INFORMATION OUTREACH PROJECT

AMERICAN PUBLIC WELFARE ASSOCIATION PRESENTATION
MARCH 24, 1997

THE SOUTHERN INSTITUTE
on Children and Families

Sarah C. Shuptrine
President

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DISTRIBUTION OF STUDY RECIPIENTS ON THE BENEFIT CONSIDERED MOST IMPORTANT TO ACCEPT A FULL TIME JOB

MOST IMPORTANT	PERCENTAGE OF RECIPIENTS
Child Care	48%
Medicaid For Children	32%
Transportation	12%
Food Stamps	6%
Medicaid For Myself	3%
TOTAL	100%

Source: Southern Institute on Children and Families, 1994. Data collected from recipient interviews in Charlotte, North Carolina and Nashville, Tennessee.

MOST OFTEN CITED SUGGESTION BY STUDY RECIPIENTS TO IMPROVE THE WELFARE SYSTEM

68% OF THE STUDY RECIPIENTS SUGGESTED THAT BENEFITS SHOULD BE GRADUALLY REDUCED TO HELP FAMILIES LEAVE WELFARE.

Source: Southern Institute on Children and Families, 1994. Data collected from recipient interviews in Charlotte, North Carolina and Nashville, Tennessee.

PERCENTAGE OF AFDC RECIPIENTS PROVIDING INCORRECT RESPONSES TO THE IMPACT OF EARNINGS ON BENEFITS	
BENEFIT	**PERCENTAGE PROVIDING INCORRECT RESPONSES**
AFDC	24%
Food Stamps	6%
Medicaid	76%
Child Care	47%
Housing	24%

Source: Southern Institute on Children and Families, 1994. Data collected from recipient interviews in Charlotte, North Carolina and Nashville, Tennessee.

GEORGIA INFORMATION OUTREACH PROJECT
RESULTS OF FOCUS GROUP PRETESTS — 1996
RECIPIENTS

- **55%** did not understand that if parents get off welfare because of work, their children would be able to get Medicaid.

- **57%** did not understand that even if a child's parents live together, a child can get Medicaid.

- **59%** did not know about the availability of Transitional Medicaid Assistance for up to one year.

- **41%** did not know that a paycheck plus money from the Earned Income Tax Credit (EITC) is much greater than a welfare check.

- **39%** did not understand that if parents get off welfare because of work, they can get help with child care expenses for up to one year.

Source: Southern Institute on Children and Families, 1996.

GEORGIA INFORMATION OUTREACH PROJECT
RESULTS OF FOCUS GROUP PRETESTS — 1996
EMPLOYERS

- **21%** did not know that children do not have to be on welfare to be eligible for Medicaid coverage.

- **43%** did not know about the availability of Transitional Medicaid coverage for up to one year.

- **50%** did not understand that the Earned Income Tax Credit (EITC) is available to low income working families regardless of whether or not they owe taxes.

- **86%** did not understand that they could add a portion of the Earned Income Tax Credit (EITC) to the employee's paycheck each pay period.

- **50%** did not know about the availability of Transitional Child Care benefits for up to one year.

Source: Southern Institute on Children and Families, 1996

RECIPIENTS
PERCENTAGE OF CORRECT ANSWERS
ON THE PRETEST AND POST TEST, BY PROGRAM

PROGRAM	PRETEST	POST TEST
Earned Income Tax Credit	41%	86%
Medicaid	38%	81%
Child Care	76%	93%

Source: Southern Institute on Children and Families, 1996. Data collected for the Georgia Information Outreach to Reduce Welfare Dependency Project.

EMPLOYERS
PERCENTAGE OF CORRECT ANSWERS ON THE PRETEST AND POST TEST, BY PROGRAM

PROGRAM	PRETEST	POST TEST
Earned Income Tax Credit	38%	100%
Medicaid	61%	96%
Child Care	50%	100%

Source: Southern Institute on Children and Families, 1996. Data collected for the Georgia Information Outreach to Reduce Welfare Dependency Project.

Draft: January 9, 1998

Tradeable Work Opportunity Tax Credits

Problem:

As a result of welfare reform and a healthy economy, many former welfare recipients have been moving off welfare into jobs created by private enterprise, government and not-for-profit entities across the country. Creatively organized local, state and federal initiatives have fueled this movement. Businesses have been aggressively seeking capable, qualified, ready and able workers to help them grow and expand. Some businesses are large enough or concentrated within geographic regions so that they can establish training and readiness programs to prepare former welfare recipients for their workplaces. Other businesses, particularly smaller enterprises, can not afford to develop workforce readiness programs.

Fortunately, non-profit entities known as intermediaries or service providers have organized to provide the necessary support and training to assist people leaving welfare for full-time employment. Chambers of Commerce are forming 501(c)3 corporations to assist businesses in their communities. Other organizations like Goodwill and temporary staffing agencies are also actively assisting workers and businesses in their communities.

Unfortunately, these entities are not developing or being formed quickly and/or efficiently enough to meet the demand for workers in many cities across the country.

The existing Work Opportunity Tax Credit was enacted to provide an incentive that would encourage private sector enterprises to hire people from welfare. This credit is currently available only to for-profit entities. While larger businesses are organized and prepared to take advantage of this tax credit to support their employment programs for individuals from welfare, smaller businesses seldom see this credit as sufficient incentive to hire, train and support people from welfare into their workplaces. In fact, they insist that they do not exist to serve that function. So the credit is not an incentive for them.

Concept:

It is highly likely that many businesses employing people from welfare would trade their Work Opportunity Tax Credit to intermediaries that have recruit, train and support workers for their businesses. They want workers. And smaller businesses provide a majority of the new jobs to this economy. These could be traded similarly to credits provided to companies seeking to improve environmental quality.

By allowing businesses to trade their tax credits to other businesses, profit-making or not-for-profit, it is highly likely that many more intermediaries or service providers will be organized quickly and efficiently to serve the needs of businesses on a community by community basis.

JAN-13-98 TUE 06:58 PM NCESGR FAX NO. 703 696 1411 P.01

WTW → GW

KBB/FXI

Tom CR –
Call this guy

JOHN PAUL GALLES

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NOTES/COMMENTS:

Erskine –

Here is an idea that will help expand welfare to work efforts dramatically.

You may want to explore it as a Presidential initiative or State of the Union material.

I would be happy to help with it.

Thank you again for all your help,

John

P.S. – I am now on a 120 day assignment at DoD!

Prebrief – WTW

Whether Welfare is a success
who gets credit.

Auto Choice – reforming ↓ costs

Cuomo ideas

* Community prosecutors US. block grants

* Child support ~~cuts – HHS~~

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November 19, 1997

Mr. Thomas Freedman
Special Assistant to the President
The White House
1600 Pennsylvania Avenue
Washington, DC 20050

Dear Mr. Freedman:

Gov. Romer asked that I write you as a follow-up to the meeting he and Gov. Leavitt attended with you and other members of the White House staff on September 4, 1997.

As I understand it, a major topic of conversation at that meeting was the Western Governors University (WGU). As background for that meeting, I prepared a briefing paper entitled *Concern for competence: The WGU as a Vehicle for Addressing National Educational Objectives*. Since you may not have been provided a copy of that paper, I am enclosing one for your use.

In this paper, I argue that WGU can be a very useful vehicle for pursuing several items on the Administration's agenda, including assessment of knowledge and skills of high school graduates against a set of high (world-class) standards as well as assessing competence of students who have participated in workforce preparation programs. The fact that WGU is specifically designed to award degrees based on demonstration of competence (rather than the accumulation of credits) and that it can establish both standards and approaches to assessment as a free-standing university rather than as a consensus-seeking organization, makes it an attractive mechanism for addressing some of the issues to which the President has publicly committed. For example, WGU is in a position to develop assessments for use as a pre-enrollment screening/placement device that could simultaneously be employed as an alternative to (or a version of) a national test.

As noted in the paper, the WGU is also a mechanism for providing continuing education (and associated certifications) for teachers who will have to change their practices if school reform is to occur and if it is to lead to the desired improvements in student learning. The WGU advantage is its ability to develop competency-baaed certifications in areas that specifically address areas in which changes are most needed–assessment of student learning, pedagogical techniques appropriate to competency-based curricula, site-based management, etc.

The innovative nature of WGU also makes it an ideal test bed for revisions to federal policy, rules, and regulations that soon will have to be modified to deal with the changes that are rapidly enveloping higher education–use of technology, geographically distributed learning, the unbundling of many functions that have historically been provided by a single institution in a fixed location (e.g., separation of courseware development, information delivery, assessment and provision of student services). These changes have potentially serious impact on student financial aid policy, on the form (and role) of accreditation, etc. Designation of WGU as an experimental site provides an avenue for devising new approaches on several policy fronts through a collaborative working relationship with a single institution.

I hope you find the enclosed paper a useful contribution to your work. I will be pleased to discuss, and expand upon, the ideas contained in the paper at any time.

Sincerely,

Dennis P. Jones
President

cc: Gov. Roy Romer

CENTER FOR THE FUTURE OF CHILDREN - THE DAVID and LUCILE PACKARD FOUNDATION

VOLUME 7, NUMBER 1, SPRING 1997

WELFARE TO WORK

ANALYSIS

- Two-thirds of the nation's welfare recipients are children, and the 1996 welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act, may alter the most basic aspects of their lives.

- Welfare reform replaces the Aid to Families with Dependent Children (AFDC) program, which since 1935 had guaranteed cash assistance for eligible families with children. In the average state in 1993, a single mother with two children and no earnings received $367 per month from AFDC. Federal and state governments spent $22.3 billion on AFDC benefits to about 5 million families, reaching 9.5 million children.

- In place of AFDC, the 1996 federal welfare law created a block grant, called Temporary Assistance for Needy Families (TANF), which provides funds to allow states to run welfare programs of their own design, within broad federal guidelines. The new welfare law obliges mothers to enter the workforce by imposing work requirements on those who receive cash assistance for more than two years, and by placing a five-year lifetime limit on eligibility for assistance.

- When mothers leave welfare for work, their ability to meet their children's basic needs depends on the wages they can earn; the steadiness of their employment; the costs of food, housing, health care, and child care; and the availability of assistance from relatives, friends, community agencies, and government sources.

- The majority of welfare recipients have poor job skills to offer employers. Almost half lack a high school diploma. From 10% to 15% have disabilities that limit employment. Unskilled workers are usually poorly paid-- the typical mother who leaves welfare for work earns only about $6.00 per hour, often working as a maid, cashier, or waitress.

- Welfare-to-work programs that provide job training and help recipients search for work have increased the likelihood that welfare recipients will be employed, but only by 5 to 10 percentage points. About 30% to 40% of the participants in typical programs found work, and many in the control groups took jobs as well. However, more than half of those who found work lost their first job within a year.

- Because mothers who receive welfare have an average of 2.6 children, two-thirds of whom are under age six, therefore access to affordable child care is important to support their employment.

  - Child care subsidies are critical, because mothers who earn $6.00 per hour cannot afford the average child care fee paid by parents in 1990 of $1.60 per hour per child.

- Health care insurance is also a key factor in employment, especially for mothers whose families face health problems.

  - The Medicaid program offers health care coverage for children in low-income working families, reaching 61% of all poor children. However, Medicaid does not cover most mothers who do not receive welfare. In one study, 45% of mothers who left welfare for work were uninsured three years later.

- The families who receive welfare vary in their strengths and needs, and under welfare reform, they will follow different pathways having different consequences for their children.

  - Some single mothers will find employment readily in the mainstream economy, joining the ranks of the country's many low-income working families.

  - Others will find the transition more difficult, and they may require job training, employment assistance, or cash grants on a short-term basis.

  - A smaller group of families face problems that will prevent them from working, and they risk losing public aid and becoming unable to provide for their children.

- Because families have differing strengths and needs, "one size fits all" policies are inefficient. State governments can now create tailored assistance packages for families with different prospects and needs.

RECOMMENDATIONS

RECOMMENDATION 1

Policies to support employment in low-income families should not single out welfare recipients, but should provide broad access to affordable health insurance, child care subsidies, wage supplements, and unemployment and temporary disability insurance. These supports should

- Be independent of the welfare system,

- Cover all families with children who meet income eligibility criteria, and
- Require parents to share the cost of benefits as their incomes rise.

RECOMMENDATION 2

Good child care alternatives are needed to fit the schedules, preferences, and residence patterns of low-income working families. Measures that strengthen the quality of child care include regulatory oversight, training, access to capital for facilities, networks of professional support, and steps to attract and keep skilled providers.

RECOMMENDATION 3

To facilitate entry into the labor force, and to smooth transitions between jobs, short-term welfare-to-work supports and services such as job training, cash stipends, and child care subsidies should be provided during training and job search to both unemployed mothers and fathers.

RECOMMENDATION 4

Families headed by parents who are unable to find or keep employment should receive special attention from trained case managers to ensure that the needs of their children are met. This skilled case manager can assess family problems, observe the child's well-being, make referrals to services, and follow up with the family.

RECOMMENDATION 5

New information should be gathered immediately to assess the short-term and long-term impacts of new policies. Studies are needed that track the experiences of poor children and families as reforms are implemented, and that document the community conditions which support successful welfare reform.

RECOMMENDATION 6

Welfare reform plans should emphasize the core values of work, independence, fairness, and responsibility for family. Plans should focus on long-term rather than short-term costs and benefits, especially those related to children.

ARTICLE SUMMARIES

Introduction to the AFDC Program

Stephen B. Page, S.M., and Mary B. Larner, Ph.D.

This article explains Aid to Families with Dependent Children (AFDC), the 60-year-old cash assistance program commonly referred to as "welfare." Federal law required states to serve all eligible families (most headed by single parents), but the states set income guidelines and benefit levels. Key facts about AFDC contradict popular images of the program: 43% of recipients had only one child and 42% of new recipients depended on welfare for two years or less. In 1992, the program served 13.6 million individuals, two-thirds of whom were children, and it consumed from 3% to 5% of federal and state budgets. The article also discusses the changes made by the 1996 federal welfare reform legislation.

A Brief History of Work Expectations for Welfare Mothers

Susan W. Blank, M.A., and Barbara B. Blum

Reviewing the history of the AFDC program, this article highlights the policy tension between the desire to ensure support for children in poor families and the belief that parents should be expected to provide for their children. The article begins with the original aim of AFDC--to allow widowed and abandoned mothers to remain at home with their children--and traces the emergence of efforts to encourage welfare recipients to join the labor force, including the WIN program launched in 1967 and the JOBS program created in 1988. The article points out that welfare-to-work programs have not been fully funded or implemented, so their merits have not been truly tested. It also describes a two-generation approach that involves using welfare-to-work programs to assist children as well as parents, keeping child well-being in the forefront of welfare policy.

