

Adoption—Event 09/24

PHOTOCOPY
PRESERVATION

Adoption - 9/24/99

PRESIDENT CLINTON ANNOUNCES FIRST ADOPTION BONUS AWARDS TO STATES, UNVEILS REPORT THAT SHOWS ADMINISTRATION STRATEGY IS WORKING

September 24, 1999

Today, the President and First Lady announced bonus awards of \$20 million to 35 states that have increased the number of children adopted from the public foster care system. These bonuses, awarded for the first time today, were first proposed by President Clinton's Adoption 2002 initiative and included in the Adoption and Safe Families Act of 1997. The President today also announced \$5.5 million in grants to innovative programs that remove barriers to adoption, and he unveiled a national progress report on adoption that documents the success of the Administration's strategy. From 1996 to 1998, the number of adoptions nationwide rose 29 percent – from 28,000 to 36,000 – and is on a pace to meet the President's goal of 56,000 adoptions in 2002. This is the first significant increase in adoptions since the national foster care program was established nearly 20 years ago.

INCENTIVE AWARDS SUCCEED IN INCREASING ADOPTIONS. In the Administration's Adoption 2002 proposal and the adoption law of 1997, the President created the first-ever financial incentive for states to increase adoptions of children from the foster care system. Today, the President released \$20 million in bonus awards to 35 states that in 1998 had exceeded their average adoption rate from 1995-1997. The \$20 million in bonuses provide for up to \$4,000 per adopted child, and \$6,000 for each child with special needs. In fact, the states' performance in 1998 entitled them to an additional \$22.5 million.

INNOVATIVE GRANTS REDUCE BARRIERS TO ADOPTION. The President today also announced \$5.5 million in new awards under the Adoption Opportunities program. This program provides grants to public and private organizations to eliminate barriers to adoption, particularly for children with special needs. This year's grants reward a variety of initiatives, including efforts to increase adoptions of minority children, targeted field research, and awards for collaborative planning to increase adoptions across jurisdictional lines.

REPORT SHOWS CLINTON ADMINISTRATION STRATEGY IS WORKING. Since taking office, the President has championed efforts to make foster care work better, to find and assist adoptive families, and to break down barriers to adoption. Today the President received a progress report from the Department of Health and Human Services that documents the effectiveness of the Administration's strategy.

- **Reforming the Child Welfare System.** In 1997, the President signed the Adoption and Safe Families Act. This landmark law was based largely on recommendations from the Administration's Adoption 2002 report, which the President requested by executive memorandum in order to meet his goal of doubling adoptions by 2002. The law expedited permanent placement decisions for children, ensured health insurance coverage for all special-needs children in subsidized adoptions, and created the bonus awards released today.
- **Making Adoption Affordable for Families.** The Small Business Job Protection Act of 1996, signed by the President in 1996, provides a \$5,000 tax credit to families adopting children, and a \$6,000 tax credit for families adopting children with special needs. This provision helps middle class families for whom adoption – particularly of children with special needs – might have been prohibitively expensive.
- **Giving States More Flexibility and Support.** The Administration has granted waivers to 20 states and the District of Columbia to test innovative strategies for improving child welfare systems. In addition, it has secured new funds to support state implementation of the 1997 law and has, through the Adoption Opportunities program, supported local initiatives to promote adoption and provide post-adoptive services.
- **Using the Internet to Make Adoption Easier.** In 1998, the President directed HHS to develop Internet tools to link children in foster care more quickly to possible adoptive families. Secretary Shalala reported that HHS will launch a national web site by September 2001 to break down geographic barriers to adoption.

- **Removing Racial and Ethnic Barriers to Adoption.** New inter-ethnic adoption provisions, passed as a part of the Small Business Job Protection Act of 1996, help ensure that the adoption process is free of delays and discriminatory practices driven by race, culture and ethnicity. They do so by strengthening the Multi-Ethnic Placement Act which the President signed in 1994.
- **Providing Supports for Child Protection and Adoption.** The Family and Medical Leave Act, signed by the President in 1993, enables working parents to take time off to adopt a child without losing their jobs or health insurance coverage. The 1996 welfare reform law signed by the President also maintains child protection and adoption guarantees.

