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Subgroup/Office of Origin: National Economic Council

Series/Staff Member: Dorothy Robyn

Subseries:

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Folder Title:
NEXTEA [National Economic Crossroads Transportation Efficiency Act]: W-T-W [Welfare to Work] [1]

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Cynthia A. Rice 09/24/97 06:06:54 PM

Record Type: Record

To: Dorothy Robyn/OPD/EOP

cc:
Subject: How's this? Call me.

One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and day care centers. Today, only about 6 percent of those on welfare have cars. In many big cities, no matter how long people sit on a public bus, they can't reach half the entry level jobs. At the same time, businesses in the suburbs need new workers.

Fixing our broken welfare system has been one of the top priorities of my presidency. Since I took office, we granted waivers to 43 states to help launch welfare reform experiments that emphasize work and personal responsibility. And last year we took the bold step of finally ending welfare as we know it. We began to transform the system -- to make welfare a second chance, not a way of life, and to elevate our values of family and work and responsibility. A year ago, I signed welfare reform into law to make tough work requirements, time limits and parental responsibility the law of the land. In that year, welfare caseloads have fallen by 1.4 million.

But we still have more to do. We must make sure that those who are now required to work have the opportunity to work -- and the ability to get to their job. We must make sure that that lack of transportation is not an obstacle to getting people who want to work to jobs where they are needed. That is why I urge the Congress to pass a transportation bill that includes my proposal for $600 million to help states and local communities devise transportation strategies to move people from welfare to work. We can all make welfare reform work if we all work together.

STATEMENTS ON WELFARE TO WORK TRANSPORTATION

"We must help welfare recipients get to the new jobs, which often are outside their neighborhoods. That's why I recently proposed legislation providing $600 million to help states and local communities devise transportation strategies to move people from welfare to work."
President William J. Clinton, Radio Address to the Nation, July 5, 1997

"This new initiative will insure that they can get to that job. Clearly the jobs are there.
Now we will be augmenting existing transportation networks to help individuals who leave the welfare rolls get to those jobs."
New Jersey Governor Christine Todd Whitman
announcing a new welfare to work transportation program, June 25, 1997

"Transportation for welfare recipients making the transition to the workforce is [an] element
critical to the success of welfare-to-work programs."
National Governors' Association
Incentives and Supports for the Employment of Welfare Recipients, 1997

"The need for transportation services is tremendous...outpac[ing] all other concerns as the most urgent need. The need is great for all counties -- urban, suburban, and rural. The reauthorization of the Intermodal Surface Transportation Efficiency Act, including new funds to help those who are making the transition from welfare to work, is therefore paramount."
National Association of Counties
Making Welfare Reform Work, July 1997

"The majority [of welfare recipients] reside within the perimeter of the City of Cleveland, primarily in the inner city neighborhoods....the vast majority of new jobs are expected in suburban neighborhoods...Public transit commutes limit job accessibility. Inner city residents can only reach
8-15 percent of the job openings by public transportation in a reasonable time."
Case Western Reserve University study, 1996

RECENT PRESIDENTIAL STATEMENTS ON WELFARE-TO-WORK TRANSPORTATION

Compiled September 5, 1997

One of the biggest problems that we think we need to get more help on is transportation.... The transportation barrier [keeps welfare recipients] from maximizing their ability to move from dependence to independence. So since two out of three new jobs are created in the suburbs and a significant percentage of people on welfare live in urban centers, it is very important that we do more on that. Today, we're awarding seed grants to 24 states to develop transportation schemes to help people go and get the jobs where the jobs are. And the legislation that we proposed in the new transportation bill would provide $600 million to help states and local communities put these plans into action. It also was approved in the budget agreement, so that's a very, very good thing.
Remarks by the President, May 20, 1997, The White House

We must help welfare recipients get to the new jobs, which often are outside their neighborhoods. That's why I recently proposed legislation providing $600 million to help states and local communities devise transportation strategies to move people from welfare to work.
Radio Address by the President to the Nation, Saturday, July 5, 1997, The White House

[What] we have to do is to make sure we have adequate transportation for those moving from welfare to work, because the jobs, the training programs and the child care centers are often outside the neighborhoods. I must say, I thought I knew a lot about welfare, but until we actually got into the law here, I was unaware that only six percent of the people on welfare have cars, and that in many big cities, no matter how long people are willing to ride the bus or the subway, they will never get to the available entry-level jobs. That is a stunning statistic.

At the same time, there are a lot of suburbs where businesses need new workers. And Congress, therefore, I think should put in this new transportation bill the proposal I've made for $600 million to help states and localities devise transportation strategies to move people from welfare to work. Some communities and states have already started. Kentucky has an Empower Kentucky initiative that uses the resources of four different Cabinet offices and a free transportation brokerage system to assure transportation in all areas of the state. And this will probably be something that all of us who come from states with large rural populations, where there are people in rural areas on welfare, will have to adopt.

Michigan's Project Zero provides transportation in its effort to put every able-bodied person to work. In Wisconsin -- this was a stunning statistic to me -- only 3.5 percent of the people on welfare have cars. So the state has a job ride initiative to van-pool literally thousands of central city workers to suburban jobs.

Other states are spending part of the welfare block grant you now have on transportation. And I would just encourage you to do more of it, and I ask you to please help me persuade Congress to put this $600 million in the new Istea bill, because it will help you to do what you have to do to meet your goals of employment.
Remarks by the President to the National Governors Association, July 28, 1997, Las Vegas, Nevada

THE WHITE HOUSE
WASHINGTON

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Jake Jones ? ?

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(~~Sen. Mosley Braun~~) 224 2854 228 1318

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THE WHITE HOUSE

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NEXTEA

THE NATIONAL ECONOMIC CROSSROADS TRANSPORTATION EFFICIENCY ACT

MOVING AMERICANS FROM WELFARE TO WORK

DEPARTMENT OF TRANSPORTATION UNITED STATES OF AMERICA

MAY 20, 1997

MOVING AMERICANS FROM WELFARE TO WORK

PRESIDENT CLINTON'S PLAN TO IMPROVE ACCESS TO JOBS AND TRAINING

> "Each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, *can* work."
>
> President Bill Clinton,
> State of the Union Address, February 4, 1997

To support his comprehensive welfare reform initiative, President Clinton proposes to build on existing transportation programs that use innovative strategies to help people make the transition to the working world.

One of the biggest barriers facing those moving from welfare rolls to payrolls is finding transportation to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs far from where most welfare recipients live.

The President's proposal for the National Economic Crossroads Transportation Efficiency Act (NEXTEA), which would authorize federal highway and transit programs from 1998 through 2003, includes several provisions to improve welfare recipients' access to jobs and training.

- **INVESTING $600 MILLION TO IMPROVE ACCESS TO JOBS AND TRAINING**

  NEXTEA includes a six-year, $600 million incentive grant program to support new transportation services to get people to where the jobs are, including flexible, innovative alternatives such as vanpools. Funding also would provide access to training and to support services such as day care at transit stations.

- **CREATING JOB-TRAINING OPPORTUNITIES IN TRANSPORTATION TECHNOLOGY AND CONSTRUCTION**

  Since transportation and construction jobs are among America's best-paying, we want to open opportunities in these fields to welfare recipients and other disadvantaged people. NEXTEA would increase incentives for states and localities to provide job training in conjunction with federally funded technology and construction projects, enable them to offer hiring preferences favoring welfare recipients and residents of Empowerment Zones and Enterprise Communities, and sustain the federal commitment to Disadvantaged Business Enterprise programs.

MOVING AMERICANS FROM WELFARE TO WORK

THE CHALLENGE

One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: only one in 20 welfare recipients owns a car, and mass transit generally operates either within central cities or from suburbs into cities. Transit also often does not meet the needs of off-hour shift workers or those with small children who require day care. The studies below show the challenges faced by welfare recipients in three cities.

Cleveland

Cleveland's economy has been expanding, but that growth has been concentrated in the suburbs. A study by Case Western Reserve University (Contact: Neil Bania, 216-368-8670) showed that the entry-level jobs being generated cannot easily be reached by public transit. Fewer than half of entry-level jobs are accessible from central city neighborhoods within an 80-minute transit ride, leaving the other half essentially out of reach of Cleveland's welfare population.

Boston

A study prepared by the Volpe National Transportation Systems Center (Contact: Annalynn Lacombe, 617-494-2161) found that the highest growth in entry-level jobs was along Route 128, well outside of central Boston. Boston has an excellent transit system, with stations within a half-mile of 99 percent of the city's welfare recipients. Still, it does not provide needed connections to available jobs: only 43 percent of employers are also within a half-mile of transit lines. Moreover, 40 percent of all employers in high-growth areas can be reached only after a commute of more than two hours.

Atlanta

An ongoing Emory University study (Contact: Michael Rich, 404-727-7449) indicates that three of every four jobs in the Atlanta area are in the suburbs. Two-thirds of entry level jobs paying less than $15,000 annually are within a quarter-mile of a transit line; however, fewer than one of three entry-level jobs paying more than $15,000 annually -- those most likely to enable welfare recipients to become self-sufficient -- are located within the same distance from transit.

MOVING AMERICANS FROM WELFARE TO WORK

DETAILS OF THE PRESIDENT'S WELFARE TO WORK TRANSPORTATION PLAN

The President's proposal for the National Economic Crossroads Transportation Efficiency Act (NEXTEA), which would authorize federal highway and transit programs from 1998 through 2003, includes several provisions to improve access to jobs and training.

- **$600 million in new funds.** NEXTEA includes a six-year, $600 million incentive grant program to support welfare reform efforts. Funds are available to assist states, local governments, and private, nonprofit organizations to plan and implement new transportation services to link welfare recipients with jobs.

- **Targeted grants.** Grants would be targeted based on both the size of the welfare population and the area's willingness to address the transportation needs of welfare recipients through a comprehensive, strategic approach. Criteria include the severity of the welfare problem; the need for services to transport people to jobs, training, and support services; mechanisms to coordinate transportation and human resource services planning; and state and local shared financial commitment and coordination.

- **State and local partnerships.** Federal funds would provide 50 percent of the project costs, with grant recipients supplying the remaining 50 percent. Other federal funds could be used as part of the local match.

- **Broad eligibility.** Grants could be used for a wide range of purposes, including: operating and capital costs for services; coordination of transportation services; promotion of employer-provided transportation; and planning and developing support facilities, such as child care, at transit sites.

- **Federal technical assistance.** Federal funding would provide grant recipients with technical assistance to evaluate programs and to establish benchmarks for best practices.

- **Enhanced on-the-job training.** Other provisions of NEXTEA allow states to reserve a certain of number training slots for welfare recipients; to include technology-training opportunities in connection with transportation-related technologies; and to increase funds available for DOT's On-the-Job Supportive Services Program.

- **Hiring preferences favoring welfare recipients and Employment Zone/Enterprise Community residents.** The $20 billion-per-year federal highway construction program would allow states to offer hiring preferences favoring welfare recipients and residents of Employment Zones or Enterprise Communities.

- **More funding for proven programs.** The President's 1998 budget seeks $10 million to expand HUD's successful Bridges to Work Program, which provides job placement and support services, as well as transportation to link city residents with jobs.

MOVING AMERICANS FROM WELFARE TO WORK

BENCHMARKS: TODAY'S SUCCESS STORIES

Federal Initiatives

✔ DOT's Joblinks program provides transportation and training in both urban and rural areas. Oregon's Glendale-Azalea School District uses Joblinks funds to transport the unemployed to training and jobs.

✔ DOT's Livable Communities program integrates transit with jobs, schools, and housing. In Corpus Christi, residents worked with local officials to develop three bus transfer centers and to improve pedestrian access to area amenities.

✔ DOT's On-the-Job Training (OJT) Program requires that federally funded highway projects provide apprenticeships and training positions in higher-paying transportation trades, such as carpentry, concrete finishing, and truck driving. These help women, minorities, and disadvantaged people move into America's vibrant construction industry.

✔ DOT's On-the-Job Training Supportive Services Program complements the OJT program by providing contractors, apprentices, and trainees with such services as recruitment, counseling and job placement, transportation, child care, and skills training. In addition, a highway construction project in Maine is using regular federal funding to provide day care for women workers making the transition from welfare.

✔ HUD's Bridges to Work Program connects inner-city residents with suburban employers through local partners who provide job placement, transportation, and support services. Demonstrations are underway in Baltimore, Chicago, Denver, Milwaukee, and St. Louis.

State and Local Initiatives

✔ St. Louis East-West Gateway Coordinating Council: 16 agencies coordinate to access jobs along the Metrolink rail line and to use vans and express buses that connect inner-city employees with suburban employers.

✔ Southeast Arkansas Transportation (SEAT): during off-hours, unused senior citizen service buses in rural Jefferson County transport welfare recipients to jobs and training.

✔ Baltimore, Maryland: vanpools link residents of disadvantaged central city neighborhoods to employers at and around Baltimore-Washington International Airport.

✔ The Transit Authority of River City, Louisville, Kentucky: new express bus service to the Bluegrass Industrial Park cut trip times from two hours to less than 40 minutes.

✔ Talahina, Oklahoma: the success of shuttles serving the graveyard shift at poultry processing plants in Fort Smith, Arkansas has served as a model for similar services to other employment centers in Oklahoma.

MOVING AMERICANS FROM WELFARE TO WORK

FEDERAL-NGA WELFARE TO WORK TRANSPORTATION INITIATIVE

- One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs far from where most welfare recipients live.

- DOT is contributing $330,000 towards a partnership with the National Governors' Association (NGA). This will be used for grants to states to help them develop transportation strategies that support their welfare to work efforts. This partnership recognizes that those making the transition from welfare to work must largely depend on public transportation to reach jobs and other employment-support services, and that cooperation among federal, state, county, and local governments and the private sector is crucial.

- Participating states, led by their Governors' offices, are forming interagency task forces to coordinate transportation with welfare reform initiatives. The groups include state, county, and local human services agencies, along with local transportation providers, community human resource organizations, and private employers.

- State welfare to work transportation action plans will be completed during 1997. They are expected to emphasize coordinating existing public transportation, human services, and private programs that enable welfare recipients to get to where the jobs are.

- 24 states and one territory are participating: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, the Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.

The White House
Washington

AGENDA
White House Briefing on Welfare Reform and Transportation
Tuesday, May 20, 1997
Room 450, 10:30 a.m.