Welfare Recipients' Job Skills and Employment Prospects

Gary T. Burtless, Ph.D.

This article examines the feasibility of moving mothers who rely on welfare into private-sector employment by reviewing the job qualifications of welfare recipients, obstacles to employment, and the capacity of the labor market to absorb new workers. The article concludes that the low skills of AFDC recipients, nearly half of whom lack a high school diploma, do not represent an insurmountable barrier to employment. However, poor job qualifications will restrict most recipients to jobs paying only $6.00 or $7.00 per hour. The article points out that the U.S. labor market can provide low-wage jobs for unskilled workers, but most families that move from welfare to work will remain below the poverty level and will need assistance paying for child care and health insurance.

Alternative Strategies for Increasing Employment

Demetra Smith Nightingale, M.A., and Pamela A. Holcomb, M.A.

This article summarizes research on the effectiveness of strategies to increase employment rates and earnings, drawing on 30 years of experience, and discusses the challenges of program implementation. Random assignment evaluations show that programs which encourage, help, or require welfare recipients to find jobs or participate in training or work-related activities can increase employment and modestly raise earnings, and that some programs reduce welfare costs. The authors urge that program managers improve program effectiveness by focusing clearly on the goal of employment, by increasing rates of participation and by strengthening links with the local labor market.

The Partners of Welfare Mothers: Potential Earnings and Child Support

Michael J. Brien, Ph.D., and Robert J. Willis, Ph.D.

This article estimates the lifetime earnings of noncustodial fathers whose children receive welfare benefits. Many of these men earn little at the time their child is born, but their incomes typically escalate over time. The child support payments these fathers would make over the child's first 18 years--if the child support laws that currently apply in Wisconsin were perfectly enforced--would amount to a monthly payment of between $200 and $460 per month, or almost half of the welfare benefit received by the mother and child. Based on the evidence of eventual earnings, the authors urge policymakers to invest in efforts to establish paternity and collect child support.

Turning Job Finders into Job Keepers

Alan M. Hershey, M.P.A., and LaDonna A. Pavetti, Ph.D.

Even when welfare recipients find work, many find it difficult to keep their jobs. As this article explains, families often cycle back and forth between welfare and work, losing jobs and returning temporarily to public assistance while they seek work again. Studies indicate that job loss results both from job factors like temporary work, lay-offs, and low pay; and from personal factors such as inexperience with meeting employer expectations, and personal or family problems. Drawing from the experience of innovative programs, the authors recommend policies that will allow for a gradual transition between welfare dependence and full reliance on earnings, and short-term supports to help families cope with periodic employment setbacks.

Health Care Coverage for Children Who Are On and Off Welfare

Robert A. Moffitt, Ph.D., and Eric P. Slade, Ph.D.

Health insurance is a key concern of all families, and those who leave welfare for work fear losing their eligibility for Medicaid and being uninsured. Especially in families with health problems, insurance coverage influences the decisions mothers make about employment. This article reports that poor children in the United States are most often covered by Medicaid (61%), but they are more likely to be uninsured (20%) than to have employer-based insurance (14%). Recent policy changes have extended Medicaid eligibility to low-income children who do not receive welfare, but these changes fail to provide coverage to the mothers who leave welfare for work. The article suggests that the declining rates of employer-provided health insurance will pose problems for welfare reformers and expose some families to health risks.

Arranging Child Care

Ellen E. Kisker, Ph.D., and Christine M. Ross, Ph.D.

More than half the children in families supported by welfare are under age six and another third are in grade school. Their mothers cannot leave welfare for employment unless they can find and pay for child care, but many require care for infants, care at odd hours, and care in poor neighborhoods--all of which are scarce. This article reviews evidence that problems with child care affordability, availability, and quality keep mothers from working and attending job training programs. Recent public funding for child care subsidies has helped families leaving welfare, although the demand for financial assistance outstrips available funding. The article suggests that policymakers concerned about both child development and parental employment make subsidies more available, increase the supply of child care tailored to low-income parents' needs, and protect children from exposure to poor quality care.

When Low-Income Mothers Go to Work: Implications for Children

Martha J. Zaslow, Ph.D., Carol A. Emig, M.P.P.

When mothers who have depended on welfare become employed, the change affects not only welfare budgets and the women themselves, but also the daily lives of the children who make up two-thirds of the welfare population. This article gives an overview of research suggesting how maternal employment affects children in low-income families. Studies of low-income groups typically find that children are not harmed when their mothers work, and many experience improved cognitive development. The authors caution, however, that the working mothers studied found work voluntarily and on their own, so their employment experiences may be more favorable than those of families who are forced off welfare and into jobs.

Effects of Low-Wage Employment on Family Well-Being

Toby L. Parcel, Ph.D., and Elizabeth G. Menaghan, Ph.D.

This article explores the idea that working conditions (wages, work hours, and task complexity) will influence mothers' behavior as parents and will shape the home environments they provide for their children. The article discusses the significance of home environments for children's intellectual and emotional development, and considers how home surroundings change when mothers begin jobs that are more or less rewarding. The authors conclude that, while maternal employment is not necessarily harmful, if welfare recipients find only low-wage, stressful jobs, working may prove costly for both family and child well-being. Therefore, they recommend that welfare-to-work programs focus on parenting, as well as job training.

Low-Wage Maternal Employment and Outcomes for Children: A Study

Kristin A. Moore, Ph.D., and Anne K. Driscoll, Dr. P.H.

This article uses national survey data to examine child outcomes among families that previously received welfare. About half the families studied had mothers who remained at home; the others were working at varying wage levels. The study reveals that maternal employment does not appear to undermine children's social or cognitive development from ages 5 to 14, and it may yield advantages, especially to children whose mothers earned more than $5.00 per hour. The authors emphasize that mothers who choose employment are different from those who prefer to remain on welfare, and so one cannot conclude that these outcomes would apply in families forced into employment by welfare reform.

Appendix: State Efforts to Reform Welfare

The federal government and the states shared the costs and rule-making authority over the AFDC program, but states could seek waivers of specific federal program requirements to carry out welfare demonstration projects. This appendix describes the waiver requests intended to encourage work by welfare recipients that were submitted by states and approved by federal authorities between 1993 and 1996.

IN EVERY ISSUE

CHILD INDICATORS: Childhood Hunger

Eugene M. Lewit, Ph.D., and Nancy Kerrebrock

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Retu

MEMORANDUM

TO: BRUCE REED

CC: ELENA KAGAN

FROM: TOM FREEDMAN, MARY L. SMITH

RE: POSSIBLE CONFERENCE ON WELFARE-TO-WORK ISSUES

DATE: JUNE 17, 1997

SUMMARY

With the passage of the new welfare law, millions of persons will be required to move from welfare to work. We suggest a White House conference focusing on the power of information in the welfare-to-work effort in three respects: (1) the gathering of information by the government to transform the welfare-to-work effort into a proactive, rather than a reactive response, by targeting areas with the highest population of welfare recipients and matching them with the local job market; (2) providing information to businesses that will assist them in locating and hiring welfare recipients; and (3) providing information to welfare recipients themselves regarding the availability of Medicaid and other government benefits to assist them in moving from welfare to work.

BACKGROUND

I. Information for Government and Businesses to Transform the Welfare-to-Work Effort into a Proactive Initiative

As we have worked on the welfare-to-work effort, we discovered that many pieces of information were not currently being collected. For instance, there is currently no way to obtain a list of all the service providers that perform training under the Job Training Partnership Act ("JTPA") without contacting approximately **640** Service Delivery Areas ("SDAs") around the country. There also appears to be little collection of data regarding the status, particularly employment status, of individuals who leave the welfare rolls. With the new emphasis on moving welfare recipients to work, it is necessary to monitor the success of these efforts by tracking the ongoing status of individuals who no longer receive public assistance. These statistics will serve as the only objective criteria of analyzing the effectiveness of the new welfare law.

Below is a list of data that would be invaluable in the welfare-to-work effort:

A. Data Regarding the Training and Services Persons Receive While On Public Assistance and Consistent Tracking Data Concerning the Status of Persons After They Leave Welfare

1. **JTPA**
   A. **Service Providers**: Data should be collected on the national level about the service providers including their locations, the number of contracts they have, the number of persons trained, and the retention rates for their trainees (if applicable).
   B. **Information on participants**: Data should be collected regarding the specific name of the service provider that provided training to a specific individual. Follow-up data regarding employment status beyond a 90-day period should also be collected. It would also be extremely useful to track which employers hired the JTPA participants. Some persons have suggested that this data could be collected at the state level through the social security system or unemployment insurance records.

2. **TANF**
   A. **Service Providers**: It would be helpful to collect the names of service providers to which the state has diverted some of its funds.
   B. **Information on participants**. It would be helpful to track individuals who left the rolls to determine whether they have located employment and to further track them even after job placement. Even though the welfare law allows some funding to track a random sample of persons who have left the program, it would be useful to have this data for each individual. Again, this type of data might be collected from social security data. It would also be helpful to track the names and characteristics of employers that hired welfare recipients.

B. Data to Correlate Job and Industry Growth by Specific Employers with Areas That Have High Welfare and Poverty Populations

- In order for both government and private organizations to target their welfare-to-work efforts accordingly, there should be, at a minimum, data collected tying the number of welfare recipients in a county or large metropolitan area with the largest growth industries and occupations <u>in entry-level jobs</u> in those same areas. It would also be useful to further correlate the number of welfare recipients and entry-level job growth statistics with specific employers most likely to have jobs in the targeted growth areas. Data regarding specific employers may be more problematic to obtain given privacy and other legal concerns. It also would be extremely helpful to have a case study of employers who hire welfare recipients.

II. Data to Businesses

Just as the Department of Labor has America's Job Bank, the government could also have a website of all the service providers with the number of welfare recipients enrolled, the type of training given, job retention rates, and so forth. This type of data is already collected under the JTPA program. This collection of data could coordinate the efforts of HHS and DOL in the welfare-to-work area. This information could be of use to researchers and the government in evaluating the effectiveness of job-training programs. The government could require those service providers receiving federal funds to report their statistics. Programs such as STRIVE that do not receive federal funds could voluntarily provide their statistics if they wanted to be included in the database.

The Welfare to Work Partnership is planning a national database of companies that have hired welfare recipients and of organizations that provide training, job placement, and skills education to welfare recipients. The Welfare to Work Partnership is not, however, planning a comprehensive database of <u>all</u> service providers, only those that are considered well-regarded in the community. The primary user of the Welfare to Work Partnership's database is the business community, or those that will be hiring welfare recipients.

III. Data to Welfare Recipients

Sarah Shuptrine, president of the Southern Institute on Families and Children, has conducted studies on the lack of information on the part of welfare recipients regarding the availability of benefits such as Medicaid, child care, and food stamps even while holding full-time jobs. The Southern Institute has developed brochures for Georgia, North Carolina, and Tennessee, explaining which benefits are available to poor persons after they get off welfare. State welfare official hope that the brochures will ease the fears of poor parents who will now be required to look for jobs. These officials also hope that the brochures will encourage businesses to hire more welfare recipients. Some businesses have been reluctant to hire welfare recipients because they worried about having to pay for health insurance for the employee's entire family and feared that poor single mothers would often have to miss work because of lack of child care or transportation.

In February 1995, Ms. Shuptrine presented testimony at a hearing of the Senate Labor and Human Resources Committee on the Impact of Welfare Reform on Children and Families. The focus of the study by the Southern Institute on Children and Families was to examine the impact of the potential or actual loss of Medicaid on welfare dependency. The study found that although Medicaid is a major factor, child care was the major factor identified by welfare recipients as affecting their ability to work full time. Study recipients provided evidence that minimum wage jobs without health coverage will not provide an incentive to move from welfare to work:

- When asked if they would accept a minimum age job that did not provide health benefits, 80% of the respondents said "Not likely."

- When asked if they would accept a minimum wage job that provided health coverage for them, but not for their children, 55% responded "Not likely."

- When asked if they would accept a minimum wage job that provided health coverage for them and their children, only 17% responded "Not likely."

POSSIBLE PARTICIPANTS

- Norm Rice, Mayor of Seattle and site of Casey Foundation's Jobs Initiative
- Janet Tully, Marriott
- Sarah Shuptrine, Southern Institute on Families and Children
- Eli Segal, Welfare to Work Partnership
- Lee Bowes, America Works
- Demetra Nightengale and Donna Pavetti, The Urban Institute
- Department of Labor
- Department of Health and Human Services

RECOMMENDATION

- Hold a White House conference in order to discuss the power of information to government in tracking and targeting welfare-to-work efforts, to businesses in locating and hiring welfare recipients, and to welfare recipients in assisting their moving from welfare to work.

Cynthia Rice

MEMORANDUM

TO: BRUCE REED

CC: ELENA KAGAN

FROM: TOM FREEDMAN, MARY L. SMITH

RE: POSSIBLE CONFERENCE ON WELFARE-TO-WORK ISSUES

DATE: JUNE 17, 1997

SUMMARY

With the passage of the new welfare law, millions of persons will be required to move from welfare to work. We suggest a White House conference focusing on the power of information in the welfare-to-work effort in three respects: (1) the gathering of information by the government to transform the welfare-to-work effort into a proactive, rather than a reactive response, by targeting areas with the highest population of welfare recipients and matching them with the local job market; (2) providing information to businesses that will assist them in locating and hiring welfare recipients; and (3) providing information to welfare recipients themselves regarding the availability of Medicaid and other government benefits to assist them in moving from welfare to work.

BACKGROUND

I. Information for Government and Businesses to Transform the Welfare-to-Work Effort into a Proactive Initiative

As we have worked on the welfare-to-work effort, we discovered that many pieces of information were not currently being collected. For instance, there is currently no way to obtain a list of all the service providers that perform training under the Job Training Partnership Act ("JTPA") without contacting approximately 640 Service Delivery Areas ("SDAs") around the country. There also appears to be little collection of data regarding the status, particularly employment status, of individuals who leave the welfare rolls. With the new emphasis on moving welfare recipients to work, it is necessary to monitor the success of these efforts by tracking the ongoing status of individuals who no longer receive public assistance. These statistics will serve as the only objective criteria of analyzing the effectiveness of the new welfare law.

Below is a list of data that would be invaluable in the welfare-to-work effort:

A. Data Regarding the Training and Services Persons Receive While On Public Assistance and Consistent Tracking Data Concerning the Status of Persons After They Leave Welfare

1. **JTPA**
   A. **Service Providers**: Data should be collected on the national level about the service providers including their locations, the number of contracts they have, the number of persons trained, and the retention rates for their trainees (if applicable).
   B. **Information on participants**: Data should be collected regarding the specific name of the service provider that provided training to a specific individual. Follow-up data regarding employment status beyond a 90-day period should also be collected. It would also be extremely useful to track which employers hired the JTPA participants. Some persons have suggested that this data could be collected at the state level through the social security system or unemployment insurance records.