NOW IS THE TIME TO TAKE IMPORTANT NEXT STEPS. To follow through on this record of achievement, the President and First Lady today urged Congress to provide new support for young people leaving foster care. Under the current system, federal financial assistance for young people in foster care ends just as they are making the critical transition to independence. The President's FY 2000 budget request increases funding by nearly \$300 million to help these youth secure health care, life skills training, and educational opportunities. With the Administration's strong support, the House has already passed bipartisan legislation to address these needs. The President today urged the Senate to take prompt action on the companion measure and to safeguard the interests of vulnerable young people leaving foster care.

FY 1998 ADOPTION INCENTIVE BONUSES

State	3-yr average baseline (FY 95-97)	FY 98 Adoptions	% Increase	Bonus ¹
Arkansas	138	251	45%	\$280,320
California	3,287	3,958	17%	\$1,841,837
Colorado	417	560	26%	\$419,540
Connecticut	207	229	10%	\$41,390
Florida	987	1,549	36%	\$1,290,603
Georgia	493	672	27%	\$449,642
Hawaii	85	297	71%	\$518,311
Illinois	2,200	4,656	53%	\$6,869,733
Indiana	495	774	36%	\$842,843
Iowa	350	517	32%	\$371,566
Maine	108	112	4%	\$11,288
Maryland	342	420	19%	\$317,947
Massachusetts	1,116	1,137	2%	\$39,508
Michigan	1,905	2,254	15%	\$942,554
Minnesota	258	427	40%	\$480,684
Mississippi	114	169	33%	\$187,194
Missouri	557	616	10%	\$110,999
Montana	115	144	20%	\$54,559
New Hampshire	45	50	10%	\$9,407
New Jersey	621	755	18%	\$409,193
New Mexico	147	197	25%	\$94,067
New York	4,716	4,822	2%	\$199,423
North Dakota	47	83	43%	\$67,728
Oklahoma	338	456	26%	\$280,320
Oregon	445	665	33%	\$586,980
Pennsylvania	1,224	1,494	18%	\$592,624
South Carolina	256	465	45%	\$500,438
South Dakota	56	58	3%	\$3,763
Texas	880	1,365	36%	\$1,350,806
Utah	225	250	10%	\$47,034
Vermont	75	116	35%	\$100,652
Washington	607	759	20%	\$291,609
West Virginia	182	211	14%	\$60,203
Wisconsin	467	589	21%	\$301,015
Wyoming	15	30	50%	\$28,220

Source: HHS Administration for Children and Families

¹ As specified in the Adoption and Safe Families Act of 1997, HHS has made pro-rated adjustments in the awards to States.

September 23, 1999

ADOPTION EVENT

DATE: September 24, 1999
LOCATION: Presidential Hall, OEOB 450
BRIEFING TIME: 9:15am – 9:30am
EVENT TIME: 9:35am – 10:35am
FROM: Bruce Reed, Mary Beth Cahill

I. PURPOSE

To announce significant increases in the national rate of adoption, award the first adoption bonus awards to 35 states, as well as Adoption Opportunity grants, and receive an HHS national progress report on adoption.

II. BACKGROUND

Today, you and the First Lady will announce bonus awards of \$20 million to 35 states that have increased the number of children adopted from the public foster care system, and \$5.5 million in grants to innovative programs that remove barriers to adoption. You will also unveil a national progress report on adoption that documents the success of the Administration's strategy. From 1996 to 1998, the number of adoptions nationwide rose 29 percent – from 28,000 to 36,000 – and is on a pace to meet your goal of 56,000 adoptions in 2002. This is the first significant increase in adoptions since the national foster care program was established nearly 20 years ago.

Incentive Awards Succeed In Increasing Adoptions. In the Administration's Adoption 2002 proposal and the adoption law of 1997, you created the first-ever financial incentive for states to increase adoptions of children from the foster care system. Today, you will release \$20 million in bonus awards to 35 states that in 1998 had exceeded their average adoption rate from 1995-1997. The \$20 million in bonuses provide for up to \$4,000 per adopted child, and \$6,000 for each child with special needs. In fact, the states' performance in 1998 entitled them to an additional \$22.5 million.

