to increase the proportion of welfare recipients participating in welfare-to-work programs;
- initiatives to increase job placements and performance-based monitoring that reflect the job placement priority;

- initiatives to improve the quality of employment and training programs in which recipients participate;
- initiatives to ensure employment program participants receive the training-related expenses to which they are entitled in a timely fashion and that training-related expenses are only provided to those who are entitled to them;
- initiatives to ensure that the welfare system encourages recipients to work by providing more hospitable arrangements such as extended hours and less waiting time, and specific appointments for those who have jobs;
- efforts to expand the CAP demonstration program to other counties;
- implementation of new parental responsibility initiatives including requiring teen parents to live at home and school age children to attend school;
- expansion of finger-imaging program and other efforts to improve system accountability;
- expansion of the use of technology to reduce administrative burden and support system accountability;
- advocacy for a state earned income tax credit to support the efforts of those who work;
- efforts to strengthen and expand the in-hospital paternity establishment program;
- rigorous enforcement of requirements that applicants cooperate with efforts to establish paternity and seek orders of child support.

Federal Waivers

At the same time the above efforts are being made to strengthen the existing program, New York will prepare to put in place the **Jobs FIRST** program outlined here, as well as various initiatives, such as targeted job creation, intended to support **Jobs FIRST**. We will proceed with **Jobs FIRST** demonstrations in selected local districts, and will -- as much as possible -- privatize the job-search, employment and training functions through performance-based contracts with private, proprietary and non-profit entities.

Some of the changes we intend to make in the existing program will require federal waivers. The Department of Social Services has begun preparing federal waiver applications for New York State. Among the requested waivers will be provisions to:

- permit payments and/or loans for one-time emergencies to avoid eventual welfare dependency;
- modify allowable work experience, job training and other employment activities in addition to job search for ADC and food stamp applicants and recipients;
- consolidate and streamline food stamp and ADC eligibility requirements;
- permit the development of a "pay-for-performance" system;
- provide incentives for children to attend school;
- make unemployed non-custodial parents of children on ADC eligible for JOBS programs;
- broaden eligibility for CAP and expand the program across the state.

Proposed Legislation

State legislation will also be required. For example, legislative approval will be sought to:

- expand the obligation of applicants to participate in JOBS activities;
- permit payments and/or loans for one-time emergencies as an alternative to welfare;
- permit the development of a "pay-for-performance" system;
- expand finger-imaging of Home Relief applicants and recipients;
- provide incentives for children to attend school;
- require minors to live at home;
- require participation in JOBS programs for unemployed non-custodial parents of children on ADC;

- provide state authority to require applicants or recipients to sign self-sufficiency contracts;
- continue to expand eligibility for CAP-like benefits.

D. Conclusion

Taken together, these reforms represent nothing less than a complete change in the way the welfare system operates. They will change both the way the system treats people who come to it for assistance, as well as our expectations of those who accept assistance. At the heart of these reforms lies the core truth that futures are built on work, that a job -- any job -- is the beginning of hope for success. That has always been a New York idea. **Jobs FIRST** makes it the central idea of our welfare system.

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