2. **TANF**
   A. **Service Providers**: It would be helpful to collect the names of service providers to which the state has diverted some of its funds.
   B. **Information on participants**. It would be helpful to track individuals who left the rolls to determine whether they have located employment and to further track them even after job placement. Even though the welfare law allows some funding to track a random sample of persons who have left the program, it would be useful to have this data for each individual. Again, this type of data might be collected from social security data. It would also be helpful to track the names and characteristics of employers that hired welfare recipients.

B. Data to Correlate Job and Industry Growth by Specific Employers with Areas That Have High Welfare and Poverty Populations

- In order for both government and private organizations to target their welfare-to-work efforts accordingly, there should be, at a minimum, data collected tying the number of welfare recipients in a county or large metropolitan area with the largest growth industries and occupations <u>in entry-level jobs</u> in those same areas. It would also be useful to further correlate the number of welfare recipients and entry-level job growth statistics with specific employers most likely to have jobs in the targeted growth areas. Data regarding specific employers may be more problematic to obtain given privacy and other legal concerns. It also would be extremely helpful to have a case study of employers who hire welfare recipients.

II. Data to Businesses

Just as the Department of Labor has America's Job Bank, the government could also have a website of all the service providers with the number of welfare recipients enrolled, the type of training given, job retention rates, and so forth. This type of data is already collected under the JTPA program. This collection of data could coordinate the efforts of HHS and DOL in the welfare-to-work area. This information could be of use to researchers and the government in evaluating the effectiveness of job-training programs. The government could require those service providers receiving federal funds to report their statistics. Programs such as STRIVE that do not receive federal funds could voluntarily provide their statistics if they wanted to be included in the database.

The Welfare to Work Partnership is planning a national database of companies that have hired welfare recipients and of organizations that provide training, job placement, and skills education to welfare recipients. The Welfare to Work Partnership is not, however, planning a comprehensive database of <u>all</u> service providers, only those that are considered well-regarded in the community. The primary user of the Welfare to Work Partnership's database is the business community, or those that will be hiring welfare recipients.

III. Data to Welfare Recipients

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Welfare to work

10,000 Welfare Recipients Hired by Federal Agencies

By ROBERT PEAR

WASHINGTON, Feb. 28 — Federal agencies have hired more than 10,000 former welfare recipients in the last two years, meeting a goal set by the White House 19 months ahead of schedule, Administration officials said today.

Vice President Al Gore plans to announce the numbers on Monday at a meeting in San Francisco with companies that have hired people off welfare.

President Clinton ordered Government agencies to hire welfare recipients in a radio address in March 1997. At the time, Mr. Clinton's goal seemed ambitious because the Government was not hiring many people, and the number of civilian Federal employees was at the lowest level in three decades.

But Mr. Gore will report that the Federal Government has hired 10,187 former welfare recipients since March 1997. The White House had set a goal of hiring 10,000 people from the welfare rolls by the end of the next fiscal year in September 2000.

Strong economic growth helps fulfill a Clinton goal.

The Administration has repeatedly prodded private employers to hire welfare recipients. Mr. Gore coordinated Federal hiring efforts, and he says he believes that "the Federal Government should lead by example."

The Commerce Department has hired 3,194 former welfare recipients, or 76 percent of the number it was supposed to hire by the end of the next fiscal year. Some of the new employees are helping the Government prepare for the census next year.

The Defense Department has hired 2,094 people from the welfare rolls, exceeding its quota of 1,600, and the Department of Veterans Affairs has hired 1,323, far above its quota of 800.

But data compiled by the White House show some agencies falling far short of their goals. The State Department, for example, has hired only 56 former welfare recipients, representing 25 percent of its quota of 220 through the year 2000. The Justice Department has hired 245 former welfare recipients, or 54 percent of the 450 it is supposed to hire by September 2000.

The Department of Health and Human Services has met its goal, hiring 300 people who were receiving public assistance. Most of the new employees work outside Washington, in offices and clinics of the Indian Health Service.

The White House itself has hired eight former welfare recipients, two more than it had promised to hire.

Fewer than 8 million Americans are on welfare, the lowest number in decades. The number stood at 14.1 million in January 1993, when Mr. Clinton took office, and has fallen 35 percent since August 1996, when he signed a comprehensive bill overhauling the welfare system and establishing strict work requirements.

The changes in Federal welfare policy come at a time of strong economic growth, when many companies are avidly seeking workers.

A private nonprofit group, the Welfare to Work Partnership, formed in 1997 with support from Democrats and Republicans alike, helps companies hire welfare recipients. Vice President Gore will say the 10,000 companies in the Welfare to Work Partnership have now hired 410,000 welfare recipients.

Eli J. Segal, president of the Welfare to Work Partnership, said companies hiring welfare recipients described them as good, productive employees. "Companies report higher retention rates for welfare recipients than for other newly hired employees," Mr. Segal said.

Employers often provide extra training to welfare recipients, and they have discovered that it is useful to assign a mentor, or job coach, to each person hired off welfare, Mr. Segal said.

The New York Times

MONDAY, MARCH 1, 1999

Whitman Fires Police Chief Over Comments on Race

By ROBERT D. McFADDEN

Gov. Christine Todd Whitman ousted Col. Carl A. Williams as Superintendent of the New Jersey State Police yesterday after a published report quoted him as saying it was naïve to think that race was not an issue in drug crimes and that cocaine and marijuana traffickers were most likely members of minority groups.

"I have valued Colonel Williams's service, and his career record is an honorable one," the Governor said in a late afternoon statement in Trenton. "However, his comments today are inconsistent with our efforts to enhance public confidence in the State Police. I have therefore asked for his immediate resignation."

Her decision came the same day that The Star-Ledger of Newark published a lengthy report quoting Colonel Williams in a wide-ranging interview as linking minority groups with drug trafficking and making other comments that seemed to fuel a racial controversy around the State Police.

"Two weeks ago, the President of the United States went to Mexico to talk to the President of Mexico about drugs," Mr. Williams was quoted as saying. "He didn't go to Ireland. He didn't go to England. Today, with this drug problem, the drug problem is cocaine or marijuana. It is most likely a minority group that's involved with that."

Black state legislators, religious leaders, civil rights advocates and others who had sought Colonel Williams's removal hailed the resignation as a step in the right direction, but said much would depend on the selection of a successor and on establishing what they called new directions within the 2,700-member State Police force.

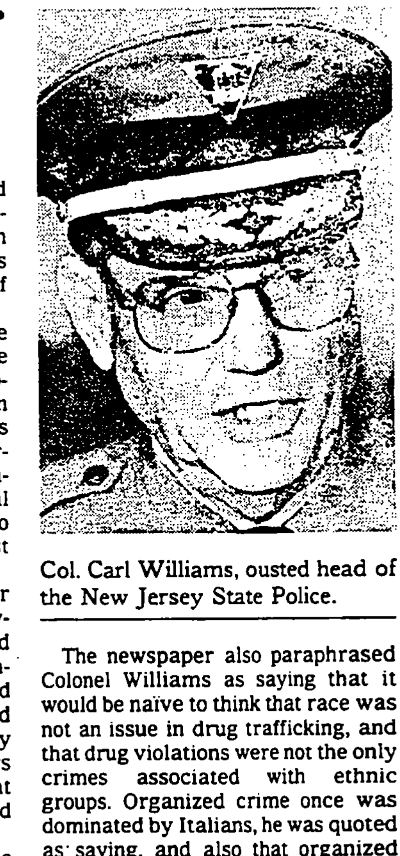
Governor Whitman named Lieut. Col. Michael Fedorko, the second-in-command, as acting Superintendent, pending what she called an expedited search for a successor that will include "consideration of both civilian and uniform candidates." There has never been a civilian commander of the State Police.

Colonel Williams, 58, who rose through the ranks in a 35-year State Police career, did not comment publicly on his dismissal. He had been under fire for weeks over charges that state troopers have unfairly targeted black drivers on state highways, a practice known as racial profiling, and that he had refused to acknowledge a long history of racist procedures by his force.

Despite the criticism and calls for Colonel Williams's resignation, Governor Whitman, who had appointed him Superintendent in 1994, had continued to defend him publicly, and political observers in Trenton said she had been prepared to stand by him, despite misgivings by members of her administration about what some saw as his tendency toward insensitive outspokenness.

But she abruptly reversed course yesterday after The Star-Ledger's report. Mr. Williams, in a three-hour interview with the newspaper that took place late last week, was quoted as saying that racial profiling would not be condoned and that troopers must stop motorists only "on the basis of a traffic violation." He added: "As far as racial profiling is concerned, that is absolutely not right. It never has been condoned in the State Police, and it never will be."

But he also said that certain crimes were associated with certain racial and ethnic groups. "If you are looking at the methamphetamine market, that seems to be controlled by the motorcycle gangs, which are basically white," he said. "If you are looking at heroine and stuff like that, your involvement there is more or less Jamaican."



Col. Carl Williams, ousted head of the New Jersey State Police.

The newspaper also paraphrased Colonel Williams as saying that it would be naïve to think that race was not an issue in drug trafficking, and that drug violations were not the only crimes associated with ethnic groups. Organized crime once was dominated by Italians, he was quoted as saying, and also that organized crime now tends to be dominated by Russians and Eastern Europeans.

While contending that he had never known a State Police officer who used profiles based on skin color or nationality, Mr. Williams was quoted as saying that he had taken steps to counter such profiling.

The reaction to the article was swift and angry. A coalition of black state legislators, ministers and civil rights advocates gathered at the East Orange offices of Assemblyman Leroy D. Jones, an Essex County Democrat, and denounced Colonel Williams, calling for his resignation hours before it was announced.

"His views are dastardly, his thoughts are ill and sickened, and he's unfit to hold such a critical, important office," Mr. Jones said. "He's a racist of the worst kind, because he doesn't even know it."

The New York Times

MONDAY, MARCH 1, 1999

August 2, 1999

NATIONAL FORUM AT THE WELFARE TO WORK PARTNERSHIP CONFERENCE

DATE:	August 3, 1999
LOCATION:	McPherson Place, Navy Pier Chicago, IL
MEET & GREET TIME:	10:30am – 10:45am
EVENT TIME:	10:50am – 12:20pm
FROM:	Bruce Reed

I. PURPOSE

To talk to former recipients about their experiences moving from welfare to work, call on business leaders to hire even more people from the welfare rolls, challenge federal, state, and local officials to invest funds in those who need help the most, and warn Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform.

II. BACKGROUND

You will be addressing the second day of the three day Welfare to Work Partnership Conference. The purpose of the conference is to provide a forum to share the progress and challenges of welfare reform, and to form partnerships that will ensure continued commitment to welfare to work around the country. In attendance will be almost 2,000 conference participants, including representatives of: businesses of all sizes that have hired former welfare recipients or that want to learn how to hire from this new labor source; local, state, and federal government agencies; welfare to work service providers; and community and faith-based organizations. In your remarks today you will announce:

<u>All 50 States Meeting Overall Work Participation Goals</u>
New data you will release today show that every state and the District of Columbia met the welfare law's overall work requirement for 1998, which requires 30 percent of families to have a parent working at least 20 hours per week. Nationally, 35 percent of all welfare recipients were working in 1998. This is the first full year of work data available under the 1996 welfare reform law (not all states had to report in 1997 and those that did only had to report data for the last quarter). Not all states met the law's two parent work rates, which require 75 percent of two parent families to work: of the forty-one states subject to the rate, 28 met it. These data cover fiscal year 1998 (October 1, 1997 through September 30, 1998).

Four Times More of Those on Welfare Are Working than in 1992

The 1998 data also show that four times more of those on welfare are working than when you took office. Nationally, the percentage of welfare recipients working rose from 7 percent in 1992 to 27 percent in 1998, with the remainder fulfilling their participation requirements through job search, education, and training. You began to reform welfare early in your first term, granting waivers to 43 states to require work and encourage personal responsibility, expanding the Earned Income Tax Credit and the minimum wage to make work pay, and pushing the Congress for nationwide welfare reform legislation which you signed into law in August 1996.

Caseloads Have Fallen to Historic New Lows

You will also release new welfare caseload numbers today that show the percent of Americans on welfare is at its lowest level since 1967. The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show 31 states have had declines of 50 percent or more. A new report by the Council of Economic Advisers, released today, finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the federal and state program and policy changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline between 1996 and 1998.

Companies are Hiring from the Welfare Rolls

Over 12,000 businesses of all sizes and industries have joined The Welfare to Work Partnership since its launch in May 1997, and they have already hired an estimated 410,000 people from the welfare rolls. Seventy-six percent of companies have hired former welfare recipients for full-time jobs and the average salary is $17,000 a year. More than 8 in 10 executives have found their new hires are good, productive employees; sixty-five percent of business leaders report that welfare to work hires have the same or higher retention rates than other employees, making welfare to work a smart solution for business. The federal government is also doing its part: as Vice President Gore announced yesterday, the federal government has hired over 14,000 people in dozens of agencies across the U.S., far surpassing the goal of 10,000 hires set in April 1997. The three-day Chicago convention will allow over 2,000 company representatives, federal, state and local officials, and community-based organizations from around the country to participate in over 100 workshops highlighting successful welfare to work strategies they can replicate at home.

Independent Studies Confirm People are Moving from Welfare to Work

Numerous independent studies also confirm that more people are moving from welfare to work. Results from a new national survey released yesterday by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. The report found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four. A recent General Accounting Office report based on state surveys found that between 63 and 87 percent of adults have worked since leaving the welfare rolls, results similar to state studies funded by the Department of Health and Human Services. At the same time, the Census Bureau's Current Population Survey shows that between 1992 and 1998, the employment rate of previous year welfare recipients increased by 70 percent.

More Must Be Done to Help Those Still on the Rolls
You will call on the public and private sector to do more to help those still on welfare move to work and succeed on the job. You will urge the companies in The Welfare to Work Partnership to hire even more people from the welfare rolls, challenge federal, state and local officials to invest funds in those who need help the most, and warn Congress not to renege on its bipartisan commitment to help states and communities finish the job of welfare reform.

- Congress should honor its bipartisan commitment to welfare reform by resisting proposals to cut the Temporary Assistance for Needy Families block grant created in the 1996 welfare act. At the same time, states should use the resources provided in the welfare reform law and the flexibility provided in the recent welfare reform rules to invest in those who need additional help to leave the welfare rolls and to support working families who have left the rolls succeed in the workforce.