****

WELCOME AND INTRODUCTION
Rodney Slater
Secretary of Transportation

REMARKS

ACCESS TO JOBS LEGISLATIVE PROPOSAL
Gordon Linton
Administrator, Federal Transit Administration

PROVISIONS FOR TRAINING AND LOCAL HIRING PREFERENCES
Jane Garvey
Acting Administrator, Federal Highway Administration

ST. LOUIS EAST-WEST GATEWAY MODEL
Hon. Clarence Harmon
Mayor of St. Louis, Missouri

WELFARE REFORM
Bruce Reed
Assistant to the President for Domestic Policy

QUESTIONS AND COMMENTS

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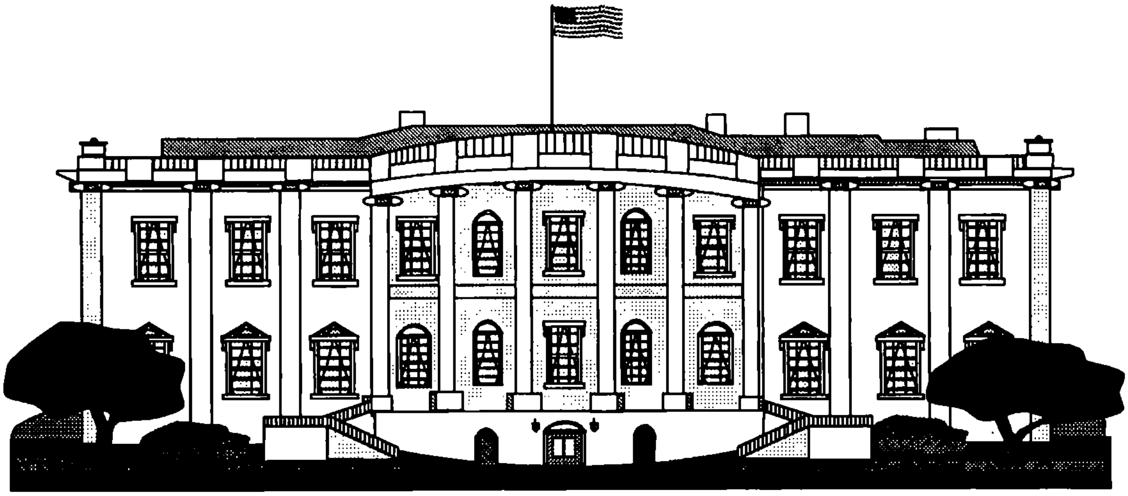


The White House

National Economic Council

To: Dan Renberg - Sen. Specter

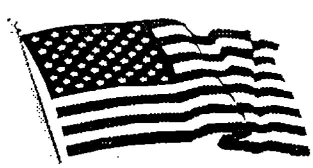
Phone: 224-4259 Fax: 228-1229

From: **Dorothy Robyn**

Phone: (202) 456-2801 Fax: (202) 456-2223

Pages including cover sheet: 8

Comments:



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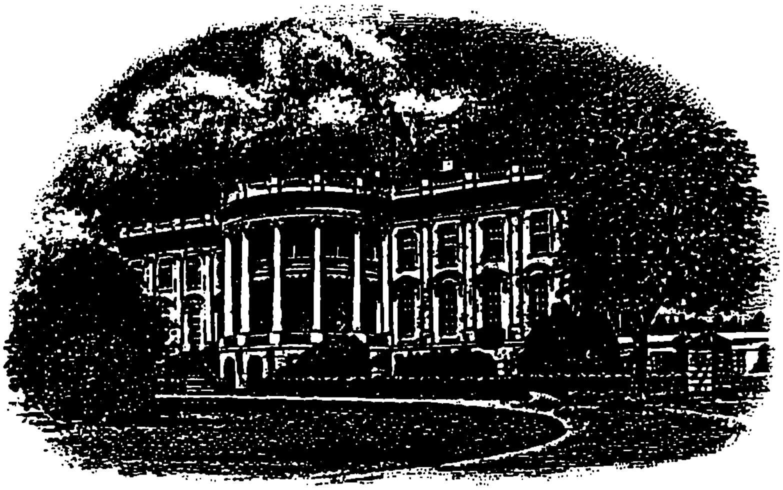

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Jake Jones, Steve Collens

To: Kelly Larkin (Sen Mosly-Braun)

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Phone: 202-456-2801 FAX: 202-456-2223

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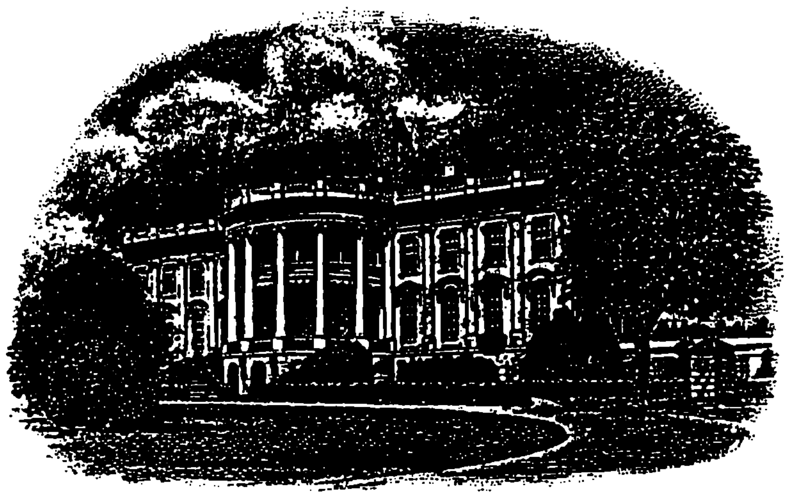

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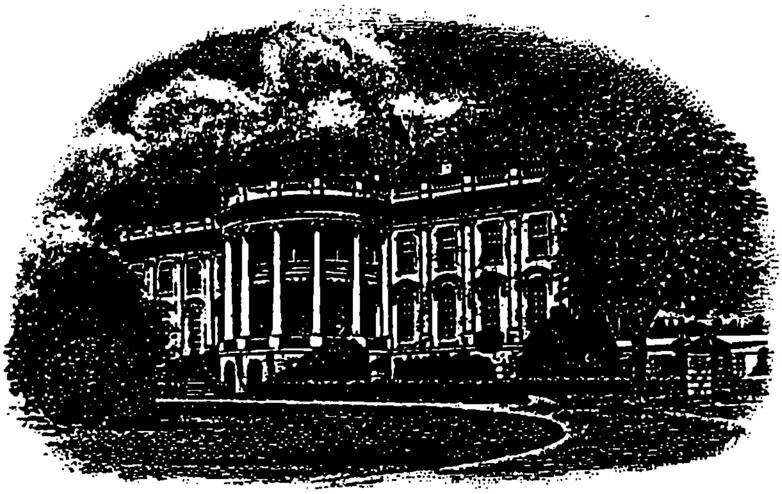

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National Economic Council
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To: Tony Orza (Sen Dodd)

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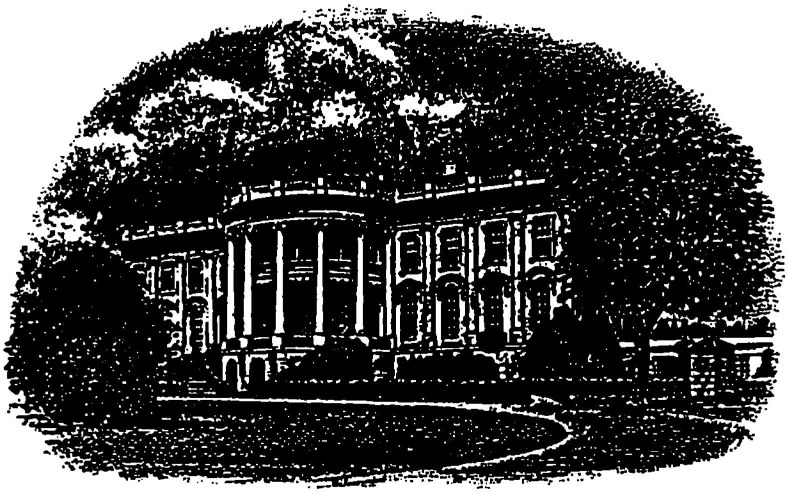

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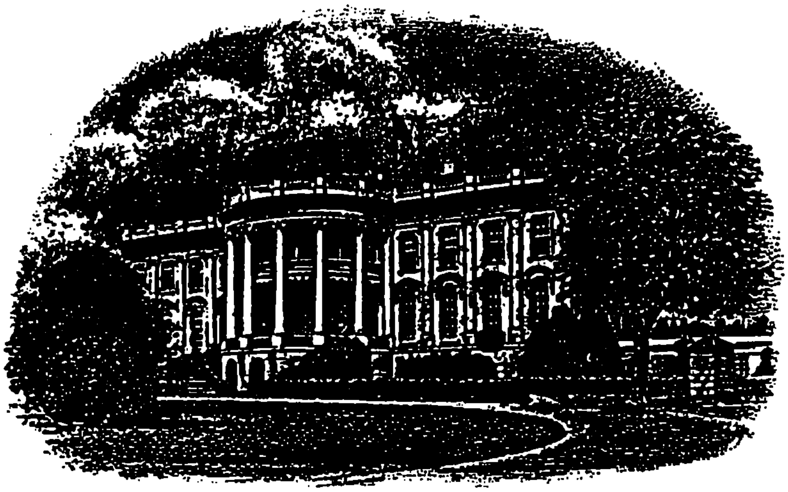

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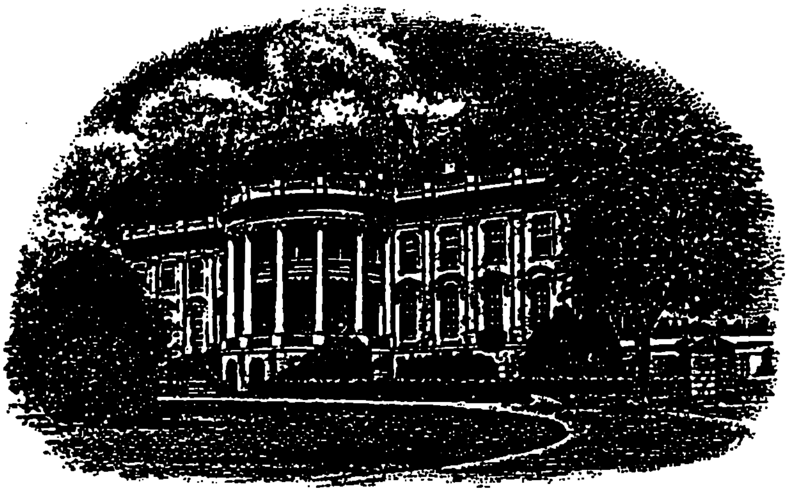

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Volume 1 Number 3
March 1997

Published by the National Council
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for Community Economic Development

REVITALIZING NEIGHBORHOODS

INSIDE THIS ISSUE

Workforce Training that Works

As communities across the country look for ways to improve worker training in the aftermath of welfare reform, Guilford Technical Community College in Jamestown, North Carolina, stands out as an example of a successful effort to combine education, job training and economic development. Dr. Donald Cameron, Guilford president, discussed the strategies employed by the college and the surrounding community at CUED's *Washington Briefing: Economic Development Summit*, held in Washington, D.C., from February 26 through March 1.

In workforce training circles, Guilford is a well-known success story. Working with and under Cameron, Guilford and the surrounding community brought together the resources and expertise of the community college, the public school system and CEOs from area companies to create an innovative approach to workforce training. Three years into the project, Guilford and the community's efforts have paid-off. Jamestown employers rave about their well-trained workforce and young employees have found themselves in a position to engage in salary negotiations.

Guilford has an annual enrollment of approximately 32,000 students. Cameron estimated that 85 percent of the college budget is based on state funding and the remaining 15 percent comes from various county and federal sources including Pell Grants and other student loan programs. Cameron received an A.A. from Wingate Junior College, B.S. from Atlantic Christian College, M.A. from the University of North Carolina and Ed.D. from NOVA University.

The Guilford Strategy

Cameron, who has been credited with providing leadership and guidance to the effort, compared the Guilford strategy to football. A former high school coach, Cameron reported that successful football teams and workforce training efforts share the same basic characteristics—establishing communications and following directions. For job training, this means communicating with stakeholders in the school system and the business community in order to create and implement a series of standards and work steps to deliver a well-trained workforce.

Now a college president and academic, Cameron says the success enjoyed by Guilford graduates and the Jamestown community is transferrable to other areas and he breaks-down suggested strategies and lessons learned into a series of steps. He recommends that community leaders begin efforts to improve worker training by reading Hendrick Smith's *Rethinking America*. The work, which examines the demographic and economic composition of the country in the late 20th century, estimates that in 1955, 20 percent of U.S. jobs required bachelors degrees while 80 percent required no more than a high school degree.

Smith goes on to argue, and Cameron agrees, that despite current perceptions, the job market remains unchanged—most U.S. jobs do not require a college education. Based on that assumption, Cameron and the Jamestown community set out to maintain the area's college-prep curriculum while improving vocational and technical education. The community decided that the educational system needed to be tailored to insure that high school and community college graduates could do more than expected in the past.

continued on the following page

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release May 20, 1997

REMARKS BY THE PRESIDENT
AT WELFARE-TO-WORK PARTNERSHIP EVENT

East Room

2:50 P.M. EDT

THE PRESIDENT: Thank you, George Stinson, for your wonderful introduction, your remarks, and most importantly, for your very, very powerful example. I thank the governors, Tom Carper and Tommy Thompson, my former colleagues and friends, for being here and for the power of their example. I thank the members of Congress, and most of all, I thank all the business leaders who are here -- Gerry Greenwald and the leaders of the other companies that were with us when we just had five, and all of you who are part of our first 105 -- thank you all.

And I want to say a special word of thanks to my friend, Eli Segal. He'd be a lot richer man if he'd never met me. (Laughter.) I have -- but I have made him America's reigning expert in public start-ups. (Laughter.) He is truly the father of AmeriCorps, the national service program that I love. And I can say, as I've been around the country now for nearly four and a half years, more people have come up to me and said of AmeriCorps, that changed my life for the better than anything I have done as President, except now this will be more numerous.

Because now -- you know, Eli and I were just sitting around talking one day, and he said, now, what can I do for you now? And I said, well, we passed this welfare reform law and I said, I really believe in it, but, I mean, you know, there's no way in the world we're going to get there. We've got the deficit, we've got to balance the budget, and we can't possibly meet the hiring targets of the welfare reform law unless we can organize the private sector and maximize in every state all the options to give people incentives to hire people in the private sector to move people from welfare to work. Oh, we can get a little money to put into the very high unemployment areas for the community service jobs and Congress has agreed to do that, but we've got to have the private sector.

And he said, we can do that. Then he found Gerry and the other first four that were here who are here in the audience, and then there were 100, and soon there will be 1,000. And I thank you all very much.

I would like to talk about this today a little bit from my perspective as President, but first let me say that I respect the fact that those of you who come here, come here as Americans. You come here primarily as business people. Some of you are Republicans; some of you are Democrats; some of you probably wish you had never met a politician. (Laughter.) But you all recognize that this is not a partisan issue, that it is a moral obligation for our country. It is America's business and, therefore, it must be the work of American business.

How did we get this goal of moving a million people from welfare to work by the year 2000? How did you get here to make a difference, as you can, as you saw from the young women who have been introduced here, to help people to move from a lifetime of dependence

MORE

to one of independence, to move from burdening their children with a legacy of despair to leaving their children with an inheritance of hope? Well, it all goes back to the effort we have made now as a nation. Some of us, as you heard the governors talking, have been involved with this welfare reform issue a long time.

But when I became President, I was convinced that we had to change both the economic policy and the social policy of the country if we wanted America to work again for everyone; that we had to do something to get the deficit down and expand trade and, at the same time, invest more money in education and science and technology and research and the things that would grow the economy; but that we had to prove that America could work again in a fundamental human way. So we had to deal with crime. We had to deal with our great diversity and get people to come together across the lines the lines that divide us and a stronger community. We had to deal with the conflicts people feel with family and work -- that working people are having trouble raising their kids too and meeting their obligations at work.

And a big part of this mosaic was to change the culture of dependency that had arisen around our welfare system. There was lots of evidence that nobody really liked the welfare system very much, especially the people that were on it. There was also, frankly, a lot of evidence that, for about half the people that were on it, it worked reasonably well, just because, for those people, you'd have to practically throw them up against a wall to stop them from doing all right in life -- people that hit a rough patch in life and they'd be on public assistance and they'd go on. But, increasingly, to the point where we wound up with slightly more than half of people on welfare were long-term dependents who felt literally unable to come back into the mainstream of American life.

Well, we've seen a lot of progress in the last few years, and a lot of it's been helped by the fact that we've got the lowest unemployment rate in 24 years and for the first time ever, our economy produced about 12 million jobs in a four year administration period. In that time, the welfare rolls had their biggest reduction ever in that short a period of time. And so, I began to think, well, maybe we can make the welfare reform targets. And then I realized -- I asked the Council of Economic Advisors to study this, and I said how much of this welfare decline that's due to the economy doing better, and how much of it is due to the fact that most states now are really working hard on welfare reform with us. They've gotten waivers from the federal government to get out from under rules and regulations and move people to work.

And the study indicated that about 40 percent -- a little more -- of the people moved from welfare to work because the economy got better and just -- the labor markets got tighter. About over a third, more or less, got there because most states were aggressively working with us either statewide or in parts of their states on welfare reform, and about a quarter got there for some other reason. But one of the reasons was that child support collections were increased by 50 percent in the last four years.

So then we said, okay, let's change, let's go another step. Let's tell people that if they're able-bodied, they can only have five years of welfare over the course of a lifetime and no more than two years at one time and let's give the states responsibility and the power and the money to design state by state a welfare reform system that will work and, in effect, will have to be designed community by community. That was the import of the welfare reform law. And in that law, as the Congressmen here will tell you, they set up very strict targets. But essentially, about 40 percent of the population has to be fully into this law over the next four years. That's how we got to this burden you're undertaking, because I want all of you who signed on to understand what is at stake here.

Now, what that means, bottom line, is that we have to move about another 900,000 to 1 million people in the work force in the next four years to meet the requirements of the law, which will move about 2.5 million people off welfare, because the average welfare family is about 2.5, 2.6 million, something like that.