Innovative Grants Reduce Barriers To Adoption. You will also announce \$5.5 million in new awards under the Adoption Opportunities program. This program provides grants to public and private organizations to eliminate barriers to adoption, particularly for children with special needs. This year's grants reward a variety of initiatives, including efforts to increase adoptions of minority children, targeted field

research, and awards for collaborative planning to increase adoptions across jurisdictional lines.

Report Shows Clinton Administration Strategy Is Working. Since taking office, you have championed efforts to make foster care work better, to find and assist adoptive families, and to break down barriers to adoption. Today you will receive a progress report from the Department of Health and Human Services that documents the effectiveness of the Administration's strategy.

- **Reforming the Child Welfare System.** In 1997, you signed the Adoption and Safe Families Act. This landmark law was based largely on recommendations from the Administration's Adoption 2002 report, which you requested by executive memorandum in order to meet your goal of doubling adoptions by 2002. The law expedited permanent placement decisions for children, ensured health insurance coverage for all special-needs children in subsidized adoptions, and created the bonus awards released today.
- **Making Adoption Affordable for Families.** The Small Business Job Protection Act of 1996, you signed in 1996, provides a \$5,000 tax credit to families adopting children, and a \$6,000 tax credit for families adopting children with special needs. This provision helps middle class families for whom adoption – particularly of children with special needs – might have been prohibitively expensive.
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- **Using the Internet to Make Adoption Easier.** In 1998, you directed HHS to develop Internet tools to link children in foster care more quickly to possible adoptive families. Secretary Shalala reported that HHS will launch a national web site by September 2001 to break down geographic barriers to adoption.
- **Removing Racial and Ethnic Barriers to Adoption.** New inter-ethnic adoption provisions, passed as a part of the Small Business Job Protection Act of 1996, help ensure that the adoption process is free of delays and discriminatory practices driven by race, culture and ethnicity. They do so by strengthening the Multi-Ethnic Placement Act which you signed in 1994.
- **Providing Supports for Child Protection and Adoption.** The Family and Medical Leave Act, which you signed in 1993, enables working parents to take time off to adopt a child without losing their jobs or health insurance coverage. The 1996 welfare reform law you signed also maintains child protection and adoption guarantees.

Now Is The Time To Take Important Next Steps. To follow through on this record of achievement, today you and the First Lady will urge Congress to provide new support for young people leaving foster care. Under the current system, federal financial assistance for young people in foster care ends just as they are making the critical transition to independence. Your FY 2000 budget request increases funding by nearly \$300 million to help these youth secure health care, life skills training, and educational opportunities. With the Administration's strong support, the House has already passed bipartisan legislation to address these needs. Today you will urge the Senate to take prompt action on the companion measure and to safeguard the interests of vulnerable young people leaving foster care.

III. PARTICIPANTS

Briefing Participants:

The First Lady

Bruce Reed

Melanne Verveer

Mary Beth Cahill

Nicole Rabner

Lowell Weiss

Stage Participants:

The Manis Family

John and Brenda Manis recently adopted 3-year-old Mackenzie, and have been foster parents for 10 years. They have two biological children, Christopher, age 19, and Lindsay, age 16.

The Brown Family

Adrienne and Gilbert Brown adopted two children, Christopher, age 14, and Rodney, age 11, in 1994. They are also currently in the process of finalizing the adoption of Joshua, age 12.

Program Participants:

YOU

The First Lady

The Keane Family

Dawn and Steven Keane finalized their adoption of siblings Sarah, age, 8, and Brian, age 11, in May 1999. They located Sarah and Brian through an Internet site sponsored by the National Adoption Center in Philadelphia. They have one biological son, Sean.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- **YOU** and the First Lady are announced, accompanied by the Keane family, onto the stage.
- The First Lady makes remarks and introduces Dawn Keane.
- Dawn Keane makes remarks and introduces Sean, Brian, and Sarah Keane.
- Sean, Brian, and Sarah Keane introduce **YOU**.
- **YOU** make remarks, work a ropeline, and depart.

VI. REMARKS

To be provided by speechwriting.

VI. ATTACHMENTS

- Chart of state-by-state adoption bonuses
- HHS Adoption Progress Report

Q&A ON ADOPTION EVENT

September 24, 1999

Q: Reports indicate that because the states did so much to increase adoptions, the amount of money set aside for bonus awards is not sufficient. How does the Administration propose to make up the shortfall in adoption incentive funds?