You will also call on Congress to finish the job by enacting your initiatives to help those families with the greatest challenges move from welfare to work and succeed in the workforce, including:

- $1 billion to extend the Welfare-to-Work program to help long-term welfare recipients and low-income fathers work and support their families. Welfare-to-Work funds are targeted to those individuals who need the most help, including long-term welfare recipients with low basic skills, substance abuse or poor work history, and are distributed to states and communities based on concentrations of poverty, welfare dependency, and unemployment. Also under your proposal, states and communities would use a minimum of 20 percent of their formula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work, establish paternity, and pay child support. The Administration's reauthorization proposal, which has been endorsed by the U.S. Conference of Mayors, the National League of Cities, and the National Association of Counties, is included in H.R. 1482 introduced by Congressman Cardin and S. 1317 introduced by Senator Akaka. The reauthorization would build on the $3 billion Welfare-to-Work program you secured in the 1997 Balanced Budget Act. To date, communities in nearly every state are using Welfare-to-Work funds to help individuals with the greatest challenges, and today the Vice President announced the Department of Labor will release over $100 million in grants to the states of Alaska, Illinois, Indiana, Kansas, Minnesota, and New Jersey.

- Significant new funding for child care to help working families meet the cost of child care including: (1) $7.5 billion over five years to expand the Child Care Block Grant, (2) $5 billion over five years in greater child care tax relief, (3) $3 billion over five years in child care quality improvements, (4) a new tax credit for businesses that provide child care services for their workers, and (5) new tax relief for parents who choose to stay at home with their young children. With more parents entering the work force, the need for child care has risen as a critical support to help parents keep their jobs. The 1996 welfare law did provide $4 billion in additional funds to states to provide more care and help improve the quality of programs, but the unmet need remains large. There are approximately 10 million children eligible for federal funded support, yet in 1997, only 1.25 million children received assistance. Ensuring that families who leave welfare for jobs stay employed is one of the next challenges of welfare reform, and reliable, safe, and affordable child care is one of the critical ingredients for parents succeeding in work.

- Additional welfare-to-work housing vouchers and transportation funds to provide 25,000 more housing vouchers and double Access to Jobs transportation funding from $75 million to $150 million. The welfare-to-work housing vouchers will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job. The Job Access grants will provide funds for communities to provide innovative transportation solutions so welfare recipients and other low income workers can get to work.

- Extend both the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit to encourage the hiring and retention of long-term welfare recipients and other disadvantaged individuals.

I. PARTICIPANTS

Meet & Greet Participants:
See attached list

Discussion Attendees:
Mayor Paul Helmke
Mayor Marc Morial
Mayor Beverly O'Neill
Gerry Greenwald, Chief Executive Officer, United Airlines

Program Participants:
Mayor Richard Daley
Eli Segal, President & CEO, Welfare to Work Partnership

Discussion Participants:
Rodney Carroll, Chief Operating Officer, Welfare to Work Partnership and Operations Division Manager, United Parcel Service of America
NOTE: Rodney Carroll will moderate the discussion.
Governor Thomas Carper
Governor George Ryan
Mayor Wellington Webb
See attached list for other participants.

II. PRESS PLAN

Open Press.

III. SEQUENCE OF EVENTS

-**YOU** will greet members of the Welfare to Work Partnership Board of Directors.
-**YOU** will be announced, accompanied by Mayor Richard Daley, Eli Segal, and Gerry Greenwald, onto the stage.
-Eli Segal will make opening remarks and introduce Mayor Daley.
-Mayor Daley will make remarks and introduce **YOU**.
-**YOU** will make remarks and take your seat for the discussion.
-Rodney Carroll will begin and moderate the discussion.
-Upon conclusion of the discussion, **YOU** will make concluding remarks, work a ropeline, and depart.

VI. REMARKS

To be provided by speechwriting.

I. ATTACHMENTS

- Meet and Greet Participants
- Suggested Discussion Sequence and Questions
- Discussion Participant Bios
- State-by-State Work Participation Numbers Chart
- State-by-State Welfare Caseload Numbers Chart
- Federal Hiring Numbers Chart

WELFARE TO WORK CONFERENCE MEET & GREET PARTICIPANTS
August 3, 1999

Henry Anthony, AHL Services
Cathy Bessant, Bank of America
Rodney Carroll, Welfare to Work Partnership and United Parcel Service of America
Paul Clayton, Burger King, North America
Ted English, The TJX Companies, Inc.
William T. Esrey, Sprint Corporation
Michael Fergus, Allied Van Lines
Jim Goodwin, UAL Corporation
Gerald Greenwald, UAL Corporation
Rachel Hubka, Rachel's Bus Company
Brendan Keegan, Marriott International
Jim Kelly, United Parcel Service of America, Inc.
Stanley Litow, IBM Corporation
Shelley Longmuir, United Airlines Corporation
Arthur Martinez, Sears, Roebuck and Co.
William McDermott, Xerox Corporation
Rosemary Mede, CVS Corporation
Russell Meyer, Cessna Aircraft, a Textron Company
Chip Raymond, Citigroup Foundation
Eli Segal, Welfare to Work Partnership
Robert B. Shapiro, Monsanto Company
Laurence Siegel, The Mills Corporation
John Sloan, Sears, Roebuck and Co.
Lea Soupata, United Parcel Service of America
George Stinson, General Converters & Assemblers, Inc.
Jonathan M. Tisch, Loews Hotels
Barbara Turner, Boscart Construction
Doug Williams, The Limited
Mark Willis, Chase Manhattan Bank
Barry Zigas, Fannie Mae

WELFARE TO WORK CONFERENCE NATIONAL FORUM DISCUSSION PARTICIPANTS

* POTUS Version *

AUTOMATED DATA SCIENCES (Santa Monica, CA)

Rena Burns, President

Rena Burns, a 47-year-old, Hispanic small business owner, runs an information technology/software development firm which employs 50 people, and has been a winner of the Small Business Administration's Regional Welfare to Work Entrepreneur Award. Although she did not set out to hire welfare recipients, Burns experienced such success with one welfare to work employee that she has now hired four welfare to work employees, and is using the local One-Stop Center as a hiring source. She believes the small business environment is a good one for welfare to work hires, as they are able to be more versatile in providing the personal attention, encouragement, and coaching which she feels are key factors to the success of these new workers. Having been on welfare as one of five children with a single mother, Rena works hard to provide others with the chances she never had growing up. She also believes that as a business owner it is her responsibility to give back to the community that supports her business.

BANK OF AMERICA

Catherine Bessant, President, Community Development Banking Group

Bank of America's Welfare to Self Sufficiency Initiative, initiated in April 1998, aims to achieve the greatest potential for sustained self-sufficiency of former welfare recipients. Having hired more than 330 new workers in recruitment, training and retention programs across the country, including Dallas, Los Angeles, Norfolk, Phoenix, San Francisco, Seattle, Portland and Spokane, the bank has also facilitated hiring of hundreds of other recipients in dozens of other locations through their support of local organizations and initiatives. New hires at the bank have become proof operators, teller, ATM processors, and customer service representatives. Bank of America places career advancement as a priority in helping their new hires achieve self-sufficiency, and has dedicated resources to increase the economic opportunity for and advance the careers of these new employees. Employee supports include money management courses, up to $2,000 reimbursement for tuition and textbooks, subsidized child care, a home ownership program in which the bank provides a $5,000 mortgage loan in which only the interest is due back from the employee, an extensive EAP program, including the Family Resource Center, and a peer-to-peer mentoring program.

Success Story:
LaTonya R. Stephens, Duncanville, TX
LaTonya Stephens, a 26 year-old African-American and the mother of two daughters, had been on and off welfare for two years when she heard about a training program offered by Goodwill Industries. She enrolled in the program, and was hired by Bank of America in Dallas in August 1998 as a Telephone Banking Representative. She has been rewarded for her outstanding performance, has recently received a promotion and raise to approximately $20,600 annually, and looks forward to moving up with the company. In addition, the bank has provided her with childcare assistance. LaTonya is proud to have completed her G.E.D., to be able to adequately support herself and her daughters, and to have saved enough to purchase a new car this year.

CVS CORPORATION
Rosemary Mede, Senior Vice President, Human Resources
Since the inception of CVS' involvement in welfare to work, the company has hired 3,788 welfare recipients with a 60% retention rate, double the industry standard. With active welfare to work programs throughout the eastern United States, CVS has an established record of hiring harder-to-place welfare recipients, and has made internal promotion a company policy. In the metropolitan D.C. area, CVS/Pharmacy and the District of Columbia Apprenticeship Council have developed an apprenticeship program for Pharmacy Technicians. This program has delivered quality employment and training opportunities for people exploring careers.

Success Story:
Antoinette Patrick, Washington, D.C.
Antoinette Patrick, a 41-year-old African-American, is the married mother of 2 children, one of whom has a disability. She had been receiving welfare assistance periodically for approximately 5 years. Through the DC Department of Employment, Antoinette was identified as having high potential for the apprenticeship program, and was chosen for the pharmacy program by CVS after intensive interviews. She was hired with full health benefits as a CVS Pharmacy Technician in October 1998, and has already received a raise in pay to $7.25/hour. She takes pride in delivering good service to customers that are ill or are caring for a sick child or parent. She hopes to take advantage of the educational benefits and loans offered by CVS to attend pharmacy school in the future. Antoinette has also opened a savings account for each of her children, and hopes to be able to help them attend college.

LOEWS HOTELS (Miami, FL)
Jonathan Tisch, Chief Executive Officer
A board member of the Welfare to Work Partnership since 1997, Jonathan Tisch leads a rapidly expanding chain of 15 hotels and resorts. Loews empowers individuals and communities by partnering with organizations to create jobs for and assist in the training of welfare recipients. A prime example of this welfare to work effort is in Miami, where Loews and 44 other members of the Greater Miami & the Beaches Hotel Association worked with Mayor Alex Penelas' office, the local WAGES coalition, and service providers such as Lockheed Martin and America Works, to meet the need for enthusiastic well-trained employees. To date, Loews has hired 40

responsible and qualified individuals from the welfare rolls into well-paying jobs with growth opportunities in their new 800-room hotel in Miami Beach. The success of this venture has inspired Loews to replicate this model at all of their new properties, while maintaining a strong commitment to hire welfare recipients at pre-existing sites.

Success Story:
Consuelo McGlond, Miami, FL
Consuelo McGlond, a 28-year-old African-American, is the mother of 3 children. She had received welfare assistance for most of the last ten years, and had never held a job for longer than six months. Last year she enrolled in the America Works Program where she participated in a 10-week course in computer literacy, interviewing skills, and job readiness. Upon completion of this course, she was hired by Loews Miami Beach Hotel as an Overnight Switchboard Operator in November 1998. Consuelo currently makes $9.00/hour and has full health and dental benefits. Consuelo says that she loves her job at Loews, especially the pride she feels when she is able to successfully assist a customer in need. She was awarded the Jonathan Tisch President's Award for her professional manner and great attitude at work. Consuelo's aspires to enroll in community college and take business or hospitality courses and learn Spanish. She hopes her kids will be able to attend college one day, and says she encourages them to "be a little better than me".

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MasterLube is a group of five, ten-minute oil change stores. Bill Simmons believes his company should serve as an entry point into the work force for its employees, during which time they participate in training for both career and personal development. He has seen "alums" move on to jobs in banks, school systems, the railroad, and mental health centers. MasterLube has a five-step system to implement their mission statement -- "Attract, hire, train, develop, and launch." At any time approximately 20-25% of the MasterLube staff are former welfare recipients. Simmons takes a personal interest in his employees, even going so far as to accompany them to a job interview or to enroll in college courses. The company helps employees overcome challenges such as substance abuse by providing treatment for any employee who needs it through the company health insurance plan, allowing employees to pay back the insurance deductible in installments through a payroll deduction, and pairing that employee with a colleague who has successfully completed treatment. MasterLube has been an extremely successful business, gaining interest from industry competitors, and Simmons believes that much of this is due to the service delivered by the people he has hired.

Success Story:
Tyler Left Hand, Billings, MT
Tyler Left Hand, a 31-year-old Native American, is the non-custodial father of a 5 year-old daughter. Tyler has worked hard to pay child support to help keep his daughter and her mother off of welfare assistance. Tyler grew up on the Crow Tribe reservation, but left for Billings, Montana after becoming unemployed. He was hired by MasterLube, with full health benefits, in November 1995 as a pit technician, and has worked his way up to assistant manager where he earns $8.00/hour. He enjoys the sense of pride he feels when he completes a day of work, and

appreciates the skills and knowledge he has gained from his work. Tyler hopes to enroll in a vocational school, and also dreams of opening his own lube shop with his brother one day.

TJX COMPANIES, INC & MORGAN MEMORIAL GOODWILL INDUSTRIES
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Joanne Hilferty, Chief Executive Officer, Morgan Memorial Goodwill Industries (Boston, MA)

The TJX Companies, Inc., the world's largest off-price apparel retailer, was one of the first national companies to commit to hire individuals off public assistance by becoming a charter member of The Welfare to Work Partnership in August of 1997. When they joined, they committed to hiring 5,000 former welfare recipients by the year 2000, and as of June 1999 they have exceeded their goals and hired 10,145 welfare recipients. TJX attributes their success to their collaboration with community-based organizations as part of their recruiting and retention efforts. In Boston, TJX has partnered with Morgan Memorial Goodwill Industries, and has received Welfare-to-Work funding from the Boston Private Industry Council, to pilot The First Step Transition to Work Program, an intensive retail and customer service skill training program. The program, located in the Boston Empowerment Zone, offers four weeks of classroom training, one to five weeks of internship, job placement and post-placement case management for one year to help people succeed on the job. TJX plans to duplicate this program in areas with high welfare populations, public transportation, and a need for new workers.

Success Story:
Maria Mercado, Boston, MA

Maria Mercado, a 29 year-old Hispanic, is the mother of two daughters. Maria had been receiving welfare assistance for 10 years, when she received a mailer advertising Morgan Memorial Goodwill Industries First Step Transition to Work program. While it was a great challenge for her to gain the confidence to work after all of those years, Maria signed up for the training program and was eventually hired by TJX Companies in December 1998 as a cashier at Marshalls. She has been promoted several times, and is currently training as a department coordinator, a supervisory position. She is currently earning $7.00/hour, and will receive a raise and benefits with her promotion. Maria has gained much self-confidence through her training and work, and feels much better about her ability to provide for her children. She is studying for and hopes to receive her G.E.D. soon.

UNITED PARCEL SERVICE OF AMERICA AND THE WELFARE TO WORK PARTNERSHIP
Rodney Carroll, Operations Division Manager, United Parcel Service of America and Chief Operating Officer, The Welfare to Work Partnership

UPS has been a leader in recruiting and hiring welfare recipients for the past 25 years. Under the leadership of UPS Chairman and CEO Jim Kelly, one of the five founding members of the Welfare to Work Partnership, UPS has become even more involved in hiring welfare recipients and encouraging other companies to get involved since 1997. To date, UPS has hired 25,000 welfare to work employees in 40 locations throughout the country including Atlanta, Camden, Chicago, Philadelphia and San Diego. In the Philadelphia area, Rodney Carroll and UPS helped to create a bus system with SEPTA (South Eastern Philadelphia Transit Authority), that allowed Rodney to personally hire more than 700 people from welfare to work at UPS. Transportation has been one of the major roadblocks in welfare to work success, and the program he created, which started in 1996 with 4 buses and has grown today to a total of 54 buses, now moves thousands of people to their jobs daily.