Now, if we produce another 12 million jobs, we'll get close anyway. But it would be the first time in history that we ever did it eight years in a row, since we've only done it once four years in a row, and we just came out of that. Maybe we can do it. And I'd be the last to say we couldn't. But even if we did that -- here's the point I want to make -- even if we did that, if we don't have people like this man and like all of you, the people who would come off would be those who might make it off under any circumstances. And what we are trying to do here, the import of the reform welfare law, was to change, challenge, and end the culture of poverty, which means you have to find people who don't think they can make it, who have no idea what a resume is, who never had to show up on time before.

There are people in this audience today have helped find people like that before, and I wish all of you who have actually hired people from welfare to work were up here speaking today. But what this is about is saying that we are going to go beyond what the normal economy would produce; we're going to make an extra effort. And the government will do its part, but it has to be led by the private sector.

Now, in April, the Vice President and I announced that we would hire at least 10,000 welfare recipients in the next four years without replacing anybody, just through job turnover, in an area where we will expand employment, which I think is a pretty good thing in a federal government that's 300,000 people smaller than it was four years ago when I took office. We'll do 10,000. And with the help of Secretary Slater and some of our other Cabinet Secretaries, we're going to work with our private contractors, the people that do direct business with us, to hire 10,000 more. And we believe we can do that.

When we reached the budget agreement -- historic budget agreement -- with the leaders of Congress to balance the budget, it not only will give us the first balanced budget in almost 30 years, it contains the elements that we agree jointly should be a part of our contribution to your welfare reform effort. So let me mention them.

First, it provides, as I said earlier, $3 billion to help cities and states to create jobs and subsidize jobs -- either community service jobs or subsidized private sector jobs. That money will be targeted to very high unemployment areas where you cannot reasonably expect any effort to deal with the time deadlines.

Second, it encourages employers to hire and retain welfare recipients by giving a 50-percent tax credit over two years for up to $10,000 in wages for every long-term welfare recipient hired that does not displace someone else.

Now, these two things will help. But in addition to that, we have other big problems. One of the biggest problems that we think we need to get more help on is transportation. You heard Governor Carper talking about child care. There's $4 billion more in the welfare reform bill for child care. But there was a study that came out of Georgia recently which said that of the entry-level jobs in the inner city in fast food establishments, for example, something like, I don't know, 80 percent of the jobs were held by people who were low-income adults. In the suburbs, just a little more than half of those jobs were held by people who were low-income adults. The

MORE

transportation barrier kept them from maximizing their ability to move from dependence to independence.

So since two out of three new jobs are created in the suburbs and a significant percentage of people on welfare live in urban centers, it is very important that we do more on that. Today, we're awarding seed grants to 24 states to develop transportation schemes to help people go and get the jobs where the jobs are. And the legislation that we proposed in the new transportation bill would provide $600 million to help states and local communities put these plans into action. It also was approved in the budget agreement, so that's a very, very good thing.

And let me just say one other thing since we've got two very innovative governors here, and Governor Thompson, you've seen, they've had a huge drop in Wisconsin and a sizeable drop in Delaware. If you look around the country, there's still a lot of unevenness in how much the welfare rolls have dropped. Part of it is due to underlying economic conditions. But part of it is due to how comprehensive the efforts are.

One of the things that I think is important is that the states really do get together and steal the best ideas from each other. You should know that among other things, the states now have the power under this new law to take what was the welfare check and give all or part of it to an employer for a period of time as an employment or training subsidy. And a lot of states are doing that as well. There are lots of options out there.

So I want to say to all of you who are part of this first hundred, you have to work with the governors and with the state legislators, too, and with the mayors and the community-based operators. We've got to have a system here that's community-based.

Finally, let me say that if you look at the numbers, a million people sounds like a huge amount over four years, but in an American economy that has well over 100 million people in the work force, that produced 12 million new jobs in the last four years, with these extra incentives around the edges, with committed private sector employers -- small, medium, and large businesses -- this is not a problem. This is a start-up enterprise that can be stunningly successful. But as far as I know, there is no exact precedent for it in our history. There has never been anything quite like this, and this is something we're trying to do together. I will do my best to do my part, but I thank all of you from the bottom of my heart, starting with Eli and Gerry and encompassing all of you, for doing your part.

You know, I've tried to learn about what a lot of you are doing. And Mr. Marriott here has this Pathways to Independence program that supports the transition from welfare to work. I've seen that. Then I meet a man with a small business and more than half his employees are people who were on welfare. We were in Kansas City not very long ago and I met a man who stores data for the federal government, way out in Kansas City -- that's what computers do for you these days. And he had 25 people in his business, in this data storage business, and five of them were people that he had hired from the welfare rolls. Every time he expands now he tries to hire somebody from welfare.

I know we can do this. I just want to say to you when you leave here today I want you to imagine what it is you would like your country to look like when we enter the 21st century. There will always be people who, for one reason or another, are out of work. There will always be people who, for one reason or another, have a rough spot in life. And as long as we're a nation of immigrants, there will always be people who start out below whatever the federally established poverty line is. But we do not have to have a country with an intolerable crime rate, with an intolerable failure rate among young people in poverty and addiction and violence. And we do not have to have a country with a permanent culture of dependence. We do not have to have that. (Applause.)

We just had this Service Summit in Philadelphia where we said we're all going to get together, without regard to party, try to give every child in America five things: a healthy start in life, a safe place to grow up, a decent education, a mentor with a caring adult, and a chance to serve and give something back -- no matter how modest the child's resources are.

I'll tell you, we could do more to get that done by liberating their parents from the culture of dependence than anything else. You are making the America we ought to have for the 21st century. And I hope when you leave here today, you'll be even more dedicated to it because the future of our children is riding on it.

Thank you and God bless you. (Applause.)

END 3:07 P.M. EDT

NEXTEA

THE NATIONAL ECONOMIC CROSSROADS TRANSPORTATION EFFICIENCY ACT

MOVING AMERICANS FROM WELFARE TO WORK

MAY 20, 1997

MOVING AMERICANS FROM WELFARE TO WORK

PRESIDENT CLINTON'S PLAN TO IMPROVE ACCESS TO JOBS AND TRAINING

"Each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, *can* work."

President Bill Clinton,
State of the Union Address, February 4, 1997

To support his comprehensive welfare reform initiative, President Clinton proposes to build on existing transportation programs that use innovative strategies to help people make the transition to the working world.

One of the biggest barriers facing those moving from welfare rolls to payrolls is finding transportation to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs far from where most welfare recipients live.

The President's proposal for the National Economic Crossroads Transportation Efficiency Act (NEXTEA), which would authorize federal highway and transit programs from 1998 through 2003, includes several provisions to improve welfare recipients' access to jobs and training.

- **INVESTING $600 MILLION TO IMPROVE ACCESS TO JOBS AND TRAINING**

  NEXTEA includes a six-year, $600 million incentive grant program to support new transportation services to get people to where the jobs are, including flexible, innovative alternatives such as vanpools. Funding also would provide access to training and to support services such as day care at transit stations.

- **CREATING JOB-TRAINING OPPORTUNITIES IN TRANSPORTATION TECHNOLOGY AND CONSTRUCTION**

  Since transportation and construction jobs are among America's best-paying, we want to open opportunities in these fields to welfare recipients and other disadvantaged people. NEXTEA would increase incentives for states and localities to provide job training in conjunction with federally funded technology and construction projects, enable them to offer hiring preferences favoring welfare recipients and residents of Empowerment Zones and Enterprise Communities, and sustain the federal commitment to Disadvantaged Business Enterprise programs.

MOVING AMERICANS FROM WELFARE TO WORK

THE CHALLENGE

One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: only one in 20 welfare recipients owns a car, and mass transit generally operates either within central cities or from suburbs into cities. Transit also often does not meet the needs of off-hour shift workers or those with small children who require day care. The studies below show the challenges faced by welfare recipients in three cities.

Cleveland

Cleveland's economy has been expanding, but that growth has been concentrated in the suburbs. A study by Case Western Reserve University (Contact: Neil Bania, 216-368-8670) showed that the entry-level jobs being generated cannot easily be reached by public transit. Fewer than half of entry-level jobs are accessible from central city neighborhoods within an 80-minute transit ride, leaving the other half essentially out of reach of Cleveland's welfare population.

Boston

A study prepared by the Volpe National Transportation Systems Center (Contact: Annalynn Lacombe, 617-494-2161) found that the highest growth in entry-level jobs was along Route 128, well outside of central Boston. Boston has an excellent transit system, with stations within a half-mile of 99 percent of the city's welfare recipients. Still, it does not provide needed connections to available jobs: only 43 percent of employers are also within a half-mile of transit lines. Moreover, 40 percent of all employers in high-growth areas can be reached only after a commute of more than two hours.

Atlanta

An ongoing Emory University study (Contact: Michael Rich, 404-727-7449) indicates that three of every four jobs in the Atlanta area are in the suburbs. Two-thirds of entry level jobs paying less than $15,000 annually are within a quarter-mile of a transit line; however, fewer than one of three entry-level jobs paying more than $15,000 annually -- those most likely to enable welfare recipients to become self-sufficient -- are located within the same distance from transit.

MOVING AMERICANS FROM WELFARE TO WORK

DETAILS OF THE PRESIDENT'S WELFARE TO WORK TRANSPORTATION PLAN

The President's proposal for the National Economic Crossroads Transportation Efficiency Act (NEXTEA), which would authorize federal highway and transit programs from 1998 through 2003, includes several provisions to improve access to jobs and training.

- **$600 million in new funds.** NEXTEA includes a six-year, $600 million incentive grant program to support welfare reform efforts. Funds are available to assist states, local governments, and private, nonprofit organizations to plan and implement new transportation services to link welfare recipients with jobs.

- **Targeted grants.** Grants would be targeted based on both the size of the welfare population and the area's willingness to address the transportation needs of welfare recipients through a comprehensive, strategic approach. Criteria include the severity of the welfare problem; the need for services to transport people to jobs, training, and support services; mechanisms to coordinate transportation and human resource services planning; and state and local shared financial commitment and coordination.

- **State and local partnerships.** Federal funds would provide 50 percent of the project costs, with grant recipients supplying the remaining 50 percent. Other federal funds could be used as part of the local match.

- **Broad eligibility.** Grants could be used for a wide range of purposes, including: operating and capital costs for services; coordination of transportation services; promotion of employer-provided transportation; and planning and developing support facilities, such as child care, at transit sites.

- **Federal technical assistance.** Federal funding would provide grant recipients with technical assistance to evaluate programs and to establish benchmarks for best practices.

- **Enhanced on-the-job training.** Other provisions of NEXTEA allow states to reserve a certain of number training slots for welfare recipients; to include technology-training opportunities in connection with transportation-related technologies; and to increase funds available for DOT's On-the-Job Supportive Services Program.

- **Hiring preferences favoring welfare recipients and Employment Zone/Enterprise Community residents.** The $20 billion-per-year federal highway construction program would allow states to offer hiring preferences favoring welfare recipients and residents of Employment Zones or Enterprise Communities.

- **More funding for proven programs.** The President's 1998 budget seeks $10 million to expand HUD's successful Bridges to Work Program, which provides job placement and support services, as well as transportation to link city residents with jobs.

MOVING AMERICANS FROM WELFARE TO WORK

BENCHMARKS: TODAY'S SUCCESS STORIES

Federal Initiatives

✔ DOT's Joblinks program provides transportation and training in both urban and rural areas. Oregon's Glendale-Azalea School District uses Joblinks funds to transport the unemployed to training and jobs.

✔ DOT's Livable Communities program integrates transit with jobs, schools, and housing. In Corpus Christi, residents worked with local officials to develop three bus transfer centers and to improve pedestrian access to area amenities.

✔ DOT's On-the-Job Training (OJT) Program requires that federally funded highway projects provide apprenticeships and training positions in higher-paying transportation trades, such as carpentry, concrete finishing, and truck driving. These help women, minorities, and disadvantaged people move into America's vibrant construction industry.

✔ DOT's On-the-Job Training Supportive Services Program complements the OJT program by providing contractors, apprentices, and trainees with such services as recruitment, counseling and job placement, transportation, child care, and skills training. In addition, a highway construction project in Maine is using regular federal funding to provide day care for women workers making the transition from welfare.

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State and Local Initiatives

✔ St. Louis East-West Gateway Coordinating Council: 16 agencies coordinate to access jobs along the Metrolink rail line and to use vans and express buses that connect inner-city employees with suburban employers.

✔ Southeast Arkansas Transportation (SEAT): during off-hours, unused senior citizen service buses in rural Jefferson County transport welfare recipients to jobs and training.

✔ Baltimore, Maryland: vanpools link residents of disadvantaged central city neighborhoods to employers at and around Baltimore-Washington International Airport.

✔ The Transit Authority of River City, Louisville, Kentucky: new express bus service to the Bluegrass Industrial Park cut trip times from two hours to less than 40 minutes.

✔ Talahina, Oklahoma: the success of shuttles serving the graveyard shift at poultry processing plants in Fort Smith, Arkansas has served as a model for similar services to other employment centers in Oklahoma.

MOVING AMERICANS FROM WELFARE TO WORK

FEDERAL-NGA WELFARE TO WORK TRANSPORTATION INITIATIVE

- One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs far from where most welfare recipients live.

- DOT is contributing $330,000 towards a partnership with the National Governors' Association (NGA). This will be used for grants to states to help them develop transportation strategies that support their welfare to work efforts. This partnership recognizes that those making the transition from welfare to work must largely depend on public transportation to reach jobs and other employment-support services, and that cooperation among federal, state, county, and local governments and the private sector is crucial.

- Participating states, led by their Governors' offices, are forming interagency task forces to coordinate transportation with welfare reform initiatives. The groups include state, county, and local human services agencies, along with local transportation providers, community human resource organizations, and private employers.

- State welfare to work transportation action plans will be completed during 1997. They are expected to emphasize coordinating existing public transportation, human services, and private programs that enable welfare recipients to get to where the jobs are.

- 24 states and one territory are participating: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, the Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.

NEXTEA

THE NATIONAL ECONOMIC CROSSROADS TRANSPORTATION EFFICIENCY ACT

MOVING AMERICANS FROM WELFARE TO WORK

MAY 20, 1997

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The White House
Washington

AGENDA
White House Briefing on Welfare Reform and Transportation
Tuesday, May 20, 1997
Room 450, 10:30 a.m.

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WELCOME AND INTRODUCTION
Rodney Slater
Secretary of Transportation

REMARKS

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Administrator, Federal Transit Administration

PROVISIONS FOR TRAINING AND LOCAL HIRING PREFERENCES
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Acting Administrator, Federal Highway Administration

ST. LOUIS EAST-WEST GATEWAY MODEL
Hon. Clarence Harmon
Mayor of St. Louis, Missouri

WELFARE REFORM
Bruce Reed
Assistant to the President for Domestic Policy

QUESTIONS AND COMMENTS

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Hon. Clarence Harmon
Mayor of St. Louis, Missouri

WELFARE REFORM
Bruce Reed
Assistant to the President for Domestic Policy

QUESTIONS AND COMMENTS

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MOVING AMERICANS FROM WELFARE TO WORK: THE FEDERAL-NGA WELFARE TO WORK TRANSPORTATION INITIATIVE

"Each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, *can* work."

President Bill Clinton,
State of the Union Address, February 4, 1997

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- 24 states and one territory are participating: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, the Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.

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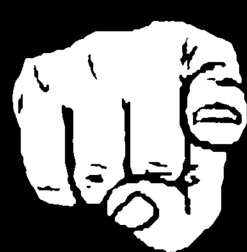
TRANSPORTATION TAXES • THE REVERSE COMMUTE • PERKING UP PhRMA

National Journal

THE WEEKLY ON POLITICS AND GOVERNMENT NOV. 23, 1996/NO. 47

Do It Yourself



Over the next decade, Washington will be asked to make a choice: to shore up the collective, egalitarian approach to social security and medicare or to embrace and encourage the trend, under way in the private sector, toward individual self-reliance – whatever the risk.

The Reverse Commute

The jobs are in the suburbs. But getting there is hard for inner-city residents without cars or efficient public transit. Experimental programs aim to provide direct transportation to work sites and address such needs as extended child care.

BY ROCHELLE L. STANFIELD

BALTIMORE—Scot T. Spencer was driving along Eager Street one weekday noon in a shabby section of Baltimore's east side, past clusters of men who were hanging out on the corners and didn't look very eager at all.

Spencer, physical development director for the Historic East Baltimore Community Action Coalition, *is* eager to put them and others to work. But jobs are scarce around here. Even though the typically employment-rich Johns Hopkins Hospital complex is just a few blocks away and this neighborhood is part of Baltimore's empowerment zone—the local target area for the Clinton Administration's urban revitalization scheme—more than half the adult population is unemployed.