A: We are very encouraged that the adoption incentive program has been such a powerful tool. States did so well in 1998 that they exceeded the \$20 million appropriated by Congress for bonuses. The law specifies that when the incentive payments earned by the states exceed the authorized limit, the awards will be pro-rated for each state according to its performance. The pro-rated adjustment has been made and those funds will be distributed to the appropriate states. Even with this cap, however, these are very substantial bonuses.

The Administration supports the effort to provide states with full bonuses for their 1998 efforts to increase adoptions. The House has approved legislation to do so, H.R. 1802, and the Administration will work closely with Congress to achieve a bipartisan solution to the shortfall.

Q: Is the number of adoptions you are reporting all the adoptions that occurred?

A: The adoptions reported today were those that qualified to be counted for payment of adoption incentive funds. There may be other adoptions where the state was involved but did not qualify for incentive payments -- for example, where a state provided one-time non-recurring legal costs or adoption assistance for a child with special needs. We do not have a firm count of these additional adoptions. As reporting by the states improves with new data collection systems, we are confident we'll be capturing all the children adopted from the state child welfare systems.

Q: Not all states received bonuses. Why have adoptions declined in some states?

A: We believe that some of the decline is a result of reporting systems that are still under development, particularly in states with new computer systems. The shift to the new systems may be having an impact on the accuracy of the reporting. Also, some of the decline may reflect a normal variation in the number of adoptions finalized in the states. As states continue to implement the new adoption law, we expect their number of adoptions to increase.

Q: How do you respond to the claim that the Administration is not serious about ensuring that the adoption process is free from racial discrimination?

A: That is simply not true. In 1993, the President signed the Multi-Ethnic Placement Act and strengthened it further through the inter-ethnic provisions of the Small Business Job Protection of 1996. These laws ensure that the adoption process is free of discriminatory practices and delays based on race, culture or ethnicity. To ensure compliance, HHS has issued guidance to states and has pushed states to change their laws and policies accordingly. Furthermore, any complaints on this front are taken very seriously -- and are quickly and thoroughly investigated by the Civil Rights Division of HHS. Finally, by making adoption more affordable through tax

relief and by breaking down a host of barriers to adoption, the Administration has helped ensure that families of all backgrounds have the opportunity to consider adoption.

Q: What was the "Adoption 2002" report?

A: In response to a 1996 executive memorandum issued by President Clinton, HHS issued the "Adoption 2002" report. The report took its name from of the President's central goal -- to at least double, by the year 2002, the number of children adopted or permanently placed each year. "Adoption 2002" outlined administrative and legislative recommendations to set and meet urgent new adoption targets. We are very pleased that Adoption and Safe Families Act signed by the President in November 1997 was largely based on the report's recommendations.

Q: What does our nation's child welfare system look like today? How many children are in it and how long do they stay in foster care on average?

A: Today, approximately 520,000 of America's children live in our nation's foster care system. More than 100,000 of those children cannot return safely to their homes and need adoptive families. Our most recent data indicates that nearly half had been in care 24 months or longer. Of the children in care, the average age is 9 years old; 35 percent are white, 45 percent are black and 14 percent are Hispanic. Also, five percent of children turn 18 and leave the foster care system without having a permanent home.

Q: What is the racial breakdown of the children who were adopted in FY 1998?

A: The racial breakdown of the 36,000 children adopted in FY 1998 was: 38 percent white, non-Hispanic; 46 percent black, non-Hispanic; 13 percent Hispanic; 1 percent Asian Pacific; and 1 percent American Indian. These numbers roughly mirror the racial breakdown of the approximately 520,000 children in foster care overall.

Q: How much funding does the federal government invest in foster care and adoption services?

A: The federal government provides over \$5.5 billion to states to run their foster care, adoption and child welfare programs. The funding provides a variety of supports to states which include: preventive services, investigations of child abuse and neglect, caseworkers and administrators, foster care adoption benefits to families, training, recruitment of foster and adoptive families, demonstration grants to test innovative programs, services for teenagers who are leaving foster care to be on their own, and supports for children with special needs. States must provide matching funds in order to access a majority of these funds.