Success Story:
Tiffany Smith, Philadelphia, PA
Tiffany Smith, a 22-year-old Caucasian, is the mother of two, who grew up receiving welfare and continued to receive it after her first child was born. She began working at UPS in late 1996 as a loader/unloader making $8.50/hour with full benefits. She has now been promoted to a package sorter, earning $10.50/hour. Tiffany's daily commute to her job at the Philadelphia Air Hub involves taking her children to day care, and then taking a bus to a subway to another bus that runs to UPS. While this is not easy, she prefers the independence her job provides to relying on welfare. In September she will resume GED classes taught at the airport and funded by UPS. Her goal is to become a supervisor at UPS in the near future, and then to pursue a degree in nursing.

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Wendy Waxler, a 32 year-old African-American, is the mother of a 3 year-old daughter. Although she was constantly in search of employment, her daughter's disability and medical needs made finding reliable childcare difficult and balancing a work schedule with doctor's appointments almost impossible. Wendy received welfare assistance for one and a half years. Eventually, she enrolled in an employment program at So Others Might Eat (SOME). Through the ReEntry to Work Program, Wendy was recruited by Xerox Business Services, and found an employer that could be flexible around her circumstances. She was hired by XBS in February 1999 as a temporary account associate, quickly becoming a permanent employee. She has received several promotions, and currently earns $9.60/hour, receives health benefits and participates in both 401K and net-profit sharing plans. She was even offered a job by an XBS client with whom she was temporarily assigned to work. By allowing her to work at night,

managing the fax center for a large law firm, Wendy can both provide for her daughter and be available to care for and attend to her medical needs. She feels that her new job has enormously boosted her self-esteem and aspirations for the future. Wendy hopes to grow with Xerox, eventually becoming a systems or network analyst, and to start a resource newsletter for other parents of disabled children. She would like to help others in need gain the skills and confidence that she has regained through her employment at XBS.

WELFARE TO WORK CONFERENCE NATIONAL FORUM DISCUSSION PARTICIPANTS

* Press Version*

AUTOMATED DATA SCIENCES (Santa Monica, CA)

Rena Burns, President

Rena Burns, a 47-year-old, small business owner, runs an information technology/software development firm which employs 50 people, and has been a winner of the Small Business Administration's Regional Welfare to Work Entrepreneur Award. Although she did not set out to hire welfare recipients, Burns experienced such success with one welfare to work employee that she has now hired four welfare to work employees, and is using the local One-Stop Center as a hiring source. She believes the small business environment is a good one for welfare to work hires, as they are able to be more versatile in providing the personal attention, encouragement, and coaching which she feels are key factors to the success of these new workers. Having been on welfare as one of five children with a single mother, Rena works hard to provide others with the chances she never had growing up. She also believes that as a business owner it is her responsibility to give back to the community that supports her business.

BANK OF AMERICA

Catherine Bessant, President, Community Development Banking Group

Bank of America's Welfare to Self Sufficiency Initiative, initiated in April 1998, aims to achieve the greatest potential for sustained self-sufficiency of former welfare recipients. Having hired more than 330 new workers in recruitment, training and retention programs across the country, including Dallas, Los Angeles, Norfolk, Phoenix, San Francisco, Seattle, Portland and Spokane, the bank has also facilitated hiring of hundreds of other recipients in dozens of other locations through their support of local organizations and initiatives. New hires at the bank have become proof operators, teller, ATM processors, and customer service representatives. Bank of America places career advancement as a priority in helping their new hires achieve self-sufficiency, and has dedicated resources to increase the economic opportunity for and advance the careers of these new employees. Employee supports include money management courses, up to $2,000 reimbursement for tuition and textbooks, subsidized child care, a home ownership program in which the bank provides a $5,000 mortgage loan in which only the interest is due back from the employee, an extensive EAP program, including the Family Resource Center, and a peer-to-peer mentoring program.

Success Story:
LaTonya R. Stephens, Duncanville, TX
LaTonya Stephens, a 26 year-old mother of two daughters, had been on and off welfare for two years when she heard about a training program offered by Goodwill Industries. She enrolled in the program, and was hired by Bank of America in Dallas in August 1998 as a Telephone Banking Representative. She has been rewarded for her outstanding performance, has recently received a promotion and raise to approximately $20,600 annually, and looks forward to moving up with the company. In addition, the bank has provided her with childcare assistance. LaTonya is proud to have completed her G.E.D., to be able to adequately support herself and her daughters, and to have saved enough to purchase a new car this year.

CVS CORPORATION
Rosemary Mede, Senior Vice President, Human Resources
Since the inception of CVS's involvement in welfare to work, the company has hired 3,788 welfare recipients with a 60% retention rate, double the industry standard. With active welfare to work programs throughout the eastern United States, CVS has an established record of hiring harder-to-place welfare recipients, and has made internal promotion a company policy. In the metropolitan D.C. area, CVS/Pharmacy and the District of Columbia Apprenticeship Council have developed an apprenticeship program for Pharmacy Technicians. This program has delivered quality employment and training opportunities.

Success Story:
Antoinette Patrick, Washington, D.C.
Antoinette Patrick, 41, is the married mother of 2 children, one of whom has a disability. She had been receiving welfare assistance periodically for approximately 5 years. Through the DC Department of Employment, Antoinette was identified as having high potential for the apprenticeship program, and was chosen for the pharmacy program by CVS after extensive interviews. She was hired with full health benefits as a CVS Pharmacy Technician in October 1998, and has already received a raise in pay to $7.25/hour. She takes pride in delivering good service to customers that are ill or are caring for a sick child or parent. She hopes to take advantage of the educational benefits and loans offered by CVS to attend pharmacy school in the future. Antoinette has also opened a savings account for each of her children, and hopes to be able to help them attend college.

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SUGGESTED WELFARE TO WORK DISCUSSION FORUM
SEQUENCE AND QUESTIONS
August 3, 1999

•**Rodney Carroll, Operations Division Manager, UPS and Chief Operating Officer, The Welfare to Work Partnership** will open and moderate the discussion. He will facilitate the discussion flow and introduce you to the participants listed below. The following is a list of suggested questions for you.

•**Bill McDermott, Senior Vice President, Xerox**
•**Wendy Waxler, Account Associate, Xerox**
[Wendy Waxler will comment on how she moved from welfare to her new job at Xerox, and on the aspects of her job that she likes the most.]

*Suggested **POTUS** Question to Wendy Waxler: What kinds of things did Xerox do to help you make the transition from welfare to work?*

[Bill McDermott will comment on the Xerox partnership with Women in Community Service to provide mentors to their new welfare to work employees.]

•**Rena Burns, Automated Data Sciences**
[Rena Burns will comment on her belief that the increased flexibility of a small business environment makes it a good one for hiring welfare to work employees.]

*Suggested **POTUS** Question: What is the greatest challenge small businesses face in hiring welfare recipients?*

*Suggested **POTUS** Comment: At this point you could challenge all businesses—large and small-- to reach out to other small businesses who are the engine of growth, and who may not have the same information and resources to learn about welfare to work. Businesses can also reach out to their suppliers and their business partners to encourage them to get involved in welfare to work.*

•**Tiffany Smith, UPS Package Sorter**
[Tiffany Smith will comment on the challenges she faces with regard to transportation, and describe her daily routine of walking her children to day care, then taking the bus to a subway to the bus to the air hub.]

*Suggested **POTUS** Question: That sounds like a lot of effort. Is it worth it?*

*Suggested **POTUS** Question: Tiffany, you've been at UPS for several years—what's the next step? (NOTE: Tiffany has just put in a request to become a UPS supervisor)*

*Suggested **POTUS** Comment: At this point you could mention our Access to Job proposal which will help more areas design innovative solutions to transportation challenges, such as the one Rodney Carroll helped launch for UPS.*

•Governor George Ryan (R-IL)
[Governor Ryan will comment on the need to maintain the federal-state partnership on welfare reform so we can invest in helping more people move from welfare reform.]

*Suggested **POTUS** Question: What other kinds of investments are you making with your welfare reform funds? [NOTE: The new work numbers announced today show Illinois passing the work rates with flying colors]*

•Rosemary Mede, Senior Vice President, CVS/pharmacy
•Antoinette Patrick, CVS, Pharmacy Technician
[Rosemary Mede will describe CVS' pharmacy apprenticeship that was developed to provide people in the Washington, D.C. area with career track opportunities.]

*Suggested **POTUS** Question for Antoinette Patrick: Antoinette, how do you like working in a pharmacy?*

•Bill Simmons, CEO, MasterLube
•Tyler Left Hand, Assistant Manager, MasterLube
[Bill Simmons will comment his belief that the success of his business is due to the people that work for him. NOTE: 20-25% of his employees are current or former welfare recipients, and he also has an innovative approach to helping employees deal with substance abuse.]
[Tyler Left Hand will comment on how his job has helped him pay child support and provide a better life for his daughter.]

*Suggested **POTUS** Question to Tyler Left Hand: Tyler, what do you hope to do next? [NOTE: Tyler hopes to open his own lube business some day].*

•Governor Tom Carper (D-DE)
[Governor Carper is known as a leader on strengthening fathers, and will comment on how he has worked to involve fathers as part of his broader welfare reform agenda. NOTE: Delaware met all family rate (26%), but not two parent (24%).]

*Suggested **POTUS** Question: What are you doing to help those fathers like Tyler who want to work and pay child support?*

*Suggested **POTUS** Comment: At this point you could challenge businesses to do more to help employ fathers -- which helps support children and families leaving welfare, and helps build stronger communities.*

•Mayor Wellington Webb (D – Denver, CO)
[Mayor Webb will discuss why the Welfare to Work program is critical to cities, and will acknowledge **Mayor Helmke**.]

*Suggested **POTUS** Comment: At this point you could acknowledge **Mayor Helmke** and underscore the bipartisan commitment to welfare reform.*

*Suggested **POTUS** Question to Mayor Webb: Mayor Webb, how are you using Welfare-to-Work funds to help those with the greatest challenges get and keep good jobs in Denver?*

•Ted English, President & COO, TJX Companies, Inc.
•Joanne Hilferty, CEO, Morgan Memorial Goodwill Industries, Boston
•Maria Mercado, Merchandising Sales Associate, Marshall's
[Joanne Hilferty will describe the public/private partnership between TJX Companies and Goodwill in Boston, and how TJX has found a way to hire and retain individuals who are still on welfare and who have less work experience.]

*Suggested **POTUS** Question to Maria Mercado: How did this training program help you begin your career?*

•Catherine (Cathy) Bessant, President, Community Development Banking Group Bank of America (Board Member)
•LaTonya Stephens, Telephone Personal Banker, Bank of America
[LaTonya Stephens will comment about the help Bank of America has given her with child care, her recent promotion, and her accomplishment of saving enough money to buy a new car.]

*Suggested **POTUS** Comment: At this point you could mention the Administration's child care initiative*

[Cathy Bessant will highlight the value corporate investments in things people need to sustain self-sufficiency.]

*Suggested **POTUS** Question for Cathy Bessant: You joined us on the New Markets Tour last month. What do you see as the connection between investing in underserved areas and welfare to work?*

•Jonathan Tisch, CEO, Loews Hotels

[Jonathan Tisch will comment on the partnership between Loews and Mayor Penelas (who will not be in attendance) in an industry-based initiative with 44 other hotels and motels in the community to recruit businesses and address the barriers of hiring former recipients such as education and ESL. He will also introduce one of Loews' welfare to work hires, **Consuelo McGlond, Loews Overnight Phone Operator** who recently won the Jonathan Tisch President's Award for her professional manner and great attitude.]

PRESIDENT CLINTON WILL ANNOUNCE RECORD NUMBERS OF PEOPLE ON WELFARE ARE WORKING AS BUSINESSES HIRE FROM THE WELFARE ROLLS

August 3, 1999

Today, three years after enactment of the welfare reform law, President Clinton will announce that all 50 states met the law's overall work requirements in 1998, and nearly four times more of those on welfare are working than when he took office. These are the first work data from every state to be released under the 1996 welfare reform law, and they confirm a growing body of evidence that three years later, record numbers of people are moving from welfare to work. These findings, along with new figures showing caseloads have declined by 6.8 million since the President took office, will be contained in a report transmitted to Congress today. The President will make these announcements at a National Forum convened by The Welfare to Work Partnership, whose companies have hired over 410,000 welfare recipients. At the National Forum, the President will talk to former recipients about their experiences moving from welfare to work, call on business leaders to hire even more people from the welfare rolls, challenge federal, state, and local officials to invest funds in those who need help the most, and warn Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform.

All 50 States Meeting Overall Work Participation Goals

New data to be released by the President today show that every state and the District of Columbia met the welfare law's overall work requirement for 1998, which requires 30 percent of families to have a parent working at least 20 hours per week. Nationally, 35 percent of all welfare recipients were working in 1998. This is the first full year of work data available under the 1996 welfare reform law (not all states had to report in 1997 and those that did only had to report data for the last quarter). Not all states met the law's two parent work rates, which require 75 percent of two parent families to work: of the forty-one states subject to the rate, 28 met it. These data cover fiscal year 1998 (October 1, 1997 through September 30, 1998).

Four Times More of Those on Welfare Are Working than in 1992

The 1998 data also show that four times more of those on welfare are working than when the President took office. Nationally, the percentage of welfare recipients working rose from 7 percent in 1992 to 27 percent in 1998, with the remainder fulfilling their participation requirements through job search, education, and training. The President began to reform welfare early in his first term, granting waivers to 43 states to require work and encourage personal responsibility, expanding the Earned Income Tax Credit and the minimum wage to make work pay, and pushing the Congress for nationwide welfare reform legislation which he signed into law in August 1996.

Independent Studies Confirm People are Moving from Welfare to Work

Numerous independent studies also confirm that more people are moving from welfare to work. Results from a new national survey released yesterday by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. The report found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four. A recent General Accounting Office report based on state surveys found that between 63 and 87 percent of adults have worked since leaving the welfare rolls, results similar to state studies funded by the Department of Health and Human Services. At the same time, the Census Bureau's Current Population Survey shows that between 1992 and 1998, the employment rate of previous year welfare recipients increased by 70 percent.