So Spencer is about to do something radical, if not downright contradictory, for an organization implementing an empowerment zone program. He's going to look for suburban employment for inner-city residents.

"I'd love to place people in jobs around here," he said. But even though the empowerment zone is spurring employment in the neighborhood, he continued, "the reality is, there probably aren't enough jobs in the city."

In a rare departure from its traditional economic development focus on creation of inner-city jobs, the Housing and Urban Development (HUD) Department is sponsoring a $17 million, five-city experiment in reverse commuting called Bridges to Work. Baltimore is one of the participants, along with Chicago, Denver, Milwaukee and St. Louis. The experiment arises from a new appreciation at HUD, and among urban advocates generally, of the economic interdependence of cities and their suburbs.

"We cannot think about our inner-city communities as economies unto themselves, even though we think they have substantial economic development potential," Michael A. Stegman, assistant HUD secretary for policy development and research, said. "If you get a job out [in the suburbs] and bring back a good paycheck into your community, you can do a much better job of supporting the supermarkets, the retail developments that have been missing in your community. You're importing dollars to sustain your neighborhood."

Welfare reform, with its requirement that most recipients find jobs within two years, has increased the urgency of expanding job searches to the entire metropolitan area. But this development was probably inevitable anyway in the face of a new economic geography. The suburbs are where the jobs are. In the 10 largest metropolitan areas, more than two-thirds of all jobs created during the 1980s were in the suburbs. The proportion of blue-collar jobs was even higher. *(See chart, p. 2548.)*

"You fish where the fish are," said Mark Alan Hughes, vice president of Public/Private Ventures, a Philadelphia-based community and economic development consulting firm, who dreamed up Bridges to Work and is overseeing it for HUD. "You start with the fact that you've got lots of poor people in the cities and jobs moving to or starting up in the suburbs and you've got three options—dispersal: move the poor people out to the suburbs; development: recentralize jobs back in the city; and mobility: just try to connect the dots."

That's easier said than done. In Baltimore, for example, even though short-handed suburban businesses are hungry for the kind of minimally skilled workers Spencer can supply, political, psychological and economic barriers stand in the way.

And an even greater immediate obstacle is this logistical fact of life: You can't get there from here. Unless, of course, you drive a car. And Spencer estimates that at least half the potential workers in East Baltimore don't.

In fact, the reason Spencer was in his car on that weekday noon was to drive a car-less reporter from his office to Penn Station in downtown Baltimore. She had to catch an intercity Amtrak Metroliner for the 13-minute ride out to the Baltimore-Washington International (BWI) Airport business district, where jobs are sprouting faster than the weeds that were uprooted to clear mile after mile of land for industrial parks and warehouse complexes.

The $8 trip is the only public transit option available at that time of day. It may be luxurious, but it's also expensive and not very convenient. A much cheaper light-rail system runs streetcars into the general area every 15 minutes, but the stations are even farther away from the airport complex.

Although 80 square miles of commercial opportunity surround BWI, all that's visible from its railroad station is a vast stretch of parking lot. Every few minutes, a shuttle bus goes to the air terminal. Nothing goes to most of the job sites.

So the reporter called Neil M. Shpritz, executive director of the BWI Business Partnership Inc., the suburban organization collaborating with Spencer on HUD's suburban job-placement experiment. Shpritz had to bring his own car to pick up the reporter. For the 400 aspiring employees they hope to place through Bridges to Work, Shpritz and Spencer are working on more-efficient arrangements.

Shpritz describes his involvement as purely pragmatic. Of Hughes's three options, mobility is the only practical solution, he said. Employers around BWI "know they have problems finding a relatively low-wage labor force out here, and they know they need a labor force because their businesses are doing well," he explained. "And the segment of the labor force they're looking for—at wages of $7-$11 an hour—can't afford houses out here."

With $1.6 million from HUD through the Bridges to Work program, Spencer is buying vans to whisk his East Baltimore workers out to Shpritz's job sites. That's the physical bridge, but it's only the beginning. The program will also feature a job-placement service, orientation sessions to make the suburbs seem less alien to people who may not have been there before, the guarantee of a free ride home during the work shift in case of emergency and supplemental child care assistance because the commute will lengthen an average workday.

Just to conceive of such a comprehensive reverse-commuting program required breaking out of the narrow mental confines of urban isolationism. To translate this small experiment into a routine part of metropolitan economic life, however, will require leaping a series of other barriers. None is likely to be higher than those imposed by traditional public transit notions and practices.

Rochelle L. Stanfield

Scot T. Spencer of the Historic East Baltimore Community Action Coalition
He'd like to help people work in the city but says there probably aren't enough jobs there.

TRANSIT REVERSAL

Until very recently, to many close observers of the urban scene the phrase "innovative public transit" was a contradiction in terms. Most city systems still operate as they have for decades. A few suburban systems do try new ways to provide transit, but creativity is a slow, difficult process.

The suburban bus division of Chicago's Regional Transportation Authority, called Pace, is one transit agency that has broken out of the mold. "We're just trying to be responsive and flexible," Terrance Brannon, Pace's deputy executive director, said. "A lot of transit agencies just aren't interested in this kind of stuff."

Even Pace didn't set out to be different, Brannon conceded. "The reason we're doing it is because of our charge to serve a suburban market," he continued. "It kind of forces you to become creative, because it's not a good market for transit."

Transit typically accounts for only 2 per cent of suburban transportation. Brannon, who is trying to increase this market share, is banking on city-to-suburb riders to do it. At present, 47 per cent of his riders travel between suburbs, 41 per cent from suburb to city and only 12 per cent from city to suburb. But the outbound ridership increased by 33 per cent during the 1980s, the fastest-growing segment.

Not surprisingly, Pace is to be a major player in Chicago's Bridges to Work demonstration. Also not surprisingly, Baltimore's Mass Transit Administration (MTA) isn't. The Maryland legislature, which heavily subsidizes MTA, requires the transit agency to recover 50 per cent of its costs from fares. So the agency can't establish a new service or even a different route without the assurance of a sufficient number of paying customers.

"In some ways it does constrain us," Harvey Zelefsky, MTA's director of planning, acknowledged. "But it does keep us honest."

That's not how Spencer would describe it. "You can't create a demand if people can't get down there for a [job] interview in the first place," he said. "It's almost comical that this happens."

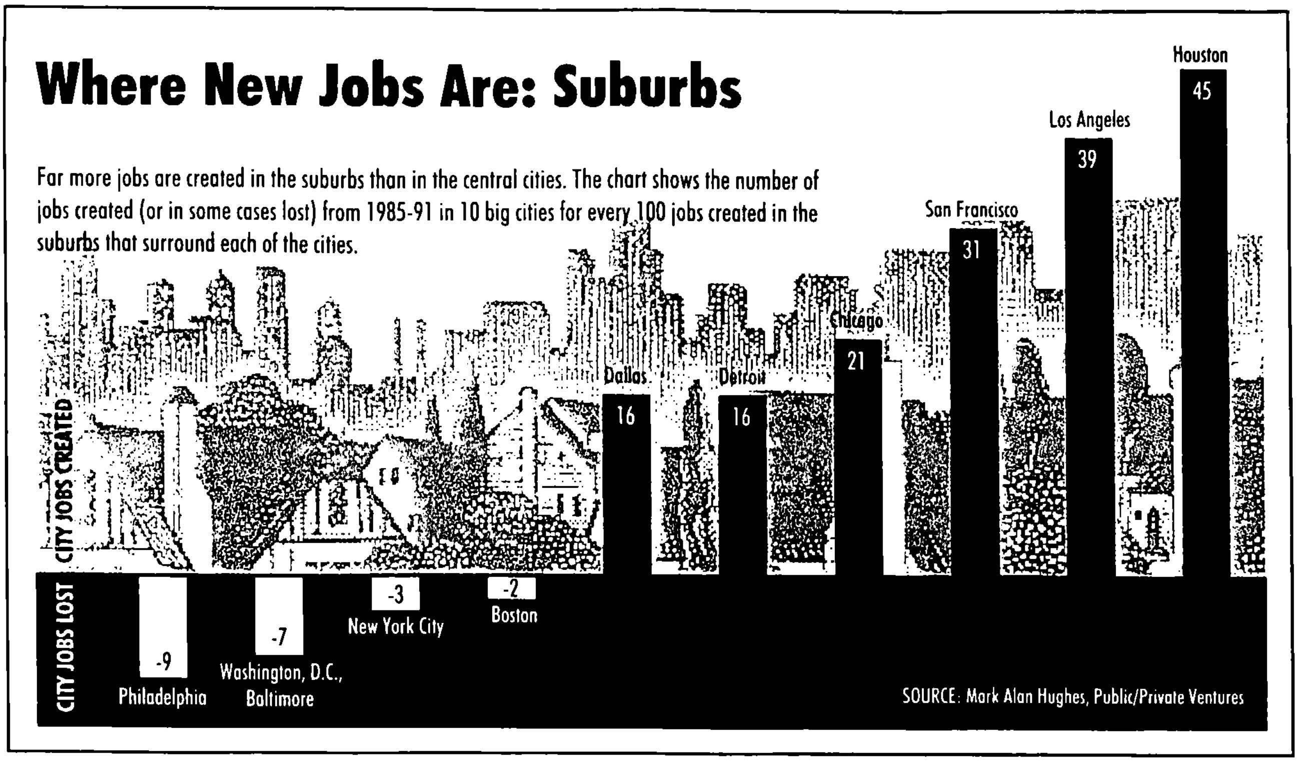
Reverse commuting of the kind envisioned in Bridges to Work turns traditional transit planning on its head. The immutable rule of mass transport has been to move a lot of people at once from one densely concentrated place to another. Within cities, where mass transit began and where most of it still operates, that means sending large-capacity vehicles down fixed routes.

The commute from suburb to city requires only a slight variation. The transit operator picks up riders at a central location—a big suburban parking lot that riders reached by car—and travels along a fixed route to the city's business district.

To simply reverse that doesn't work. Just to get to a central pickup point within the city using public transportation could take as long as the total commute would take by car. And what happens at the other end of the ride? "You can't just drop folks at the corner of an expressway and let them walk two miles to work," Joseph Tierney, who is co-directing Bridges to Work for Public/Private Ventures, said.

In Chicago's suburbs, Pace operates between the end of the regular Chicago Transit Authority (CTA) lines out to such major employers as Sears, Roebuck and Co., which four years ago moved its headquarters with 4,000 employees from Chicago's West Side to the far northwestern suburbs.

But that's not a viable solution for most inner-city residents because it means a



very long commute. A CTA elevated line, for example, runs from the North Lawndale section of the West Side out to the edge of the city, and a Pace bus goes the rest of the way to various job locations. "You theoretically could make the connections, but it would take almost two hours to do that. So people just won't use it," said John J. Plunkett, president of Suburban Job-Link, a nonprofit job-training organization in Chicago that pioneered a comprehensive reverse-commuting program for West Side residents 10 years ago. Plunkett heads the Chicago version of Bridges to Work.

Suburban Job-Link, among other things, reduces the commute to 25 minutes by running express buses from the West Side out to job sites. That, ironically, means setting limits. Plunkett restricts eligibility for his program to people who live within three blocks of his bus routes.

"We get people who say, 'I'll get to your bus no matter how far I have to go,' " Plunkett said. "But we know if we apply our restriction rigidly, we're going to have a much happier ridership. People are going to keep their jobs longer because they're not going to have to get up real early in the morning just to hook up with us. It just works better."

Time of day presents another problem. Suburb-to-city transit is designed for the office rush hours. That's not the schedule used by factories, warehouses and other employers of blue-collar workers in the suburbs. Many operate around the clock, and even the day shift starts much earlier than rush hour.

"That's another thing about being flexible," Brannon said. Even if you can transport people for an evening or overnight shift, for example, "if you're not there to pick them up in the morning when they get off of work, you're going to lose them."

There's yet another timetable for job interviews, which typically take place during the day after rush hour. "We found that when our regular transportation was out here to take people to work, that was really no good for people looking for a job," Plunkett said. "So now we run two kinds of transportation."

CROSSING THE BARRIERS

The physical constraints inherent in providing mass transit are the first barrier to cross in placing inner-city residents in suburban jobs, but they're far from the only ones.

"I think it's really important not to make the mistake of saying, 'If we just had the transportation problem solved, everything would be fine,' " said Margery Austin Turner, who recently returned as principal research associate to the Urban Institute in Washington from a stint as deputy assistant secretary at HUD, where she helped plan Bridges to Work. "Transportation is part of the problem, but if you fix that, that would probably be the solution for only a relatively small number of people."

Plunkett solved several problems early in 1995 with the construction of what he calls the Suburban Oasis, a job training-job search site and transit transfer point in DuPage County not far from the Cook County line. In a breakthrough for the new metropolitan-wide thinking, Chicago helped finance the building and has invested more than $1 million in the program. "I'm sure eyebrows were raised at both ends, in City Hall as well as the suburbs," Plunkett said.

Among other things, the Oasis provides an island of cultural, ethnic and racial familiarity in an unfamiliar world. The psychological wall between city and suburb is often much higher than job-placement specialists expect it to be. In Baltimore, for example, Spencer is finding a large proportion of potential workers "who say, 'I don't want to leave the city,' " he said. "In trying to understand why, we find it means escaping their comfort margin. It can be distance. It can be family [needs]. It can be race or perceptions of race, but they don't want to escape" that margin of comfort.

In Chicago, Plunkett finds the Oasis a big help in breaking down this barrier of fear. "One of the reasons we moved our orientation to the suburbs is so we can physically demonstrate [the feasibility of working in the suburbs] on the very first day," he said. "Somebody gets on our vehicle [on the West Side] and is whisked out here and it really didn't take all that long—well, that's a surprise in itself. Then we run around some of the industrial areas where our facility is, and they've never seen so many factories in their entire life. So right away, they'll internalize some of the notions that we just used to talk about."

Even so, once they are on the job without cars, they're stuck. That's why an important component of Bridges to Work is a guaranteed ride home in case of emergency or unanticipated overtime. At the BWI complex, Shpritz already provides a similar guarantee for middle-class suburban workers who volunteer to take public transportation as a means to relieve highway congestion and alleviate air pollution. "It gets used less than we expected," he said. "It's really an insurance policy [for the workers], and it works very well."

Then there are economic humps to overcome in reverse commuting. It might cost more to work in the suburbs than closer to home, for example, because of extended child care. Plunkett has not subsidized child care in his Suburban Job-Link program, but Bridges to Work intends to do so. In the Baltimore area, both Spencer and Shpritz see it as a necessary incentive to get potential workers into the program.

Spencer is planning to pay for the additional time a child would need to be cared for because the commute would lengthen the parent's workday. Using a child care center closer to the job would probably not be feasible. "There are some child care facilities out here," Shpritz said. "But they're not cheap. I can't see a $7-an-hour worker affording them."

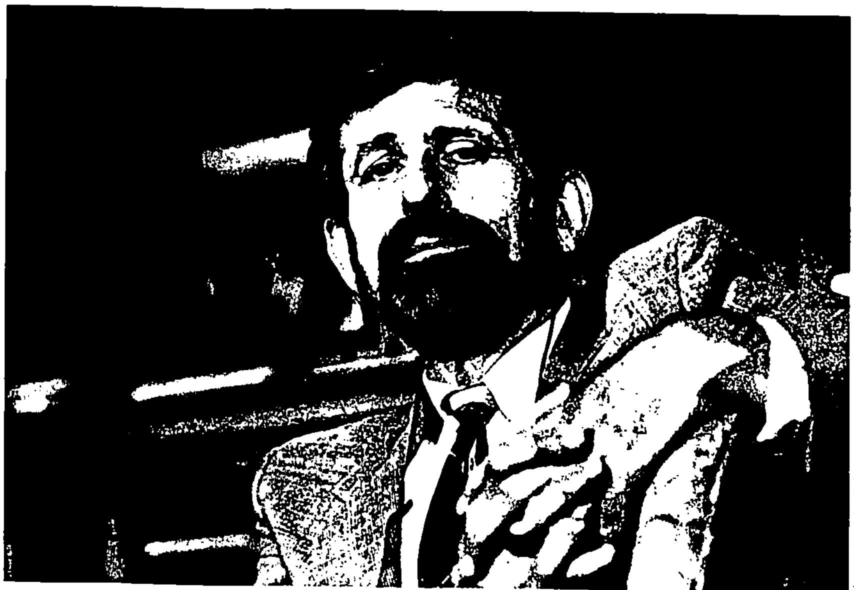
Other economic constraints are more subtle. For some suburban commutes, the most efficient form of transportation is a vanpool. In suburban Chicago, Pace operates 250 vanpools, most of them between suburbs. Brannon envisions setting up vanpools for Bridges to Work participants, but there are problems.