Caseloads Have Fallen to Historic New Lows

New welfare caseload numbers to be released by the President today show the percent of Americans on welfare is at its lowest level since 1967. The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show 31 states have had declines of 50 percent or more. A new report by the Council of Economic Advisers, released today, finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the federal and state program and policy changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline between 1996 and 1998.

Companies are Hiring from the Welfare Rolls

Over 12,000 businesses of all sizes and industries have joined The Welfare to Work Partnership since its launch in May 1997, and they have already hired an estimated 410,000 people from the welfare rolls. Seventy-six percent of companies have hired former welfare recipients for full-time jobs and the average salary is $17,000 a year. More than 8 in 10 executives have found their new hires are good, productive employees; sixty-five percent of business leaders report that welfare to work hires have the same or higher retention rates than other employees, making welfare to work a smart solution for business. The federal government is also doing its part: as Vice President Gore announced yesterday, the federal government has hired over 14,000 people in dozens of agencies across the U.S., far surpassing the goal of 10,000 hires set in April 1997. The three-day Chicago convention will allow over 2,000 company representatives, federal, state and local officials, and community-based organizations from around the country to participate in over 100 workshops highlighting successful welfare to work strategies they can replicate at home.

More Must Be Done to Help Those Still on the Rolls

The President called on the public and private sector to do more to help those still on welfare move to work and succeed on the job. He urged the companies in The Welfare to Work Partnership to hire even more people from the welfare rolls, challenged federal, state and local officials to invest funds in those who need help the most, and warned Congress not to renege on its bipartisan commitment to help states and communities finish the job of welfare reform.

- Congress should honor its bipartisan commitment to welfare reform by resisting proposals to cut the Temporary Assistance for Needy Families block grant created in the 1996 welfare act. At the same time, states should use the resources provided in the welfare reform law and the flexibility provided in the recent welfare reform rules to invest in those who need additional help to leave the welfare rolls and to support working families who have left the rolls succeed in the workforce.

The President also called on Congress to finish the job by enacting his initiatives to help those families with the greatest challenges move from welfare to work and succeed in the workforce, including:

- $1 billion to extend the Welfare-to-Work program to help long-term welfare recipients and low-income fathers work and support their families. Welfare-to-Work funds are targeted to those individuals who need the most help, including long-term welfare recipients with low basic skills, substance abuse or poor work history, and are distributed to states and communities based on concentrations of poverty, welfare dependency, and unemployment. Also under the President's proposal, states and communities would use a minimum of 20 percent of their formula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work, establish paternity, and pay child support. The Administration's reauthorization proposal, which has been endorsed by the U.S. Conference of Mayors, the National League of Cities, and the National Association of Counties, is included in H.R. 1482 introduced by Congressman Cardin and S. 1317 introduced by Senator Akaka. The reauthorization would build on the $3 billion Welfare-to-Work program the President secured in the 1997 Balanced Budget Act. To date, communities in nearly every state are using Welfare-to-Work funds to help individuals with the greatest challenges, and today the Vice President announced the Department of Labor would release over $100 million in grants to the states of Alaska, Illinois, Indiana, Kansas, Minnesota, and New Jersey.

- Significant new funding for child care to help working families meet the cost of child care including: (1) $7.5 billion over five years to expand the Child Care Block Grant, (2) $5 billion over five years in greater child care tax relief, (3) $3 billion over five years in child care quality improvements, (4) a new tax credit for businesses that provide child care services for their workers, and (5) new tax relief for parents who choose to stay at home with their young children. With more parents entering the work force, the need for child care has risen as a critical support to help parents keep their jobs. The 1996 welfare law did provide $4 billion in additional funds to states to provide more care and help improve the quality of programs, but the unmet need remains large. There are approximately 10 million children eligible for federal funded support, yet in 1997, only 1.25 million children received assistance. Ensuring that families who leave welfare for jobs stay employed is one of the next challenges of welfare reform, and reliable, safe, and affordable child care is one of the critical ingredients for parents succeeding in work. Consistent with the Administration's proposals, the new investments in child care have gained bipartisan support in Congress.

- Additional welfare-to-work housing vouchers and transportation funds to provide 25,000 more housing vouchers and double Access to Jobs transportation funding from $75 million to $150 million. The welfare-to-work housing vouchers will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job. The Job Access grants will provide funds for communities to provide innovative transportation solutions so welfare recipients and other low income workers can get to work.

- Extend both the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit to encourage the hiring and retention of long-term welfare recipients and other disadvantaged individuals.

CHANGE IN TANF CASELOADS

Total TANF families and recipients

(in thousands)

	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-99)
Families	4,963	5,053	4,963	4,628	4,114	3,305	2,668	-46%
				2,295,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	9,132	7,335	-48%
				6,780 fewer recipients				

Total TANF recipients by State

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-99)
Alabama	141,746	135,096	121,837	108,269	91,723	61,809	46,934	-67%
Alaska	34,951	37,505	37,264	35,432	36,189	31,689	28,020	-20%
Arizona	194,119	202,350	195,082	171,617	151,526	113,209	92,467	-52%
Arkansas	73,982	70,563	65,325	59,223	54,879	36,704	29,340	-60%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,144,495	1,818,197	-25%
Colorado	123,308	118,081	110,742	99,739	87,434	55,352	39,346	-68%
Connecticut	160,102	164,265	170,719	161,736	155,701	138,666	90,799	-43%
Delaware	27,652	29,286	26,314	23,153	23,141	18,504	16,581	-40%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	56,128	52,140	-21%
Florida	701,842	689,135	657,313	575,553	478,329	320,886	198,101	-72%
Georgia	402,228	396,736	388,913	367,656	306,625	220,070	137,976	-66%
Guam	5,087	6,651	7,630	7,634	7,370	7,461	8,620	69%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,817	45,515	-17%
Idaho	21,116	23,342	24,050	23,547	19,812	4,446	2,897	-86%
Illinois	685,508	709,969	710,032	663,212	601,854	526,851	382,937	-44%
Indiana	209,882	218,061	197,225	147,083	121,974	95,665	109,675	-48%
Iowa	100,943	110,639	103,108	91,727	78,275	69,504	60,151	-40%
Kansas	87,525	87,433	81,504	70,758	57,528	38,462	32,873	-62%
Kentucky	227,879	208,710	193,722	176,601	162,730	132,388	99,560	-56%
Louisiana	263,338	252,860	258,180	239,247	206,582	118,404	111,074	-58%
Maine	67,836	65,006	60,973	56,319	51,178	41,265	34,108	-50%
Maryland	221,338	219,863	227,887	207,800	169,723	130,196	89,003	-60%
Massachusetts	332,044	311,732	286,175	242,572	214,014	181,729	151,592	-54%
Michigan	686,356	672,760	612,224	535,704	462,291	376,985	263,583	-62%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,064	140,128	-27%
Mississippi	174,093	161,724	146,319	133,029	109,097	66,030	38,426	-78%
Missouri	259,039	262,073	259,595	238,052	208,132	162,950	135,383	-48%
Montana	34,848	35,415	34,313	32,557	28,138	20,137	15,508	-55%
Nebraska	48,055	46,034	42,038	38,653	36,535	38,090	34,662	-28%
Nevada	34,943	37,908	41,846	40,491	28,973	29,262	20,283	-42%
New Hampshir	28,972	30,386	28,671	24,519	20,627	15,947	16,090	-44%
New Jersey	349,902	334,780	321,151	293,833	256,064	217,320	175,223	-50%
New Mexico	94,836	101,676	105,114	102,648	89,814	64,759	80,686	-15%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	941,714	828,302	-30%
North Carolina	331,633	334,451	317,836	282,086	253,286	192,172	138,570	-58%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,884	8,355	-55%

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-99)
Ohio	720,476	691,099	629,719	552,304	518,595	386,239	282,444	-61%
Oklahoma	146,454	133,152	127,336	110,498	87,312	69,630	56,640	-61%
Oregon	117,656	116,390	107,610	92,182	66,919	48,561	45,450	-61%
Pennsylvania	604,701	615,581	611,215	553,148	484,321	395,107	312,364	-48%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	130,283	107,447	-44%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,537	53,859	-12%
South Carolina	151,026	143,883	133,567	121,703	98,077	73,179	42,504	-72%
South Dakota	20,254	19,413	17,652	16,821	14,091	10,514	8,445	-58%
Tennessee	320,709	302,608	281,982	265,320	195,891	139,022	152,695	-52%
Texas	785,271	796,348	765,460	714,523	626,617	439,824	313,823	-60%
Utah	53,172	50,657	47,472	41,145	35,493	29,868	26,428	-50%
Vermont	28,961	28,095	27,716	25,865	23,570	21,013	18,230	-37%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,129	3,533	-6%
Virginia	194,212	194,959	189,493	166,012	136,053	107,192	88,910	-54%
Washington	286,258	292,608	290,940	276,018	263,792	228,723	174,099	-39%
West Virginia	119,916	115,376	107,668	98,439	98,690	51,348	44,367	-63%
Wisconsin	241,098	230,621	214,404	184,209	132,383	44,630	28,863	-88%
Wyoming	18,271	16,740	15,434	13,531	10,322	2,903	1,770	-90%
U.S. Total	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	9,131,716	7,334,976	-48%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

	Aug-96	Mar-99	Percent (96-99)
Families	4,415	2,668	-40%
	1,747,000 fewer families		
Recipients	12,241	7,335	-40%
	4,906,000 fewer recipients		

Total TANF recipients by State

STATE	Aug-96	Mar-99	Percent (96-99)
Alabama	100,662	46,934	-53%
Alaska	35,544	28,020	-21%
Arizona	169,442	92,467	-45%
Arkansas	56,343	29,340	-48%
California	2,581,948	1,818,197	-30%
Colorado	95,788	39,346	-59%
Connecticut	159,246	90,799	-43%
Delaware	23,654	16,581	-30%
Dist. of Col.	69,292	52,140	-25%
Florida	533,801	198,101	-63%
Georgia	330,302	137,976	-58%
Guam	8,314	8,620	4%
Hawaii	66,482	45,515	-32%
Idaho	21,780	2,897	-87%
Illinois	642,644	382,937	-40%
Indiana	142,604	109,675	-23%
Iowa	86,146	60,151	-30%
Kansas	63,783	32,873	-48%
Kentucky	172,193	99,560	-42%
Louisiana	228,115	111,074	-51%
Maine	53,873	34,108	-37%
Maryland	194,127	89,003	-54%
Massachusetts	226,030	151,592	-33%
Michigan	502,354	263,583	-48%
Minnesota	169,744	140,128	-17%
Mississippi	123,828	38,426	-69%
Missouri	222,820	135,383	-39%
Montana	29,130	15,508	-47%
Nebraska	38,592	34,662	-10%
Nevada	34,261	20,283	-41%
New Hampshire	22,937	16,090	-30%
New Jersey	275,637	175,223	-36%
New Mexico	99,661	80,686	-19%
New York	1,143,962	828,302	-28%
North Carolina	267,326	138,570	-48%
North Dakota	13,146	8,355	-36%

STATE	Aug-96	Mar-99	Percent (96-99)
Ohio	549,312	282,444	-49%
Oklahoma	96,201	56,640	-41%
Oregon	78,419	45,450	-42%
Pennsylvania	531,059	312,364	-41%
Puerto Rico	151,023	107,447	-29%
Rhode Island	56,560	53,859	-5%
South Carolina	114,273	42,504	-63%
South Dakota	15,896	8,445	-47%
Tennessee	254,818	152,695	-40%
Texas	649,018	313,823	-52%
Utah	39,073	26,428	-32%
Vermont	24,331	18,230	-25%
Virgin Islands	4,898	3,533	-28%
Virginia	152,845	88,910	-42%
Washington	268,927	174,099	-35%
West Virginia	89,039	44,367	-50%
Wisconsin	148,888	28,863	-81%
Wyoming	11,398	1,770	-84%
U.S. Total	12,241,489	7,334,976	-40%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
TANF WORK PARTICIPATION RATES
FISCAL YEAR 1998

STATE	ALL FAMILY RATES			TWO-PARENT FAMILY RATES		
	RATE	ADJUSTED STANDARD 3/	MET TARGET	RATE	ADJUSTED STANDARD	MET TARGET
UNITED STATES	35.4			42.3		
ALABAMA	38.9	5.0%	✓	1/		NA
ALASKA	42.5	26.8%	✓	36.8	68.6%	
ARIZONA	30.2	8.7%	✓	76.6	53.7%	✓
ARKANSAS	19.4	16.6%	✓	20.3	57.8%	
CALIFORNIA	36.6	17.8%	✓	36.2	32.7%	✓
COLORADO	28.7	7.5%	✓	25.7	15.1%	✓
CONNECTICUT	41.4	21.5%	✓	73.2	66.5%	✓
DELAWARE	26.2	9.4%	✓	23.7	54.4%	
DIST. OF COL.	22.8	20.1%	✓	22.5	30.1%	
FLORIDA	34.5	5.8%	✓	1/		NA
GEORGIA	29.3	6.1%	✓	1/		NA
GUAM	12.4	30.0%		13.8	75.0%	
HAWAII	30.0	28.1%	✓	1/		NA
IDAHO	28.6	4.2%	✓	22.5	0.0%	✓
ILLINOIS	37.7	13.6%	✓	77.7	45.0%	✓
INDIANA	29.9	0.0%	✓	32.8	20.1%	✓
IOWA	56.9	9.1%	✓	53.6	51.4%	✓
KANSAS	41.3	1.9%	✓	44.2	23.2%	✓
KENTUCKY	38.3	16.3%	✓	51.6	37.5%	✓
LOUISIANA	29.2	2.0%	✓	38.1	0.0%	✓
MAINE	45.6	15.1%	✓	49.9	35.3%	✓
MARYLAND	12.7	3.1%	✓	1/		NA
MASSACHUSETTS	29.0	7.3%	✓	73.3	44.6%	✓
MICHIGAN	49.2	5.2%	✓	63.9	38.4%	✓
MINNESOTA	30.6	17.0%	✓	30.8	42.5%	
MISSISSIPPI	25.2	3.7%	✓	70.4	1.2%	✓
MISSOURI	24.1	10.4%	✓	34.9	0.0%	✓
MONTANA	78.3	7.2%	✓	86.4	52.2%	✓
NEBRASKA	36.2	20.6%	✓	39.5	53.1%	
NEVADA	34.5	6.0%	✓	58.7	31.7%	✓
NEW HAMPSHIRE	37.3	5.5%	✓	44.6	1.6%	✓
NEW JERSEY	26.5	14.7%	✓	1/		NA
NEW MEXICO	15.9	8.5%	✓	16.8	35.6%	
NEW YORK	37.5	15.0%	✓	58.8	38.5%	✓
NORTH CAROLINA	14.5	10.0%	✓	30.9	55.0%	
NORTH DAKOTA	31.5	10.7%	✓	1/		NA
OHIO	44.9	11.6%	✓	51.5	49.2%	✓
OKLAHOMA	35.2	0.0%	✓	31.4	4.2%	✓
OREGON	98.2	0.0%	✓	95.2	9.8%	✓
PENNSYLVANIA	19.3	9.9%	✓	21.8	26.3%	
PUERTO RICO	6.8	17.1%		1/		NA
RHODE ISLAND	27.5	19.3%	✓	32.4	51.1%	
SOUTH CAROLINA	42.7	19.0%	✓	60.9	48.5%	✓
SOUTH DAKOTA	39.2	11.2%	✓	1/		NA
TENNESSEE	43.2	2.0%	✓	39.1	4.6%	✓
TEXAS	25.2	5.2%	✓	44.3	47.9%	
UTAH	39.8	2.5%	✓	49.7	47.5%	✓
VERMONT	2/		NA	2/		NA
VIRGIN ISLANDS	15.5	27.7%		1/		NA
VIRGINIA	27.5	6.8%	✓	26.5	51.8%	
WASHINGTON	48.5	21.1%	✓	45.5	52.2%	
WEST VIRGINIA	33.4	19.2%	✓	37.2	46.8%	
WISCONSIN	64.0	0.0%	✓	39.2	0.0%	✓
WYOMING	55.3	0.0%	✓	65.8	4.9%	✓

KEY

1/ State does not have any two-parent families in its TANF Program.