Pace's vans are driven by workers who pay for fuel and maintenance with a credit card provided by Pace and keep the vans at home in their own garages. That requires the vanpool drivers to have a good credit history—which usually means a long work history—and a garage.

"A lot of people in Bridges to Work don't have that," Brannon said. "So we're looking at getting some kind of central storage location and fuel and maintenance contracts with, maybe, some local inner-city service stations." Not necessarily a big problem, but one more bump in the road to metropolitan job opportunities.

GUARANTEED FUTURE

Bridges to Work intends to put a total of 1,600 inner-city residents to work outside Baltimore, Denver, Mikwaukee and St. Louis and another 1,600 in suburban Chicago. The significance of that number would be lost in rounding off the statistics of the millions of potential inner-city workers and job openings in suburbs across the country. If the experiment works, the Clinton Administration promises to seed 75 additional Bridges to Work programs. That's still small change.


Susan M. Manuk

Michael A. Stegman, an assistant Housing and Urban Development secretary
Workers can help their inner-city communities by spending their suburban wages at home.

Real access for inner-city residents to the metropolitan labor market will require the institutionalization of cross-county job placement and effective regional public transit. Those are perhaps the biggest obstacles of all.

County welfare administrators and those who run the Job Training Partnership Act (JTPA), the major federal employment program for the disadvantaged, "draw a mental map that confines the residents of [inner cities] to the bleakest part of the metropolitan labor market," Hughes, the father of Bridges to Work, said. "They're not even thinking about reaching out [across county boundaries]."

The need to put welfare recipients to work fast may force the states—now in the process of devising their own welfare-to-work programs—to look to metropolitan-wide job placements. JTPA still doesn't make it easy, however. That program is administered within geographically narrow service delivery areas. Caseworkers in one service delivery area have no incentive to go outside the area for placements. Indeed, to do so invites a bureaucratic hassle. Congress has had a JTPA overhaul under consideration for several years but has failed to pass it.

On the transit side, as long as the reverse commute is dependent on a narrow federal grant program such as Bridges to Work, it isn't likely to become a major factor in the work life of most communities. To guarantee its spread and its future as a viable transit option, reverse commuting will have to become as universal and as institutionalized as the inbound commute.

That might happen on a small scale. Indeed, Pace has already taken over four of the most efficient Suburban Job-Links routes. In Baltimore, Zelefsky said he would be monitoring Bridges to Work closely. "If they can demonstrate there's demand and it would be economically feasible, then we would definitely consider taking over that service," he said.

But the seeds of failure lurk in the blossoms of success. So far, those involved insist they haven't heard any suburban resistance to busloads of mostly minority, inner-city residents showing up in their communities. They also acknowledge, however, that few suburban residents are aware of the prospect of their arrival, and that when their presence is felt in suburbs, there could be a racial backlash from the communities.

If the program works and disadvantaged inner-city residents get good jobs in the suburbs, the first thing they are likely to do is buy cars. Indeed, Plunkett has a roster of hundreds of former Job-Links participants who now either own cars or carpool with others to good suburban jobs. Inbound public transportation is in demand because of road congestion and lack of downtown parking, two problems that commuters to the suburbs probably won't face any time soon.

As Pace and a few other creative transit agencies are doing already, however, Bridges to Work is expected to demonstrate that you can get there from here. That's vital to busineses around BWI, Shpritz recognized. "You can't have healthy growth in the [suburban] counties if Baltimore City fails," he said.

During the campaign, President Clinton kept citing the 10.5 million jobs created during his first term. "Without transportation," Hughes said, "they might as well be in Mexico as in the suburbs." ■

East-West Gateway
Coordinating Council
Linking the cities and counties of the Gateway Region since 1965

Remarks to the White House Briefing on Welfare to Work
in cooperation with the
U. S. Department of Transportation
May 20, 1997

by
The Honorable Clarence Harmon, Jr.
Mayor
City of St. Louis

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Secretary Slater, Administrator Linton, other members of the Department, and guests -- thank you for inviting me to join you in this important discussion and to present to you some of the things we are learning in St. Louis as we address the many issues and opportunities inherent in supporting the move from welfare to work.

I would like to begin by acknowledging my colleague Francis Slay, who is in the audience. Francis is President of the Board of Aldermen of the City of St. Louis and chairman of the East-West Gateway Coordinating Council, our metropolitan planning organization. He and I are here not only to represent the City -- where 41 percent of our region's 45,000 households on welfare reside -- but to emphasize the importance of a regional approach to the challenges of welfare-to-work. We all know that it is not cities or states, but metropolitan regions that drive the nation's economy. The ultimate challenge of welfare-to-work is the challenge of re-engaging young parents in a regional labor market from which they have been disconnected and supporting their transition from dependency to competency and self-reliance. In the metropolitan economies of the global marketplace, this challenge must be addressed at the regional level.

In 1994, the local governments of our region adopted a new 20-year transportation plan, *Transportation Redefined*, which established a framework in which decisions about transportation, economic development, and community services could be more closely aligned. *Transportation Redefined* also prioritized improved "access to opportunity" for low-income families as one of seven key focuses for problem-solving.

It is going to take quite some time before we fully realize the potential inherent in such a cross-cutting and coordinated approach. But, even at this early stage, some interesting new initiatives have been developed. For example:

- We have launched a strategic planning process in cooperation with the Missouri Department of Economic Development and a variety of public and private institutions that focuses on investment opportunities in St. Louis' MetroLink light rail corridor. MetroLink traverses 18 miles through our urban core, and passes through flourishing employment centers, as well as older, abandoned industrial zones, and communities of extremely high unemployment. Cognizant of both the assets and the deficits in the area, we call this initiative TRACER (Transportation Corridor for Economic Renewal).

To jump-start the investment process, the Missouri Department of Economic Development and the office of Missouri Governor Mel Carnahan have made funds available to establish a "Center for Mobility to Work" adjacent to one of the MetroLink stations. At this Center, which we hope to have up and running in the fall of this year, unemployed and underemployed adults who live in communities around the MetroLink line can take advantage of an intensive, four-week work readiness training program, receive assistance in finding employment at one of the 10,000 firms that are accessible by light rail and integrated bus service, and return to the Center at any time for job retention and career development services. Our job placement target for the first year of operations for the Center for Mobility to Work is 200.

- We have worked closely with the Monsanto Corporation, Adecco Personnel Services, and the Missouri FUTURES program to develop a second project which targets employment opportunities in the business services field. This initiative will serve women who are receiving TANF benefits and who are living in one of three assisted housing programs operated by the American Red Cross, the Salvation Army, and a private developer in the St. Louis area. Participants will avail themselves of a clerical skills training program that has been customized to the requirements of Adecco and Monsanto and will be placed in positions with these firms, once they have successfully mastered the required skills. In this program, transportation to training will be provided through vans that are owned and operated by the assisted housing programs. We are starting this program small – with 30 targeted placements after the first training cycle. Upon success, we will expand.

- We have also designed a new "Center for Health Careers" in conjunction with the Missouri Department of Social Services and the Sisters of St. Mary Health Care System. Individuals who are now receiving welfare benefits and who have an interest in moving into a career in health care will be able to receive counseling and case management services, work readiness and skill training, and child care assistance as they prepare for a job in one of four hospitals in the SSM system in St. Louis. After securing a job, job coaching and career development services will be available to them for 18 months after placement. Transportation assistance both before and after placement will be in the form of a weekly allowance which may be used for either transit or automobile travel. Our job targets for this project are 125 placements in year one, 300 placements in year two, and 500 placements in year three.

- And, most recently, East-West Gateway has become actively involved with community residents and resident advocates from the City's riverfront community who are exploring a job creation and sustainable development strategy along the North Riverfront Wildlife Corridor. Neighborhood residents have worked with their representatives on the Board of Aldermen to design a series of connecting loops that will provide bicycle access from the neighborhoods to the trail that is being developed through the corridor with transportation enhancement funds and funds from the Missouri Department of Conservation. Complementary job creation is being strategized in cooperation with the Sustainable Neighborhood Development Task Force of St. Louis 2004. Our objective is to stimulate accessible employment in environmental and recreational services in the corridor, as well as to encourage microenterprises that can be fed by traffic along this popular new facility. The Grace Hill AmeriCorps program has provided the vehicle for residents to organize and inform themselves about the possibilities. East-West Gateway's job will be to help articulate the role of the larger transportation system in making the community vision real.

In these and other initiatives, we have come to truly value three principles. The first of these is ***partnering.*** Our partnerships with state and local governments and with the private sector have provided the essential infrastructure needed to get things done. Partners have been integrally involved from the very beginning of each of the initiatives I have described, and they will be with us throughout project monitoring and performance evaluation. In fact, in many of these initiatives we have used a "co-investment approach" in which partners have coordinated their investments in innovative ways to test our collective ability to achieve better outcomes through more efficient use of resources. Our current portfolio under the metropolitan "access to opportunity" focus area is $4.39 million – of which 60 percent are state resources, 23 percent are from private foundations and 17 percent are federal grants.

The second principle to which we are wed is a ***customer-focused*** planning process. There are two important customers in welfare-to-work: welfare recipients and employers. Both of these are very diverse groups with varying needs and interests. The projects we have developed integrate economic development, community services and transportation in unique configurations to more precisely connect these two customer groups than has been past practice. This can only happen if these customers are engaged in the process – to use the ISTEA language, if they have "early, ongoing, and significant participation."

The third principle is ***sustainability***. Those of us who work primarily in the world of physical development tend to think of "sustainability" as being about the relationship between the built and the natural environment. But, in fact, sustainability is at the heart of what "welfare reform" should be about – moving families from a state of month-to-month dependency on low levels of consumable income to a condition of economic productivity and self-reliance which can be sustained through good jobs, good wages, family benefits, the accumulation of assets, and the restoration of pride. We believe that these outcomes can only be achieved through a regional process that is itself also sustainable. That is, it makes better use of existing resources, reforms and realigns the systems we already have in place, and elicits a sustained and positive private market reaction.

Mr. Secretary, I will close on one very important point. As a metropolitan region, St. Louis' relationship to the federal Department of Transportation is defined under the Intermodal Surface Transportation Efficiency Act. The ISTEA is the only piece of federal legislation that both requires and rewards us for doing the right thing: that is, thinking and acting regionally. In the very public and dynamic conversation about welfare-to-work, we urge you to use the successes of the ISTEA to advocate for a range of new federal-state-metropolitan relationships that are based on similar expectations: metropolitan planning; the alignment of economic, environmental and community goals; and seamless regional systems that support them. You can count on us to do everything we can to help.

Thank you again.

MOVING AMERICANS FROM WELFARE TO WORK: THE FEDERAL-NGA WELFARE TO WORK TRANSPORTATION INITIATIVE

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President Bill Clinton,
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- One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs.

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- Participating states, led by their Governors' offices, are forming interagency task forces to coordinate transportation with welfare reform initiatives. The groups include state, county, and local human services agencies, along with local transportation providers, community human resource organizations, and private employers.

- State welfare to work transportation action plans will be completed during 1997. They are expected to emphasize coordinating existing public transportation, human services, and private programs that enable welfare recipients to get to where the jobs are.

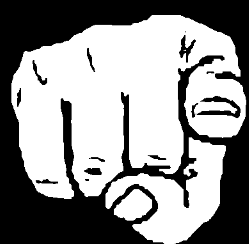
- 24 states and one territory are participating: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, the Virgin Islands, Virginia, Washington, Wisconsin, and Wyoming.

TRANSPORTATION TAXES • THE REVERSE COMMUTE • PERKING UP PhRMA

National Journal

THE WEEKLY ON POLITICS AND GOVERNMENT NOV. 23, 1996/NO. 47

Do It Yourself



Over the next decade, Washington will be asked to make a choice: to shore up the collective, egalitarian approach to social security and medicare or to embrace and encourage the trend, under way in the private sector, toward individual self-reliance — whatever the risk.

The Reverse Commute

The jobs are in the suburbs. But getting there is hard for inner-city residents without cars or efficient public transit. Experimental programs aim to provide direct transportation to work sites and address such needs as extended child care.

BY ROCHELLE L. STANFIELD

BALTIMORE—Scot T. Spencer was driving along Eager Street one weekday noon in a shabby section of Baltimore's east side, past clusters of men who were hanging out on the corners and didn't look very eager at all.

Spencer, physical development director for the Historic East Baltimore Community Action Coalition, *is* eager to put them and others to work. But jobs are scarce around here. Even though the typically employment-rich Johns Hopkins Hospital complex is just a few blocks away and this neighborhood is part of Baltimore's empowerment zone—the local target area for the Clinton Administration's urban revitalization scheme—more than half the adult population is unemployed.

So Spencer is about to do something radical, if not downright contradictory, for an organization implementing an empowerment zone program. He's going to look for suburban employment for inner-city residents.

"I'd love to place people in jobs around here," he said. But even though the empowerment zone is spurring employment in the neighborhood, he continued, "the reality is, there probably aren't enough jobs in the city."

In a rare departure from its traditional economic development focus on creation of inner-city jobs, the Housing and Urban Development (HUD) Department is sponsoring a $17 million, five-city experiment in reverse commuting called Bridges to Work. Baltimore is one of the participants, along with Chicago, Denver, Milwaukee and St. Louis. The experiment arises from a new appreciation at HUD, and among urban advocates generally, of the economic interdependence of cities and their suburbs.

"We cannot think about our inner-city communities as economies unto themselves, even though we think they have substantial economic development potential," Michael A. Stegman, assistant HUD secretary for policy development and research, said. "If you get a job out [in the suburbs] and bring back a good paycheck into your community, you can do a much better job of supporting the supermarkets, the retail developments that have been missing in your community. You're importing dollars to sustain your neighborhood."

Welfare reform, with its requirement that most recipients find jobs within two years, has increased the urgency of expanding job searches to the entire metropolitan area. But this development was probably inevitable anyway in the face of a new economic geography. The suburbs are where the jobs are. In the 10 largest metropolitan areas, more than two-thirds of all jobs created during the 1980s were in the suburbs. The proportion of blue-collar jobs was even higher. *(See chart, p. 2548.)*

"You fish where the fish are," said Mark Alan Hughes, vice president of Public/Private Ventures, a Philadelphia-based community and economic development consulting firm, who dreamed up Bridges to Work and is overseeing it for HUD. "You start with the fact that you've got lots of poor people in the cities and jobs moving to or starting up in the suburbs and you've got three options—dispersal: move the poor people out to the suburbs; development: recentralize jobs back in the city; and mobility: just try to connect the dots."

That's easier said than done. In Baltimore, for example, even though shorthanded suburban businesses are hungry for the kind of minimally skilled workers Spencer can supply, political, psychological and economic barriers stand in the way.

And an even greater immediate obstacle is this logistical fact of life: You can't get there from here. Unless, of course, you drive a car. And Spencer estimates that at least half the potential workers in East Baltimore don't.

In fact, the reason Spencer was in his car on that weekday noon was to drive a carless reporter from his office to Penn Station in downtown Baltimore. She had to catch an intercity Amtrak Metroliner for the 13-minute ride out to the Baltimore-Washington International (BWI) Airport business district, where jobs are sprouting faster than the weeds that were uprooted to clear mile after mile of land for industrial parks and warehouse complexes.

The $8 trip is the only public transit option available at that time of day. It may be luxurious, but it's also expensive and not very convenient. A much cheaper light-rail system runs streetcars into the general area every 15 minutes, but the stations are even farther away from the airport complex.

Although 80 square miles of commercial opportunity surround BWI, all that's visible from its railroad station is a vast stretch of parking lot. Every few minutes, a shuttle bus goes to the air terminal. Nothing goes to most of the job sites.

So the reporter called Neil M. Shpritz, executive director of the BWI Business Partnership Inc., the suburban organization collaborating with Spencer on HUD's suburban job-placement experiment. Shpritz had to bring his own car to pick up the reporter. For the 400 aspiring employees they hope to place through Bridges to Work, Shpritz and Spencer are working on more-efficient arrangements.

Shpritz describes his involvement as purely pragmatic. Of Hughes's three options, mobility is the only practical solution, he said. Employers around BWI "know they have problems finding a relatively low-wage labor force out here, and they know they need a labor force because their businesses are doing well," he explained. "And the segment of the labor force they're looking for—at wages of $7-$11 an hour—can't afford houses out here."

With $1.6 million from HUD through the Bridges to Work program, Spencer is buying vans to whisk his East Baltimore workers out to Shpritz's job sites. That's the physical bridge, but it's only the beginning. The program will also feature a job-placement service, orientation sessions to make the suburbs seem less alien to people who may not have been there before, the guarantee of a free ride home during the work shift in case of emergency and supplemental child care assistance because the commute will lengthen an average workday.

Just to conceive of such a comprehensive reverse-commuting program required breaking out of the narrow mental confines of urban isolationism. To translate this small experiment into a routine part of metropolitan economic life, however, will require leaping a series of other barriers. None is likely to be higher than those imposed by traditional public transit notions and practices.

Rochelle L. Stanfield

Scot T. Spencer of the Historic East Baltimore Community Action Coalition
He'd like to help people work in the city but says there probably aren't enough jobs there.

TRANSIT REVERSAL

Until very recently, to many close observers of the urban scene the phrase "innovative public transit" was a contradiction in terms. Most city systems still operate as they have for decades. A few suburban systems do try new ways to provide transit, but creativity is a slow, difficult process.

The suburban bus division of Chicago's Regional Transportation Authority, called Pace, is one transit agency that has broken out of the mold. "We're just trying to be responsive and flexible," Terrance Brannon, Pace's deputy executive director, said. "A lot of transit agencies just aren't interested in this kind of stuff."

Even Pace didn't set out to be different, Brannon conceded. "The reason we're doing it is because of our charge to serve a suburban market," he continued. "It kind of forces you to become creative, because it's not a good market for transit."

Transit typically accounts for only 2 per cent of suburban transportation. Brannon, who is trying to increase this market share, is banking on city-to-suburb riders to do it. At present, 47 per cent of his riders travel between suburbs, 41 per cent from suburb to city and only 12 per cent from city to suburb. But the outbound ridership increased by 33 per cent during the 1980s, the fastest-growing segment.

Not surprisingly, Pace is to be a major player in Chicago's Bridges to Work demonstration. Also not surprisingly, Baltimore's Mass Transit Administration (MTA) isn't. The Maryland legislature, which heavily subsidizes MTA, requires the transit agency to recover 50 per cent of its costs from fares. So the agency can't establish a new service or even a different route without the assurance of a sufficient number of paying customers.

"In some ways it does constrain us," Harvey Zelefsky, MTA's director of planning, acknowledged. "But it does keep us honest."

That's not how Spencer would describe it. "You can't create a demand if people can't get down there for a [job] interview in the first place," he said. "It's almost comical that this happens."

Reverse commuting of the kind envisioned in Bridges to Work turns traditional transit planning on its head. The immutable rule of mass transport has been to move a lot of people at once from one densely concentrated place to another. Within cities, where mass transit began and where most of it still operates, that means sending large-capacity vehicles down fixed routes.

The commute from suburb to city requires only a slight variation. The transit operator picks up riders at a central location—a big suburban parking lot that riders reached by car—and travels along a fixed route to the city's business district.

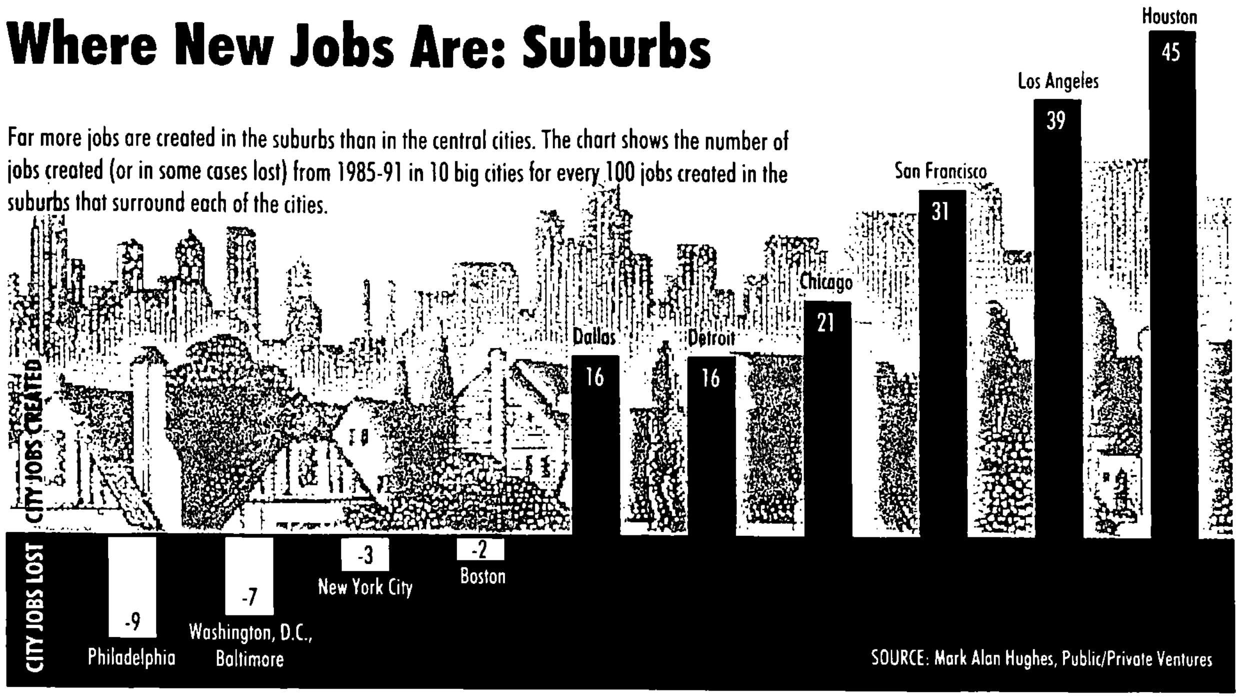
To simply reverse that doesn't work. Just to get to a central pickup point within the city using public transportation could take as long as the total commute would take by car. And what happens at the other end of the ride? "You can't just drop folks at the corner of an expressway and let them walk two miles to work," Joseph Tierney, who is co-directing Bridges to Work for Public/Private Ventures, said.

In Chicago's suburbs, Pace operates between the end of the regular Chicago Transit Authority (CTA) lines out to such major employers as Sears, Roebuck and Co., which four years ago moved its headquarters with 4,000 employees from Chicago's West Side to the far northwestern suburbs.

But that's not a viable solution for most inner-city residents because it means a

Where New Jobs Are: Suburbs

Far more jobs are created in the suburbs than in the central cities. The chart shows the number of jobs created (or in some cases lost) from 1985-91 in 10 big cities for every 100 jobs created in the suburbs that surround each of the cities.



SOURCE: Mark Alan Hughes, Public/Private Ventures

very long commute. A CTA elevated line, for example, runs from the North Lawndale section of the West Side out to the edge of the city, and a Pace bus goes the rest of the way to various job locations. "You theoretically could make the connections, but it would take almost two hours to do that. So people just won't use it," said John J. Plunkett, president of Suburban Job-Link, a nonprofit job-training organization in Chicago that pioneered a comprehensive reverse-commuting program for West Side residents 10 years ago. Plunkett heads the Chicago version of Bridges to Work.

Suburban Job-Link, among other things, reduces the commute to 25 minutes by running express buses from the West Side out to job sites. That, ironically, means setting limits. Plunkett restricts eligibility for his program to people who live within three blocks of his bus routes.

"We get people who say, 'I'll get to your bus no matter how far I have to go,'" Plunkett said. "But we know if we apply our restriction rigidly, we're going to have a much happier ridership. People are going to keep their jobs longer because they're not going to have to get up real early in the morning just to hook up with us. It just works better."

Time of day presents another problem. Suburb-to-city transit is designed for the office rush hours. That's not the schedule used by factories, warehouses and other employers of blue-collar workers in the suburbs. Many operate around the clock, and even the day shift starts much earlier than rush hour.

"That's another thing about being flexible," Brannon said. Even if you can transport people for an evening or overnight shift, for example, "if you're not there to pick them up in the morning when they get off of work, you're going to lose them."

There's yet another timetable for job interviews, which typically take place during the day after rush hour. "We found that when our regular transportation was out here to take people to work, that was really no good for people looking for a job," Plunkett said. "So now we run two kinds of transportation."

CROSSING THE BARRIERS

The physical constraints inherent in providing mass transit are the first barrier to cross in placing inner-city residents in suburban jobs, but they're far from the only ones.

"I think it's really important not to make the mistake of saying, 'If we just had the transportation problem solved, everything would be fine,'" said Margery Austin Turner, who recently returned as principal research associate to the Urban Institute in Washington from a stint as deputy assistant secretary at HUD, where she helped plan Bridges to Work. "Transportation is part of the problem, but if you fix that, that would probably be the solution for only a relatively small number of people."

Plunkett solved several problems early in 1995 with the construction of what he calls the Suburban Oasis, a job training-job search site and transit transfer point in DuPage County not far from the Cook County line. In a breakthrough for the new metropolitan-wide thinking, Chicago helped finance the building and has invested more than $1 million in the program. "I'm sure eyebrows were raised at both ends, in City Hall as well as the suburbs," Plunkett said.

Among other things, the Oasis provides an island of cultural, ethnic and racial familiarity in an unfamiliar world. The psychological wall between city and suburb is often much higher than job-placement specialists expect it to be. In Baltimore, for example, Spencer is finding a large proportion of potential workers "who say, 'I don't want to leave the city,'" he said. "In trying to understand why, we find it means escaping their comfort margin. It can be distance. It can be family [needs]. It can be race or perceptions of race, but they don't want to escape" that margin of comfort.

In Chicago, Plunkett finds the Oasis a big help in breaking down this barrier of fear. "One of the reasons we moved our orientation to the suburbs is so we can physically demonstrate [the feasibility of working in the suburbs] on the very first day," he said. "Somebody gets on our vehicle [on the West Side] and is whisked out here and it really didn't take all that long—well, that's a surprise in itself. Then we run around some of the industrial areas where our facility is, and they've never seen so many factories in their entire life. So right away, they'll internalize some of the notions that we just used to talk about."

Even so, once they are on the job without cars, they're stuck. That's why an important component of Bridges to Work is a guaranteed ride home in case of emergency or unanticipated overtime. At the BWI complex, Shpritz already provides a similar guarantee for middle-class suburban workers who volunteer to take public transportation as a means to relieve highway congestion and alleviate air pollution. "It gets used less than we expected," he said. "It's really an insurance policy [for the workers], and it works very well."

Then there are economic humps to overcome in reverse commuting. It might cost more to work in the suburbs than closer to home, for example, because of extended child care. Plunkett has not subsidized child care in his Suburban Job-Link program, but Bridges to Work intends to do so. In the Baltimore area, both Spencer and Shpritz see it as a necessary incentive to get potential workers into the program.

Spencer is planning to pay for the additional time a child would need to be cared for because the commute would lengthen the parent's workday. Using a child care center closer to the job would probably not be feasible. "There are some child care facilities out here," Shpritz said. "But they're not cheap. I can't see a $7-an-hour worker affording them."

Other economic constraints are more subtle. For some suburban commutes, the most efficient form of transportation is a vanpool. In suburban Chicago, Pace operates 250 vanpools, most of them between suburbs. Brannon envisions setting up vanpools for Bridges to Work participants, but there are problems.

Pace's vans are driven by workers who pay for fuel and maintenance with a credit card provided by Pace and keep the vans at home in their own garages. That requires the vanpool drivers to have a good credit history—which usually means a long work history—and a garage.

"A lot of people in Bridges to Work don't have that," Brannon said. "So we're looking at getting some kind of central storage location and fuel and maintenance contracts with, maybe, some local inner-city service stations." Not necessarily a big problem, but one more bump in the road to metropolitan job opportunities.

GUARANTEED FUTURE

Bridges to Work intends to put a total of 1,600 inner-city residents to work outside Baltimore, Denver, Mikwaukee and St. Louis and another 1,600 in suburban Chicago. The significance of that number would be lost in rounding off the statistics of the millions of potential inner-city workers and job openings in suburbs across the country. If the experiment works, the Clinton Administration promises to seed 75 additional Bridges to Work programs. That's still small change.


Susan M. Munak

Michael A. Stegman, an assistant Housing and Urban Development secretary
Workers can help their inner-city communities by spending their suburban wages at home.

Real access for inner-city residents to the metropolitan labor market will require the institutionalization of cross-county job placement and effective regional public transit. Those are perhaps the biggest obstacles of all.

County welfare administrators and those who run the Job Training Partnership Act (JTPA), the major federal employment program for the disadvantaged, "draw a mental map that confines the residents of [inner cities] to the bleakest part of the metropolitan labor market," Hughes, the father of Bridges to Work, said. "They're not even thinking about reaching out [across county boundaries]."

The need to put welfare recipients to work fast may force the states—now in the process of devising their own welfare-to-work programs—to look to metropolitan-wide job placements. JTPA still doesn't make it easy, however. That program is administered within geographically narrow service delivery areas. Caseworkers in one service delivery area have no incentive to go outside the area for placements. Indeed, to do so invites a bureaucratic hassle. Congress has had a JTPA overhaul under consideration for several years but has failed to pass it.

On the transit side, as long as the reverse commute is dependent on a narrow federal grant program such as Bridges to Work, it isn't likely to become a major factor in the work life of most communities. To guarantee its spread and its future as a viable transit option, reverse commuting will have to become as universal and as institutionalized as the inbound commute.

That might happen on a small scale. Indeed, Pace has already taken over four of the most efficient Suburban Job-Links routes. In Baltimore, Zelefsky said he would be monitoring Bridges to Work closely. "If they can demonstrate there's demand and it would be economically feasible, then we would definitely consider taking over that service," he said.

But the seeds of failure lurk in the blossoms of success. So far, those involved insist they haven't heard any suburban resistance to busloads of mostly minority, inner-city residents showing up in their communities. They also acknowledge, however, that few suburban residents are aware of the prospect of their arrival, and that when their presence is felt in suburbs, there could be a racial backlash from the communities.

If the program works and disadvantaged inner-city residents get good jobs in the suburbs, the first thing they are likely to do is buy cars. Indeed, Plunkett has a roster of hundreds of former Job-Links participants who now either own cars or carpool with others to good suburban jobs. Inbound public transportation is in demand because of road congestion and lack of downtown parking, two problems that commuters to the suburbs probably won't face any time soon.

As Pace and a few other creative transit agencies are doing already, however, Bridges to Work is expected to demonstrate that you can get there from here. That's vital to businesses around BWI, Shpritz recognized. "You can't have healthy growth in the [suburban] counties if Baltimore City fails," he said.

During the campaign, President Clinton kept citing the 10.5 million jobs created during his first term. "Without transportation," Hughes said, "they might as well be in Mexico as in the suburbs." ■

MOVING AMERICANS FROM WELFARE TO WORK: THE FEDERAL-NGA WELFARE TO WORK TRANSPORTATION INITIATIVE

"Each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, *can* work."

President Bill Clinton,
State of the Union Address, February 4, 1997

- One of the biggest barriers facing those making the move from welfare rolls to payrolls is access to jobs, training, and support services such as day care. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to these jobs is limited: few welfare recipients own cars, and public transit, which provides a crucial lifeline for many lower-income Americans, often provides inadequate connections to new employment opportunities in the suburbs.

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The White House
Washington

AGENDA
White House Briefing on Welfare Reform and Transportation
Tuesday, May 20, 1997
Room 450, 10:30 a.m.

****

WELCOME AND INTRODUCTION
Rodney Slater
Secretary of Transportation

REMARKS

ACCESS TO JOBS LEGISLATIVE PROPOSAL
Gordon Linton
Administrator, Federal Transit Administration

PROVISIONS FOR TRAINING AND LOCAL HIRING PREFERENCES
Jane Garvey
Acting Administrator, Federal Highway Administration

ST. LOUIS EAST-WEST GATEWAY MODEL
Hon. Clarence Harmon
Mayor of St. Louis, Missouri

WELFARE REFORM
Bruce Reed
Assistant to the President for Domestic Policy

QUESTIONS AND COMMENTS

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U.S. Department of Transportation

Office of the Secretary of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Welfare to Work Coalition to Sustain Success
Fact Sheet
May 29, 1997

Over the last four years, a record 2.8 million people have moved off the welfare rolls. President Clinton has pledged to help another 2 million people move off welfare in the next four years.