2/ State claims waiver inconsistencies exempt all cases from participation rates.

3/ The work participation rate standard before the application of the caseload reduction credit is 30% for the overall rate and 75% for the two-parent rate.

ACF/OPRE: 07-231-99

THE WHITE HOUSE

Office of the Vice President

For Immediate Release
Monday, August 2, 1999

Contact:
(202) 456-7035

VICE PRESIDENT GORE ANNOUNCES FEDERAL GOVERNMENT IS DOING ITS SHARE IN MOVING FAMILIES FROM WELFARE TO WORK

Washington, DC -- Vice President Gore announced today that the federal government has hired over 14,000 welfare recipients since launching the Federal Welfare-to-Work Hiring Initiative in March 1997, far exceeding the goal to hire 10,000 individuals by the year 2000. And, new data from the U.S. Office of Personnel Management show that federal Welfare-to-Work hires are not only getting off welfare, but they are staying off and succeeding in their new jobs.

"More and more people are moving from welfare to work, and I'm proud the federal government is doing its part," said Vice President Gore. "And I'm particularly pleased that nearly 70 percent of federal Welfare-to-Work hires were still on board with us after one year – a far higher retention rate than for other federal employees. Clearly, welfare to work can pay off for both employers and employees."

As of September 1998, almost 70 percent of federal Welfare-to-Work hires were still working in their federal positions after one year. In comparison, only 37 percent of the non-Welfare-to-Work employees hired during the same period for similar jobs and pay levels, were still in their jobs. These results are consistent with the experience of the private sector employers involved in The Welfare-to-Work Partnership. Businesses in dozens of industries find that welfare-to-work retention is often higher than that experienced with non-welfare hires. Welfare hiring programs not only help meet labor needs, but decrease costly employee turnover.

Today, Vice President Gore will talk with successful federal Welfare-to-Work hires from several agencies around the country. Dedicated cabinet secretaries and agency coodinators have hired over 14,000 individuals in jobs such as Clerks, Food Service Workers, Enumerators, and Motor Vehicle Operators in hundreds of federal offices nationwide. Four out of five federal Welfare-to-Work hires work outside the Washington area. As part of this effort, the White House pledged to hire six welfare recipients and has already brought eight individuals on board.

Vice President Gore's *Second Annual Report to the President on the Federal Welfare-to-Work Hiring Initiative* highlights strategies that agencies use to recruit and retain their federal Welfare-to-Work hires. Retention strategies include: on-the-job training, mentoring programs, counseling services, health benefits, assistance with transportation and child care, flexible work schedules, and information on supports for working families such as the Earned Income Tax Credit.

"Welfare-to-Work works for federal employers," said U.S. Office of Personnel Management Director Janice Lachance. "Federal Welfare-to-Work hires are almost twice as likely to stay on the job for a full year than non-Welfare-to-Work employees. What a great incentive to keep the momentum going."

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Agency	Total Commitment Thru 2000	Hires Reported Thru July 22	% of Total Year 2000 Commitment Hired since 3/8/97
Commodity Futures Trading Commission	--	3	--
Department of Agriculture	375	559	149%
Department of Commerce	4180	4953	118%
Department of Defense	1600	2634	165%
Department of Education	21	26	124%
Department of Energy	55	73	133%
Department of Health & Human Services	300	362	121%
Department of Housing & Urban Development	200	142	71%
Department of the Interior	325	246	76%
Department of Justice	450	305	68%
Department of Labor	120	161	134%
Department of State	220	56	25%
Department of Transportation	400	290	73%
Department of the Treasury	405	1870	462%
Department of Veterans Affairs	800	1380	173%
Environmental Protection Agency	120	85	71%
Equal Employment Opportunity Commission	--	9	--
Executive Office of the President	6	8	133%
Federal Emergency Management Agency	125	69	55%
General Services Administration	121	102	84%
National Aeronautics & Space Administration	40	32	80%
National Archives & Records Administration	--	32	--
National Credit Union Administration	--	5	--
National Endowment for the Humanities	--	1	--
National Labor Relations Board	--	1	--
Office of Government Ethics	--	1	--
Office of Personnel Management	25	58	232%
Railroad Retirement Board	--	1	--
Securities & Exchange Commission	10	12	120%
Small Business Administration	120	61	51%
Social Security Administration	600	463	77%
U.S. Information Agency	20	27	135%
U.S. Nuclear Regulatory Commission	--	1	--
TOTAL	10638	14028	132%

Welfare to Work Q&As
August 3, 1999

Today's Announcements

Q: What is the President announcing today?

A: Today, three years after enactment of the welfare reform law, President Clinton will announce that all 50 states met the law's overall work requirements in 1998, and nearly four times more of those on welfare are working than when he took office. These are the first work data from every state to be released under the 1996 welfare reform law, and they confirm a growing body of evidence that three years later, record numbers of people are moving from welfare to work. These findings, along with new figures showing caseloads have declined by 6.8 million since the President took office, will be contained in a report transmitted to Congress today. The President will make these announcements at a National Forum convened by The Welfare to Work Partnership, whose companies have hired over 410,000 welfare recipients. At the National Forum, the President will talk to former recipients about their experiences moving from welfare to work, call on business leaders to hire even more people from the welfare rolls, challenge federal, state and local officials to invest funds in those who need help the most, and warn Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform.

Q: What's the significance of the work participation rates released today?

A: These are the first full year of work data available under the 1996 welfare reform law, and the first data available for all states. The data to be released by the President today show that every state and the District of Columbia met the welfare law's overall work requirement for 1998, which requires 30 percent of families to have a parent working at least 20 hours per week. Nationally, 35 percent of all welfare recipients were working in 1998, confirming that we are dramatically changing the welfare system to focus on work. Not all states met the law's two parent work rates, which require 75 percent of two parent families to work: of the forty-one states subject to the rate, 28 met it. These data cover fiscal year 1998 (October 1, 1997 through September 30, 1998). Last December, HHS released data for that 39 states that were required to meet the work rates for the last quarter of FY 1997 (July 1, 1997 – September 30, 1997), showing that all 39 states met the overall work requirement and 15 states met the two-parent rate.

NOTE: A table with state-by-state participation rate data has been provided to the press office.

Q: How do the participation rates work?

A: Under the new welfare reform law, states are required to have a specific percentage of their welfare cases involved in work activities for each year. There are two rates for FY 1998: 30 percent of all TANF families must be engaged in work activities (for at least 20 hours per week) and 75 percent of two-parent TANF families must be engaged in work activities (for at least 35 hours per week). The two-parent families make up only a small percentage of the total caseload, less than 10 percent nationwide. About three-quarters of those counting toward the work rates were in a direct work activity (unsubsidized employment, subsidized employment, work experience or community service, with the vast majority of these in unsubsidized employment). The remainder fulfilled their participation requirements through job search, education, and training.

Q: What happens to states that don't meet the work participation rate?

A: States that don't meet the work participation rate are subject to a penalty, and will have the opportunity to propose a corrective action plan to fix the problem and avoid financial sanctions.

Q: Isn't it true that some states only met the participation rate because they reduced their welfare caseloads?

A: The law provides states with credit for those who left the welfare rolls, to ensure success is not simply measured by those who stay on welfare and work. However, two-thirds of states met or exceeded the all family work rate without the caseload reduction credit, and nationally, 35 percent of all families were working – exceeding the target of 30 percent.

The "caseload reduction credit" in the law reduces a state's participation rate target by the number of percentage points its caseloads declined between 1995 and 1997. For example, if a state's caseload went down by 10 percent between 1995 and 1997, its participation rate target for all families is reduced from 30 percent to 20 percent.

Q: What is the basis for saying the number for people working has quadrupled?

A: State data reported to HHS shows that four times more of those on welfare are working than when the President took office. Nationally, the percentage of welfare recipients working rose from 7 percent in 1992 to 27 percent in 1998 – the highest level ever recorded. The 27 percent working includes employment, work experience and community service.

Q: How much have welfare caseloads declined?

A: New welfare caseload numbers to be released by the President today show the percent of Americans on welfare is at its lowest level since 1967. The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show that since 1992, 31 states have had declines of 50 percent or more. Since the welfare reform law was signed in 1996, caseloads have declined by 4.9 million or 40 percent. Nationally, 2.7 percent of Americans receive welfare benefits funded through the Temporary Assistance for Needy Families program.

NOTE: A table showing state-by-state caseloads has been provided to the press office.

Q: How much of the caseload decline is due to the economy?

A: A new report by the Council of Economic Advisers, released today, finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the program changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline between 1996 and 1998.

A growing economy does not always produce caseload declines. The General Accounting Office recently testified that during the 1980s, with a booming economy, welfare rolls actually increased by 12 percent. Declines did not begin until 1994, and decreases were modest until welfare reform was enacted.

Q: Is the rate of caseload decline beginning to slow?

A: No. Both the absolute decline (238,000 recipients) and the rate of decline (-3.1 percent) for January to March 1999 is larger than the declines for the same period last year (222,000 recipients and –2.4 percent). However, we would not find it terribly surprising that the rate of decline may be slowing for some states that have reduced their caseloads dramatically over the past few years and are now working with those who have the greatest challenges to employment. That is exactly why we need to make an additional investment in helping those who remain on the rolls move into jobs and to ensure that those who have gone to work succeed in their jobs.

Q: What did the Vice President announce yesterday?

A: The Vice President announced yesterday that the federal government has hired over 14,000 welfare recipients since launching the federal Welfare-to-Work Hiring Initiative in March 1997. We not only exceeded our goal to hire 10,000 individuals by the year 2000, but we did so more than a year ahead of schedule. As a part of this effort, the White House pledged to hire six welfare recipients and has already brought eight individuals on board. And new data compiled by the Office of Personnel Management (OPM) show that welfare-to-work hires have 85 percent higher retention rates: almost 70 percent of federal Welfare-to-Work hires were still working in their federal government positions after one year, compared to 37 percent of the non-Welfare-to-Work employees hired during the same period for similar jobs and pay levels. According to The Welfare-to-Work Partnership, these results are consistent with the experience of the private sector employers.

NOTE: A table showing agency-by-agency hires has been provided to the press office.

The Welfare to Work Partnership Convention

Q: What is the Welfare to Work Partnership and what is the purpose of the Chicago conference?

A: The Welfare to Work Partnership is an independent, nonpartisan entity consisting of businesses committed to hiring welfare recipients into private sector jobs, which was created in response to the President's challenge in the 1997 State of the Union. Over 12,000 businesses of all sizes and industries have joined The Welfare to Work Partnership since its launch at the White House in May 1997, and they have already hired an estimated 410,000 people from the welfare rolls.

The three-day Chicago convention will allow over 2,000 company representatives, federal, state and local officials, and community-based organizations from around the country to participate in over 100 workshops highlighting successful welfare to work strategies they can replicate at home.

Seventy-six percent of companies in The Welfare to Work Partnership have hired former welfare recipients for full-time jobs and the average salary is $17,000 a year. More than 8 in 10 executives have found their new hires are good, productive employees; sixty-five percent of business leaders report that welfare to work hires have the same or higher retention rates than other employees, making welfare to work a smart solution for business.

Q: Who were the participants in today's National Forum with the President?

A: Today, the President participated in a national forum with over 2,000 businesses, federal, state and local officials, community-based organizations, and individuals who have moved from welfare to work around the country. He spoke with large and small businesses from a variety of industries, former welfare recipients who have been hired by these companies, community-based groups who partner with business to recruit and prepare welfare recipients for work and help them succeed on the job, and state and local elected officials.

Next Steps on Welfare Reform

Q: What's the President's agenda for moving more people from welfare to work?

A: Today, the President called for:

- The companies in The Welfare to Work Partnership to hire even more people from the welfare rolls, and to help new employees succeed in the workplace.
- Congress to honor its bipartisan commitment to welfare reform by resisting proposals to cut the Temporary Assistance for Needy Families block grant created in the 1996 welfare act.
-

- States and communities to use the resources provided in the welfare reform law and the flexibility provided in the recent welfare reform rules to invest in those who need additional help to leave the welfare rolls and to support working families who have left the rolls succeed in the workforce.

- Congress to finish the job by enacting his initiatives to help those families with the greatest challenges move from welfare to work and succeed in the workforce, including:

  ✓ $1 billion to extend the Welfare-to-Work program to help long-term welfare recipients and low-income fathers work and support their families. Welfare-to-Work funds are targeted to those individuals who need the most help, including long-term welfare recipients with low basic skills, substance abuse or poor work history, and are distributed to states and communities based on concentrations of poverty, welfare dependency, and unemployment. Also under the President's proposal, states and communities would use a minimum of 20 percent of their formula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work, establish paternity, and pay child support. The Administration's reauthorization proposal, which has been endorsed by the U.S. Conference of Mayors, is included in H.R. 1482 introduced by Congressman Cardin and S. 1317 introduced by Senator Akaka. The reauthorization would build on the $3 billion Welfare-to-Work program the President secured in the 1997 Balanced Budget Act. To date, communities in nearly every state are using Welfare-to-Work funds to help individuals with the greatest challenges, and today the Vice President announced the Department of Labor would release over $100 million in grants to the states of Alaska, Illinois, Indiana, Kansas, Minnesota, and New Jersey.