Welfare recipients who want to move to work face two hurdles: (1) finding a job and (2) keeping the job.

-- To address the first hurdle, on May 20, President Clinton, Vice President Gore, and business leaders announced the formation of the Welfare to Work Partnership, a non-partisan coalition of companies who have committed to hiring welfare recipients.

-- To address the second hurdle, Vice President Gore today announced the formation of the community-based Welfare to Work Coalition to Sustain Success, consisting of national and local civic groups dedicated to helping welfare recipients keep those jobs.

Studies show that a high proportion of welfare recipients who take jobs lose them within 12-16 months. While various factors contribute to this high rate of job loss -- e.g., low wages, lack of health insurance, transportation problems, and inadequate training -- some programs have improved job retention significantly. These programs focus on providing mentoring and other support services, helping welfare recipients make the transition to work. The Coalition will provide these types of services.

Coalition Tasks

Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition will: work to engage local chapters in support programs; formulate training based on successful mentoring programs; identify ways for their organizations to participate in support programs; work with the Welfare to Work Partnership to get businesses involved in support programs; and help identify state and local government officials to participate in support programs.

Coalition Membership

The Vice President announced that 18 civic groups have signed on as the charter members of the Coalition: Alpha Kappa Alpha; the Baptist Joint Committee; the Boys and Girls Clubs of America; the Daughters of Isis; the General Federation of Women's Clubs; Goodwill Industries; Links; the Lions Club International; the National Civic League; the National Council of Jewish Women; the National Council of Negro Women; the National Urban Coalition; Optimist International; the Salvation Army; the Texas Baptist Christian Life Commission; the United Way; the Women's Missionary Union; and the YMCA.

Welfare to Work Conference: Keeping Jobs and Sustaining Success
List of Attendees
(alphabetical by organization)

AFGE	*Jcqueline Simon*
AFL CIO	*Christine Owens*
Alpha Kappa Alpha	*Dorothy Jackson*
America Works	*Peter Cove*
	Richard Greenwald
American Public Welfare Association	*Elaine Ryan*
Annie E. Casey Foundation	*Ellen Pagliaro*
Baltimore City Department of Social Services	*Yvonne Gilchrist*
Baptist Joint Committee	*Karen McGuire*
Benton Foundation	*Jan Richter*
Boys and Girls Clubs of America	*Robbie Callaway*
C.S Mott Foundation	*Jennifer Phillips*
Catholic Charities USA	*Brian Siebenlist*
Center for Employment and Training	*Hermelinda Sapien*
Center for Law and Social Policy	*Steven Savner*
Champion Business Services	*Carol McCallister*
Child Care Action Campaign	*Gail Richardson*
Children's Defense Fund	*Gina Adams*
Church of the Brethren	*John Harvey*
	Amanda Kreps
Church Women United	*Nancy Chupp*
Committee for Economic Development	*Marc Bendick, Jr.*
Communities in Schools, Inc.	*William Milliken*
Congress of Black Churches	*Sullivan Robinson*
Corporation for National Service	*Melinda Baskin Hudson*
	Mal Coles
Cumberland Family Centers	*John Keisung*
Daughters of Isis	*Mildred Crosby*
Delaware Department of Human Services	*Elaine Archangelo*
	Carmen Nazario
	Elizabeth Ryan
Delta Sigma Theta Sorority	*Roseline McKinney*
Diversified Educational Training Co.	*George Johnson*
Economic Self Sufficiency	*Janet Blauvelt*
EEOC / Cleveland Regional Office	*Dorothy Porter*
Empower Baltimore Management Corporation	*Sherri Killins*
Energy Coordinating Agency	*Elizabeth Robinson*
Erikson Institution	*Julie Herr*
Families in Crisis	*Mark Binker*
Family Investment Trust	*Steven Renne*
Family Resource Coalition	*Virginia Mason*
Ford Foundation	*Mark Elliot*
General Board of Church and Society	*Eliezer Valentin-Castanon*
General Federation of Women's Clubs	*Laurie Cooper*
General Services Administration	*Faith Wohl*
Georgia State Family and Children Services	*Sylvia Elam*
Goodwill Industries International	*Angela Costalas*
	Fred Grandy
	Michael Graul

Goodwill Industries Mansanto	Donald Roberts
Hadassah	Shirley Blumberg
Howard County Department of Social Services	Rhonda Amenu - El
	Debbie Douglas
Immigration and Naturalization	Judith Forgey
Improved Benevolent and Protective Order of the Elks of the World	
	Donald Wilson
Internal Revenue Service	Jennifer Drummy
	Loretta Lewis
International Brotherhood of Teamsters	Ronald Belk
Jewish Family and Children Services	Amy Rassen
Knights of Columbus	Carl Anderson
Lighthouse Employment Assistance Program	James Carrington
LINKS	Mary Clark
Lions Club International	Jimmy Ross
Los Angeles Department of Social Services	John Martinelli
Marriot International	Kenneth Tully
Maryland Office for Children, Youth, and Families	Tracie Farrell
Maryland State Department of Human Resources/Child Care Administration	
	Girale Takahashi
Maryland State Department of Social Services	Samuel Marshall
Minnesota Department of Human Services	Joan Truhler
MOTT Foundation	Brandon Roberts
Murray County Family Circle	Cynthia Edwards
National Association of Child Care	Yasmina Vinci
National Association of Counties	Marilina Sanz
National Association of Equal Opportunity in Higher Education	
	Henry Ponder
	Beaulah Smith
National Association of Partners in Education	Daniel Merenda
National Black Child Development Institute	Carla Taylor
National Civic League	Hubert Guest
	Marta Tellado
National Conference of State Legislatures	Kirsten Rasmussen
National Council of Churches	Mary Cooper
National Council of Jewish Women	Deena Margolis
National Council of the Churches of Christ in the USA	
	Albert Pennybacker
National Governor's Association	Susan Golonka
	Andrea Kane
National League of Nurses	Glen Peterson
	Sheila Ryan
National Treasury Employees Union	Scott Spooner
National Women's Law Center	Elisabeth Donahue
New Jersey Department of Health and Human Services	
	Karen Highsmith
	Velvet Miller
Northe Carolina Office of Governor Hunt	Martha Fechter
Office of Management and Budget	Maureen Walsh
Office of Personnel Management	Alice Hewitt
	Mary Strand
Ohio Association of Child Care Resources	Tracey Ballas
Optimist International	James Hubbard

Pennsylvania Department of Public Welfare	*Paul DiLorenzo*
	JoAnn Lawer
Pathfinders	*Ronnie McDonald*
	John Sharp
	Lucy Todd
Presbyterian Church of America	*Elenora Giddings Ivory*
Presbyterian Church USA	*Walter Owensby*
Project Match	*Toby Herr*
Rachel's Bus Company	*Rachel Hubka*
	Leslie Prizant
RESPECT	*Brenda Murray-Pittman*
Riverside County Department of Human Services	*Dennis Boyle*
Rotary International	*Kenneth Erdman*
Sister to Sister	*Nickyia Cogshell*
	Lynn Shellenberger
Small Business Administration	*Kelly Courtney*
	Elizabeth Myers
	Michael Novelli
Social Security Administration	*Paul Barnes*
	Maurice Brice
	Tanya Quast
Social Security Administration / Boston	*Robert Lyons*
Social Security Administration / Kansas	*Margaret May*
Soroptimist Int.	*Elise Gaul*
Sprint Corporation	*Jerry Glazier*
Star Access	*Cecilia Evans*
State of Florida House of Representatives	*Mary Brennan*
Stratford, Connecticut Mayor's Office	*John Bryne*
STRIVE	*Steven Berlack*
	Robert Carmona
The Episcopal Church	*Robert Brooks*
The McKnight Foundation	*Carol Berde*
The New Hope Project	*Julie Kerksick*
The Points of Light Foundation	*Robert Goodwin*
The Salvation Army	*Paul Bollwahn*
	Robert Watson
U.S. Department of Agriculture	*Alma Hobbs*
U.S. Department of Defense	*Marjorie Budd*
U.S. Department of Education / School to Work	*Irene Lynn*
U.S. Department of Education	*Audrey Hutchinson*
U.S. Department of Health and Human Services	*Alison Greene (New York)*
	Mary Ann Higgins (New York)
	Diann Dawson
	Julie Feldman
	Steven Golightly (Atlanta)
	Michael King
	Miranda Lynch
	Jason McManigal
	Patricia Ford-Roegner (Atlanta)
	Joan Lombardi
	Margaret Pugh
	Sharon Rudisill
	Richard Saul
	Mack Storrs

	Margaret Cary (Denver)
	Jay Inslee
	Grantland Johnson (San Francisco)
	Judith Kurland (Boston)
	Patrick McBride (Seattle)
	Patricia Montoya (Dallas)
	Hannah Rosenthal (Chicago)
	Ann Rosewater
	Kathleen Steele (Kansas City)
	Lynn Yeakel (Philadelphia)
U.S Department of Justice	*Sarah Ingersoll*
	Reginald Robinson
U.S. Department of Labor	*Ida Castros*
	Stephanie Curtis
	Larry Goodwin
	Kim Green
	Patricia Lattimore
	Theodore Mastroianni
	Philip House (Dallas)
	Lois Golian (Philadelphia)
	Maria Remboulis (San Francisco)
	Charles Atkinson
	Felix Contreras (San Francisco)
Union of American Hebrew Congregations	*Rebecca Skelton*
United Airlines	*Georgina Heard*
United Auto Workers	*Barbara Warden*
United Methodist Board of Church and Society	*Mark Harrison*
United States Chamber of Commerce	*Michelle Griffin*
United Way of America	*Laurie Ryan*
United Way of the Texas Gulf Coast	*Lois Price*
Volunteer Work Force	*Valaria Johnson*
Washington, DC Housing Authority	*Sandra Wallace*
WAVE, Inc.	*Larry Brown*
Welfare Information Network	*Fredrica Kramer*
Welfare to Work Partnership	*Cecilia Calvo*
	Lynn Hogan
	Eli Segal
	Kate Smith Carr
West Virginia Department of Health and Human Services	
	Sharon Paterno
	Scott Boileau
Woman's Missionary Union	*Trudy Johnson*
	Theresa Dickens
	Dellanna O'Brien
YMCA of the USA	*Eden Fisher Durbin*
YWCA of the U.S	*Prema Mathia-Davis*
Zeta Phi Beta Sorority	*Vercilla Brown*

Welfare to Work Coalition to Sustain Success
Fact Sheet
May 29, 1997

Over the last four years, a record 2.8 million people have moved off the welfare rolls. President Clinton has pledged to help another 2 million people move off welfare in the next four years.

Welfare recipients who want to move to work face two hurdles: (1) finding a job and (2) keeping the job.

-- To address the first hurdle, on May 20, President Clinton, Vice President Gore, and business leaders announced the formation of the Welfare to Work Partnership, a non-partisan coalition of companies who have committed to hiring welfare recipients.

-- To address the second hurdle, Vice President Gore today announced the formation of the community-based Welfare to Work Coalition to Sustain Success, consisting of national and local civic groups dedicated to helping welfare recipients keep those jobs.

Studies show that a high proportion of welfare recipients who take jobs lose them within 12-16 months. While various factors contribute to this high rate of job loss -- e.g., low wages, lack of health insurance, transportation problems, and inadequate training -- some programs have improved job retention significantly. These programs focus on providing mentoring and other support services, helping welfare recipients make the transition to work. The Coalition will provide these types of services.

Coalition Tasks

Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition will: work to engage local chapters in support programs; formulate training based on successful mentoring programs; identify ways for their organizations to participate in support programs; work with the Welfare to Work Partnership to get businesses involved in support programs; and help identify state and local government officials to participate in support programs.

Coalition Membership

The Vice President announced that 18 civic groups have signed on as the charter members of the Coalition: Alpha Kappa Alpha; the Baptist Joint Committee; the Boys and Girls Clubs of America; the Daughters of Isis; the General Federation of Women's Clubs; Goodwill Industries; Links; the Lions Club International; the National Civic League; the National Council of Jewish Women; the National Council of Negro Women; the National Urban Coalition; Optimist International; the Salvation Army; the Texas Baptist Christian Life Commission; the United Way; the Women's Missionary Union; and the YMCA.

THE WHITE HOUSE
OFFICE OF PUBLIC LIAISON

Number of Pages (including cover) 2

Date: 5/19/97

To: Dorothy Robyn

Fax Number: 456-2283

Office Number:

********COMMENTS********

See attached form

THE WHITE HOUSE

OFFICE OF PUBLIC LIAISON

Number of Pages (Including cover) 2

Date: 5/~~18~~ 19/97

To:

Fax Number:

Office Number:

*******COMMENTS*******

We invite you to an important White House briefing on the Administration's NEXTEA legislation and the President's proposal to build on ~~existing~~ transit programs in helping people to make the transition from welfare to work. We will hold the briefing Tuesday, May 20, 1997 in room 450, of the OEOB, starting at 10:30 a.m. You will need to arrive by 10:00 a.m. at the Pennsylvania avenue entrance of the OEOB and have some sort of picture I.D. with you. If you can attend this important meeting, please fill out the attached form as requested and return it to the attention of Richard Hayes. I look forward to seeing you on May 20.

Cynthia A. Rice 05/19/97 08:15:03 AM

Record Type: Record

To: Janno.Lieber @ ost.dot.gov @ INET @ LNGTWY, Linda.Lawson @ ost.dot.gov @ INET @ LNGTWY, Dorothy Robyn/OPD/EOP

cc:
Subject: More Paper to review -- announcements/background for press

This is still being reviewed around the DPC, but I didn't want to wait any longer to show you for your reaction. Again, any comments you can give me by noon would be great. This is the draft of what we'll give White House reporters.

work520a.9 This is a WP 6.0 document. Text repeated below.

President Clinton Announces XX Companies Have Accepted his Welfare to Work Challenge;
Pledges Transportation Grants to Help Welfare Reform Succeed
May 20, 1997 -- 5/18/97 4:00 PM DRAFT

Announcements

Today, President Clinton announced that XX companies have accepted his State of the Union challenge to forge "a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work." At a White House ceremony:

CEOs and senior executives from XX companies joined the President to launch the Welfare to Work Partnership, a private, non-profit organization which will lead the national business effort to hire people from the welfare rolls. The Partnership named United Airlines Corporation CEO Gerald Greenwald its Chairman of the Board.

Citing transportation as one of the biggest barriers in moving from welfare to work, President Clinton today announced grants to 24 states to develop strategies to solve this problem. The President urged Congress to enact his $600 million welfare to work transportation initiative, part of his NEXTEA transportation proposal, and he praised a similar bipartisan bill [introduced today] by Senators Arlen Specter (R-PA) and Frank R. Lautenberg (D-NJ).

To ensure that former welfare recipients succeed in the workplace, Vice President Gore announced a new campaign, beginning with a conference on May 29th, to help those who leave welfare retain jobs.

These initiatives -- combined with the work incentives in the balanced budget agreement -- are critical to the success of welfare reform, the President said. He was joined today by the Vice President, Mr. Greenwald, Partnership President Eli J. Segal, Delaware Governor Tom Carper, Wisconsin Governor Tommy Thompson, and small business owner George R. Stinton of Racine, Wisconsin, whose company workforce is more than half former welfare recipients.

The Welfare to Work Partnership

The Welfare to Work Partnership launched today is an independent, nonpartisan, national effort of the American business community to help move those on public assistance into jobs in the private sector. The Partnership will provide information, technical assistance, and support for all interested companies. The Partnership was formed in response to the President's challenge in his 1997 State of the Union speech, and the CEOs from the five companies the President noted in that speech -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- form the Partnership's Board of Directors.

The President's Welfare to Work Transportation Initiative

One of the biggest barriers faced by people moving from welfare to work is finding transportation. Two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Only six percent of welfare recipients own cars, and public transit often provides inadequate connections to job and training centers. To combat this problem, the President today urged Congress to adopt the six-year, $600 million grant program in his NEXTEA transportation bill that would support flexible, innovative transportation systems in rural, urban, and suburban areas to get people where the jobs are. [A similar bill was introduced today in the Senate by Senators Arlen Specter (R-Pa) and Frank R. Lautenberg (D-NJ).] Today, the President also announced grants to 24 states and the Virgin Islands to develop welfare to work transportation plans. The grants are being awarded by the Department of Transportation's Federal Transit Administration and the Federal Highway Administration in cooperation with the National Governors' Association.

President Clinton's Welfare to Work Record

May 20, 1997 -- 5/18/97 4:00 PM DRAFT

The President: Working with the Private Sector to Reform Welfare

When President Clinton signed welfare reform into law last August, he said:

Now that we are saying with this bill we expect work, we have to make sure the people have a chance to go to work. If we really value work, everybody in this society -- businesses, non-profits, religious institutions, individuals, those in government -- all will have a responsibility to make sure the jobs are there.

Since making that statement in August, the President has launched an aggressive campaign to challenge both the public and private sector to help welfare reform succeed. The President signaled his commitment to work with the corporate community by holding a meeting in the Oval Office with
14 company CEOs shortly after being inaugurated to his second term. After that meeting five companies made a commitment to lead a national welfare to work effort. These companies, who today form the founding board of directors for the Welfare to Work Partnership, were highlighted in the President's 1997 State of the Union address in February:

I'd like to say to every employer in our country who ever criticized the old welfare system: you

can't blame that old system anymore; we have torn it down. Now do your part. Give someone on welfare the chance to go to work. Tonight, I am pleased to announce that five major corporations -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- will be the first to join in a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work.

Today, the President announced that XX companies have accepted his welfare to work challenge.

The President's Welfare to Work Policy Initiatives

In addition to working with the private sector, the President has promoted welfare reform through:

Welfare to Work Budget Initiatives. The President fought for and won two critical welfare to work initiatives in the budget agreement. The first is a $3 billion Welfare to Work fund for cities and states to create jobs and provide incentives for employment. The second is a tax credit to encourage companies to hire and retain long-term welfare recipients.

Child Care and Transportation. Child care and transportation are critical to helping welfare recipients get jobs and stay in the workforce. The President fought for child care funding during the welfare reform debate, and the bill he signed into law contained $4 billion more than prior law. This year, the President is urging Congress to adopt the six-year, $600 million grant program in his NEXTEA transportation bill that would support flexible, innovative transportation systems in rural, urban, and suburban areas to get people where the jobs are.

The Federal Government's Commitment. The President committed the federal government to do its fair share to hire people from the welfare rolls and appointed Vice President Gore to head up the effort. On April 10th the President held the first full Cabinet meeting of his second term in which federal agencies pledged to directly hire at least 10,000 welfare recipients over the next four years.

The President's Welfare Reform Record

Even before signing historic welfare reform legislation last August, President Clinton had taken action to promote welfare reform. During his first three and a half years in office, President Clinton approved 80 welfare reform waivers in 43 states -- more than all previous Administrations combined. These waivers allowed states to require work, time limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. By the time the President signed the welfare bill, these welfare demonstrations covered more than 10 million people, approximately 75 percent of all welfare recipients. As a result of the President's aggressive welfare reform efforts:

Welfare caseloads have declined by 20 percent or nearly 2.8 million since President Clinton took office -- the largest decline in 50 years.

Not only have welfare caseloads gone down, but child support collections have gone up. During the last four years, the President's child support enforcement crackdown helped increase collections by 50%, from $8 billion in 1992 to a record $12 billion in 1996.

A Council of Economic Advisers analysis released earlier this month showed the President's policies played a major role in reducing welfare caseloads. The study found that 31 percent of the caseload decline can be attributed to welfare waiver policies and 44 percent to economic growth and the remainder may be due to other policies not measured in the statistical model, such as Earned Income Tax Credit expansions, additional child care spending, and increased child support enforcement efforts.

Cynthia A. Rice 05/19/97 08:08:56 AM

Record Type: Record

To: Janno.Lieber @ ost.dot.gov @ INET @ LNGTWY, Linda.Lawson @ ost.dot.gov @ INET @ LNGTWY, Dorothy Robyn/OPD/EOP

cc:
Subject: Q&A for press office-- PLEASE REVIEW

transq&a.9 Please review and revise the following transportation q&as for our press office -- by noon if possible! In particular, we need answers on Specter-Lautenberg and the relationship of the transportation proposal to the budget agreement. Janno and Dorthy, please run the traps within the Administration on Specter-Lautenberg, and verify that it will be introduced today.

The attached document is WP 5.1. I also have WP 6.0. The text is repeated below.

Transportation Announcement

Question: Why is the President talking about new transportation funding now, after the budget has been agreed to?

Answer: The Congressional Committees are about to take up the ISTEA reauthorization -- so now is exactly the right time for the President to highlight the welfare to work provisions of the transportation bill he sent to the Hill earlier this spring. Also, many of the business leaders involved in the Welfare to Work Partnership have told us how important transportation will be to their ability to hire welfare recipients, so today's event seemed like a good time to discuss the President's welfare to work transportation proposal.

In general, the budget negotiations assume the reauthorization of ISTEA, although the level of transportation spending within the domestic discretionary category has been under some discussion recently. But the budget agreement certainly leaves room for the President's $600 million welfare to work transportation proposal.

Question: What does the President's transportation proposal do?

Answer: The President's NEXTEA transportation bill:

Invests $600 Million to Improve Access to Jobs and Training. NEXTEA includes a six-year, $600 million grant program to support innovative transportation initiatives, such as vanpools, to get people where the jobs are.

Creates Job Training Opportunities in Transportation Technology and Construction. NEXTEA opens opportunities in transportation by increasing incentives for states and localities to provide job training in conjunction with federally-funding technology and construction projects and enabling them to offer hiring preferences favoring welfare recipients and residents of Empowerment Zones and Enterprise Communities.

Question: What can the $600 million be used for?

Answer: States, local governments, and private, non-profit organizations could apply for grants to plan and implement new transportation services targeted services designed at linking welfare recipients with jobs.

Question: Would the proposal allow welfare recipients to be hired at the expense of other workers?

Answer: No. What the President's bill does allow is what are called "local hiring preferences" allowing transportation contractors to provide a preference to equally qualified welfare recipients and residents of Enterprise Zones and Enterprise Communities who apply for transportation-related jobs.

Question: The President praised a new bipartisan Congressional proposal introduced today by Senators Specter and Lautenberg. How does their proposal differ from the President's?

Answer:

Question: Does the President endorse the entire Specter-Lautenberg transportation bill, or just the welfare to work provisions?

Answer:

Question: The grants the President announced today seem pretty small [about $10,000 each].

Do you expect them to accomplish anything?

Answer: These grants, provided by the Department of Transportation in cooperation with the National Governors' Association, will give states and communities an opportunity to enable states to develop strategies that support welfare to work efforts. But these are just seed grants -- that's why the President has proposed a comprehensive, $600 million fund for welfare to work transportation.

President Clinton Announces XX Companies Have Accepted his Welfare to Work Challenge;
Pledges Transportation, Supports to Help Welfare Reform Succeed
May 20, 1997 -- 5/16/97 1:00 PM DRAFT

Announcements

Today, President Clinton announced that XX companies have accepted his welfare to work challenge and launched the "new national effort" he called for in his State of the Union address "to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work." The President pledged his commitment to ensure that those leaving welfare have the help they need to succeed in the workplace, such as transportation, child care, and mentoring. He also announced new numbers showing welfare caseloads have decline XX months in a row, for a total of XX percent from January 1993 to February 1997. At today's White House ceremony:

- XX companies pledged to hire and retain welfare recipients without displacing other workers and launched The Welfare to Work Partnership, a private, non-profit organization which will lead the national business effort to hire people from the welfare rolls. United Airlines CEO Gerald Greenwald was named chairman of the board.

- President Clinton announced transportation seed grants to 24 states to begin efforts to ensure welfare recipients can get to jobs, and he urged Congress to enact his NEXTEA transportation bill, which provides $600 million in welfare to work transportation funds.

- Vice President Gore announced he will begin a campaign, beginning with a conference on May 29th, to enlist civic groups to mentor welfare recipients to help them retain jobs and succeed in the workplace.

The President was joined today by [list speakers].

The Welfare to Work Partnership

The Welfare to Work Partnership launched today is an independent, nonpartisan, national effort of the American business community to help move those on public assistance into jobs in the private sector. The Partnership will provide information, technical assistance, and support for businesses of all sizes, from all industries and all regions of the country. The Partnership was formed in response to the President's challenge to business leaders in his 1997 State of the Union. Its founding board members are the CEOs of the five companies -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- the President praised in the State of the Union. The Partnership's President and CEO is Eli J. Segal, a successful entreprenuer who recently completed a term as CEO of the Corporation for National Service.

The President's Welfare to Work Transportation Initiative

One of the biggest barriers faced by people moving from welfare to work is finding transportation. Nationally, less than 6 percent of welfare recipients own cars and nearly two-thirds of new jobs are in suburbs, which are often difficult to reach via public transportation. The President has proposed a six-year, $600 million grant program as part of his NEXTEA transportation bill that would support flexible, innovative transportation systems in rural, urban, and suburban areas to get people where the jobs are. These funds could be used to create new services (such as vanpools from residential centers to industrial parks) or to supplement or extend existing transit services (such as adding bus routes). Today, the President announced grants to 24 states and one territory to develop coordinated transportation plans to support welfare reform efforts. The grants are being awarded by the Department of Transportation's Federal Transit Administration and the Federal Highway Administration in cooperation with the National Governors' Association.

President Clinton's Welfare to Work Record

Working with the Private Sector

When President Clinton signed welfare reform into law in last August, he said:

> *Now that we are saying with this bill we expect work, we have to make sure the people have a chance to go to work. If we really value work, everybody in this society -- businesses, non-profits, religious institutions, individuals, those in government -- all will have a responsibility to make sure the jobs are there.*

Since making that statement in August, the President has launched an aggressive campaign to challenge both the public and private sector to help welfare reform succeed. The President signalled his commitment to work with the corporate community by holding a meeting in the Oval Office with 14 company CEOs shortly after being inaugurated to his second term. After that meeting five companies committed to lead a national welfare to work effort. These companies, who today form the founding board of directors for The Welfare to Work Partnership, were highlighted in the President's 1997 State of the Union address in February:

> *I'd like to say to every employer in our country who ever criticized the old welfare system: you can't blame that old system anymore; we have torn it down. Now do your part. Give someone on welfare the chance to go to work. Tonight, I am pleased to announce that five major corporations -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- will be the first to join in a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work.*

Since February, the number of companies accepting the President's challenge has grown from five to XX. Private sector commitments like these will be needed to ensure the welfare caseloads, which have fallen XX percent since President Clinton took office, continue to decline.

Welfare to Work Policy Intiatives

In addition to working with the private sector, the President's efforts to promote successful welfare reform have included:

- **Tools to Move People from Welfare to Work.** The President fought for and won in the budget agreement two critical welfare to work initiatives. The first is a $3 billion Welfare to Work Challenge fund for cities and states to create jobs and provide incentives for employment. Complementing this initiative is the President's proposed enhanced Work Opportunity Tax Credit. The proposal would
  1) provide an enhanced benefit for companies that hire long-term welfare recipients, allowing a 50% tax credit on the first $10,000 of wages paid over two years; and 2) make a tax credit available for a new group, those 18- to 50-year-olds no longer eligible for food stamps under the new welfare rules.

- **Supporting Welfare Recipients in the Work Force.** President Clinton has committed himself to ensuring that critical supports, such as child care and transportation, are available to those who leave welfare for work. The President fought for child care funding during the welfare reform debate, and the bill he signed into law contained $14 billion in child care funds, $4 billion more than prior law. This year, he has proposed $600 million in flexible transportation funds to support innovative efforts to help welfare recipients travel from where they live to where the jobs are. Today, Vice President Gore announced a new effort to enlist members of civic groups to mentor welfare recipients to help them succeed in the workplace.

- **The Federal Government's Fair Share.** The President has committed the federal government to do its fair share to hire people from the welfare rolls and appointed Vice President Gore to head up the effort. On April 10th the President held the first full Cabinet meeting of his second term in which federal agencies pledged to directly hire at least 10,000 welfare recipients over the next four years.

The Four Year Record

- Welfare caseloads have declined by XX percent or XX million since President Clinton took office -- the largest decline in 50 years.

- The President's successful economic policies, which created 12 million new jobs during his first four years in office, greatly contributed to this decline.

- Another major factor in the caseload declines was the waivers President Clinton granted to 43 states to allow them to impose tough work requirements and make work pay better than welfare. A recent Council of Economic Advisers analysis found that 31 percent of the caseload decline can be attributed to waiver policies and 44 percent to economic growth.

- Not only have welfare caseloads gone down under President Clinton, but child support collections have gone up. During the last four years, the Administration's child support enforcement crackdown helped increase collections by 50%, from $8 billion in 1992 to a record $12 billion in 1996.

DRAFT -- s:\shared\releases\welfare

DRAFT DRAFT

DRAFT

FOR IMMEDIATE RELEASE
Tuesday, May 20, 1997

DOT xx-97
Contact:
Tel.:

SECRETARY SLATER SAYS NEXTEA WILL SUPPORT PRESIDENT'S "WELFARE TO WORK" INITIATIVE

The Clinton administration's proposed surface transportation bill will support the effort to move people off the welfare rolls and into jobs, Secretary of Transportation Rodney E. Slater said today.

"One of the biggest barriers facing those moving from welfare rolls to payrolls is finding transportation to jobs, training and support services," Secretary Slater said. "Few welfare recipients own cars, and public transportation often provides inadequate connections to job and training centers. Our proposed National Economic Crossroads Transportation Efficiency Act (NEXTEA) addresses this need by supporting flexible, innovative transportation alternatives to get people to where the jobs are."

The Secretary noted that while over half of the welfare recipients live in central cities, two-thirds of all new jobs are in suburbs. Barely one in 20 welfare recipients own cars, and transit services in metropolitan areas usually are designed to move people within cities or from suburbs to cities. In addition, almost 20 percent of welfare recipients live in rural areas, many of which have no public transportation.

NEXTEA, the administration's proposed bill to authorize federal highway and transit programs, includes a six-year, $600 million grant program to support flexible, innovative transportation alternatives, such as van pools, to connect people to jobs, Secretary Slater said. The program would be closely coordinated with other human services assistance provided to states and localities to help meet the needs of welfare recipients. DOT's Federal Transit Administration would provide 50 percent of project costs, with the other half derived from other sources. The bill also would seek to increase job opportunities for welfare recipients by allowing states and localities to create hiring preferences for welfare recipients in federally funded projects and to provide on-the-job training in technology and construction skills.

-more-

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Secretary Slater made his remarks at the White House, where President Clinton recognized companies that have developed programs to hire welfare recipients. The President also announced grants being provided to 24 states and one territory by the National Governors' Association (NGA), in cooperation with DOT, to develop action plans addressing the transportation needs involved with welfare reform. Receiving grants were: Alaska, Arkansas, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, Texas, Virgin Islands, Virginia, Washington, Wisconsin and Wyoming. DOT is providing $330,000 to support the program.

In his remarks, the President also acknowledged legislation proposed today by Senator Arlen Specter, R-Pa., and Sen. Frank Lautenberg, D-N.J., which would authorize $250 million in funding per year for transportation programs to link urban and rural residents to suburban jobs.

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An electronic version of this document can be obtained via the World Wide Web at:
http://www.dot.gov/affairs/index.htm

Banking - ~~Yodle~~

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Yael Baelkind

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~~224-2080~~ (FAX) Loretta Garrison - Amy 224-6348

Mosley-Braun FAX: 228-1318

Kelly Larkin 224-7391

- Bill Mattea (formerly Dixon)

2:30 DOT briefing

Dodd Tony Orza - 224-0348

- Andy Lowenthal

-

Boxer 224-3553

- Karen Day ~~224-3553~~

- Frances Nam - Welfare

- Rob Alexander - Trans.

Mosley-Braun

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- 10 am
- Penn Ave.
- Rm 450
- picture ID

- SOC SEC / DOB / citizen or no?

- Briefing on Pres's effort
to ~~build on~~ develop existing
[illegible] programs to help
people make the

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Ricke Gonzales

6-6493

6-2604 (FAX)

6-6777

7210

- to the Trans & Welfare people

- Dan Tate
- Janet Murguia

- NACO
- NGA - Larry Magid

- NCSL
- NLC

- Florida
- Penn.

- Cities

- Emily - Wash reps for cities
 - states
 -

John - TiL
 traditional trans. groups

Richard
Dorothy } - Hill

SBA Women's office
DOL
DOT

Dorothy - Roy K - STPP

Briefing

- agenda
- NEXTEA material
- ~~Bridges & Work~~
- ~~Nadl. G~~
- Specter bill (- Specter, Lautenberg, Santorum)
  - Speech

- 1:30 - POTUS meet w/ CEOs
1:45 - meet w/ staff
2:00 - mtg w/ speakers

2:10