  ✓ Significant new funding for child care to help working families meet the cost of child care including: (1) $7.5 billion over five years to expand the Child Care Block Grant, (2) $5 billion over five years in greater child care tax relief, (3) $3 billion over five years in child care quality improvements, (4) a new tax credit for businesses that provide child care services for their workers, and (5) new tax relief for parents who choose to stay at home with their young children. With more parents entering the work force, the need for child care has risen as a critical support to help parents keep their jobs. The 1996 welfare law did provide $4 billion in additional funds to states to provide more care and help improve the quality of programs, but the unmet need remains large. There are approximately 10 million children eligible for federal funded support, yet in 1997, only 1.25 million children received assistance. Ensuring that families who leave welfare for jobs stay employed is one of the next challenges of welfare reform, and reliable, safe, and affordable child care is one of the critical ingredients for parents succeeding in work.

✓ Additional welfare-to-work housing vouchers and transportation funds to provide 25,000 more housing vouchers and double Access to Jobs transportation funding from $75 million to $150 million. The welfare-to-work housing vouchers will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job. The Job Access grants will provide funds for communities to provide innovative transportation solutions so welfare recipients and other low income workers can get to work.

✓ Extend both the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit to encourage the hiring and retention of long-term welfare recipients and other disadvantaged individuals.

Q: Why is the President seeking more funding for child care, Welfare-to-Work, housing vouchers, and transportation when states aren't spending all their welfare block grant (TANF) funds?

A: First, not all states have unspent TANF funds -- 19 states have obligated all of their FY 1998 TANF dollars, including large states such as California, Illinois, Ohio and Texas and small states such as Connecticut and Delaware. Many states that have TANF reserves are prudently saving funds for a rainy day. Second, an even more intensive commitment of welfare to work resources will be necessary in the coming years as the work requirements increase and those left on the rolls face the most serious barriers to employment. Third, there is a great need for child care funds -- the Child Care and Development Block Grant serves only 1.25 million of the estimated 10 million children eligible for child care assistance under federal law and states have many more applicants than they can serve. And finally, in many regions, jobs are being created far from where many welfare recipients live -- about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities -- and new housing vouchers and transportation efforts are needed to help people get to work.

Q: Why aren't states spending their TANF funds more quickly and why shouldn't Congress reallocate these unused resources?

A: It would be a serious mistake to undermine the successful welfare to work efforts underway across the nation by cutting the TANF block grant. Today, the President called on states to use the available TANF resources and flexibility to invest in helping those remaining on the rolls who may face the greatest challenges and to support working families who have left welfare or to prevent them from returning to the rolls – investments they know they can make with TANF funds given the final welfare regulations, released by the President April 10th.

Q: Isn't it true that some states don't even want this Welfare-to-Work money?

A: Demand for Welfare-to-Work funds continues to be strong. In FY 1998, 44 states applied for formula funds and the Department of Labor received 1,400 applications for competitive grants totaling $5 billion and only had funds to award grants of $468 million. This year, 42 states have already applied for formula funds.

<u>Other Welfare Reform Issues</u>

Q: How do you respond to critics who say we don't know what's happening to people leaving welfare?

A: Numerous independent studies confirm that people leaving the rolls are going to work. Results from a new national survey released yesterday by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. A recent General Accounting Office report based on state surveys found that between 63 and 87 percent of adults have worked since leaving the welfare rolls, results similar to state studies funded by the Department of Health and Human Services. At the same time, the Census Bureau's Current Population Survey shows that between 1992 and 1998, the employment rate of previous year welfare recipients increased by 70 percent.

We will soon know more about the employment status of those leaving the rolls when HHS completes its analysis of data from the states applying for the High Performance Bonus that will reward states with the most success in placing welfare recipients in jobs and ensuring they succeed in those jobs. According to HHS, 46 states have submitted these data. In addition, HHS has funded numerous state and national research efforts that will enhance our knowledge on these important questions.

Q: What are the implications of the study released by the Urban Institute yesterday?

A: This new national survey released yesterday confirms what has been shown in a number of state-specific studies – most women who have left welfare are working. The study found 69 percent of recipients left welfare for work, and 18 percent left because they had increased income, no longer needed welfare, or had a change in family situation. The report also found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four.

Q: Didn't the Urban Institute study find that former welfare recipients are struggling to pay their bills and put food on the table?

A: The Urban Institute found that low income families – whether or not they used to be on welfare – have trouble paying bills and putting food on the table, and former welfare recipients have slightly more difficulty. To help low income working families like these is why the President is pushing an increase in the minimum wage to $6.15 an hour, which would provide a full-time worker with another $2,000 a year, enough to buy groceries for 7 months or pay for 5 months' rent. Also, last month the President took executive action to help ensure working families access to food stamps, by: (1) allowing states to make it easier for working families to own a car and still be eligible for food stamps; (2) simplifying food stamp reporting rules to make it easier for families to get food stamps; and (3) launching a nationwide public education campaign and a toll-free hotline to help working families know whether they're eligible for food stamps. Families with earnings up to 130 percent of poverty ($8.50 an hour for a family of three) can be eligible for food stamps to supplement their income and help buy food for their families, but only two of five working families eligible for food stamps actually apply for and receive them. And, finally, the President's proposal to increase child care subsidies and tax credits for low income families would help low income working families pay one of their largest monthly expenses.

Background: The report found 28 percent of families under 200 percent of poverty who were not recently on welfare and 39 percent of former welfare recipients sometimes cannot pay bills. Similarly, 36 percent of families not formerly on welfare and 49 percent of former welfare recipients said food doesn't always last through the month.

Q: What has the President done to help welfare reform succeed?

A: The President started reforming welfare early in his first term, granting waivers to 43 states to require work and encourage personal responsibility, expanding the Earned Income Tax Credit and the minimum wage to make work pay, and pushing the Congress for nationwide welfare reform legislation which he signed into law in August 1996. Since 1996, he has launched The Welfare to Work Partnership which now includes 12,000 businesses that have hired an estimated 410,000 welfare recipients; issued an executive order to ensure the federal government hired its share of welfare recipients -- over 14,000 hired to date; encouraged the launching of the Vice President's Coalition to Sustain Success, a coalition of national civic, service, and faith-based groups are working to help these new workers with the transition to self sufficiency; fought for and won additional funds for welfare to work efforts for long term recipients in high poverty areas ($3 billion in Department of Labor Welfare-to-Work funds enacted in the Balanced Budget Act), a new tax credit to encourage the hiring of long term recipients, and funding for welfare to work transportation ($75 million in FY 1999) and welfare to work housing vouchers (50,000 enacted to date); and put in place new welfare rules (announced April 10th) that make it easier for states to use TANF funds to provide supports for working families such as child care, transportation, and job retention services.

Q: Has welfare reform caused declines in food stamp and Medicaid rolls and what is the Administration going to do about it?

A: While the latest Medicaid enrollment figures show that there was a decline in the Medicaid rolls from 1996 to 1997, it is too early to say with confidence what has caused the decline. There are a number of factors, such as fewer people in poverty, lower rates of unemployment, and the decline in the number of employees participating in employer-sponsored health insurance that contribute to any change in enrollment numbers. It's also important to note that while Medicaid enrollment has declined since 1996, the number of people under the poverty level who are uninsured has not increased in that period.

Similarly with food stamps, there are a number of factors contributing to the decline in food stamp participation, such as the strength of the nation's economy allowed participants to find work, reducing their need for food stamps; the success of the Temporary Assistance for Needy Families (TANF) has moved participants from welfare to work, with an increase in income sufficient to eliminate the need for food stamps; working families don't realize they are eligible for food stamps and have difficulty obtaining them leading some participants to leave the program unnecessarily and discouraging others from applying for benefits; changes in program rules under welfare reform restricted the participation of immigrants and unemployed childless adults (these changes explain less than 20 percent of the decline).

The President recently announced steps that will go a long way to ensuring working families have access to the food stamp program (see above) and extensive outreach efforts are under way in all 50 states to enroll children in health insurance as part of the implementation of the Children's Health Insurance Program. In addition, both USDA and HHS is working aggressively to enforce the law requiring states to provide Medicaid and Food Stamp applications upon request and ensuring they process them without delay, regardless of the state rules governing the TANF application.

Additional Welfare to Work
Question and Answer
August 3, 1999

Q: When did the President challenge the private sector to hire from the welfare rolls and how has the business community responded?

A: When the President signed the welfare bill into law in August 1996, he challenged everyone in society -- businesses, nonprofits, religious institutions, individuals, those in government -- to help people move from welfare to work. Then in his State of the Union address the following January, he announced that five companies -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- would 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." The Welfare to Work Partnership was launched at the White House in May 1997 with 105 companies, and now includes over 12,000 companies that have hired over 410,000 people from the welfare rolls.

Date	**Event**	**Challenge/Announcement**
January 1997	State of the Union	The President announced five companies -- Sprint, Monsanto, UPS, Burger King, and United Airlines -- would be the first to join a new national effort to encourage businesses to hire from the welfare rolls.
May 1997	White House	The President helped launch The Welfare to Work Partnership with 105 business members that pledged to hire from the welfare rolls, announcing a goal of growing to 1,000 within a year.
August 1997	St. Louis MO	The President announced the Partnership had grown to 800 businesses.
November 1997	Wichita KS	The President announced the Partnership had grown to 2,500 companies, and he challenged them to grow to 10,000.
May 1998	White House	At an event marking the first anniversary of the Partnership, the President announced more than 5,000 companies have joined and they have hired 135,000 people from the welfare rolls. The President challenged them to double their hiring.
January 1999	State of the Union	The President announced 10,000 companies have joined the Partnership.
March 1999	San Francisco	The Vice President announced the 10,000 companies in the Partnership have hired 410,000 people from the welfare rolls.

Karin Kullman 08/02/99 06:31:36 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP, Cynthia A. Rice/OPD/EOP@EOP, Andrea Kane/OPD/EOP@EOP, Thomas L. Freedman/OPD/EOP@EOP

cc:
Subject: Welfare to Work Conference & New Markets Tour

I wanted to get back to you all about those CEOs/companies that were both involved in the New Markets tour and will be at tomorrow's conference.

Cathy Bessant, Bank of America
-Was on new markets tour
-Will be in Meet & Greet
-POTUS will call on her and ask about the connection between welfare to work and new markets.

Chip Raymond, Citigroup Foundation
-Sandy Weill from Citi was on the new markets tour
-Chip will be in meet & greet

Barry Zigas, Fannie Mae
- Frank Raines from Fannie Mae was on new markets tour
-Barry will be in meet & greet

Lea Soupata, UPS
-Was on new markets tour
-Will be in meet & greet, along with Jim Kelly of UPS

August 2, 1999

NATIONAL FORUM AT THE WELFARE TO WORK PARTNERSHIP CONFERENCE

DATE:	August 3, 1999
LOCATION:	McPherson Place, Navy Pier Chicago, IL
MEET & GREET TIME:	10:30am – 10:45am
EVENT TIME:	10:50am – 12:20pm
FROM:	Bruce Reed

I. PURPOSE

To talk to former recipients about their experiences moving from welfare to work, call on business leaders to hire even more people from the welfare rolls, challenge federal, state, and local officials to invest funds in those who need help the most, and warn Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform.

II. BACKGROUND

You will be addressing the second day of the three day Welfare to Work Partnership Conference. The purpose of the conference is to provide a forum to share the progress and challenges of welfare reform, and to form partnerships that will ensure continued commitment to welfare to work around the country. In attendance will be almost 2,000 conference participants, including representatives of: businesses of all sizes that have hired former welfare recipients or that want to learn how to hire from this new labor source; local, state, and federal government agencies; welfare to work service providers; and community and faith-based organizations. In your remarks today you will announce:

All 50 States Meeting Overall Work Participation Goals

New data you will release today show that every state and the District of Columbia met the welfare law's overall work requirement for 1998, which requires 30 percent of families to have a parent working at least 20 hours per week. Nationally, 35 percent of all welfare recipients were working in 1998. This is the first full year of work data available under the 1996 welfare reform law (not all states had to report in 1997 and those that did only had to report data for the last quarter). Not all states met the law's two parent work rates, which require 75 percent of two parent families to work: of the forty-one states subject to the rate, 28 met it. These data cover fiscal year 1998 (October 1, 1997 through September 30, 1998).

Four Times More of Those on Welfare Are Working than in 1992

The 1998 data also show that four times more of those on welfare are working than when you took office. Nationally, the percentage of welfare recipients working rose from 7 percent in 1992 to 27 percent in 1998, with the remainder fulfilling their participation requirements through job search, education, and training. You began to reform welfare early in your first term, granting waivers to 43 states to require work and encourage personal responsibility, expanding the Earned Income Tax Credit and the minimum wage to make work pay, and pushing the Congress for nationwide welfare reform legislation which you signed into law in August 1996.

Caseloads Have Fallen to Historic New Lows

You will also release new welfare caseload numbers today that show the percent of Americans on welfare is at its lowest level since 1967. The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show 31 states have had declines of 50 percent or more. A new report by the Council of Economic Advisers, released today, finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the federal and state program and policy changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline between 1996 and 1998.

Companies are Hiring from the Welfare Rolls

Over 12,000 businesses of all sizes and industries have joined The Welfare to Work Partnership since its launch in May 1997, and they have already hired an estimated 410,000 people from the welfare rolls. Seventy-six percent of companies have hired former welfare recipients for full-time jobs and the average salary is $17,000 a year. More than 8 in 10 executives have found their new hires are good, productive employees; sixty-five percent of business leaders report that welfare to work hires have the same or higher retention rates than other employees, making welfare to work a smart solution for business. The federal government is also doing its part: as Vice President Gore announced yesterday, the federal government has hired over 14,000 people in dozens of agencies across the U.S., far surpassing the goal of 10,000 hires set in April 1997. The three-day Chicago convention will allow over 2,000 company representatives, federal, state and local officials, and community-based organizations from around the country to participate in over 100 workshops highlighting successful welfare to work strategies they can replicate at home.

Independent Studies Confirm People are Moving from Welfare to Work

Numerous independent studies also confirm that more people are moving from welfare to work. Results from a new national survey released yesterday by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. The report found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four. A recent General Accounting Office report based on state surveys found that between 63 and 87 percent of adults have worked since leaving the welfare rolls, results similar to state studies funded by the Department of Health and Human Services. At the same time, the Census Bureau's Current Population Survey shows that between 1992 and 1998, the employment rate of previous year welfare recipients increased by 70 percent.

More Must Be Done to Help Those Still on the Rolls

You will call on the public and private sector to do more to help those still on welfare move to work and succeed on the job. You will urge the companies in The Welfare to Work Partnership to hire even more people from the welfare rolls, challenge federal, state and local officials to invest funds in those who need help the most, and warn Congress not to renege on its bipartisan commitment to help states and communities finish the job of welfare reform.

- Congress should honor its bipartisan commitment to welfare reform by resisting proposals to cut the Temporary Assistance for Needy Families block grant created in the 1996 welfare act. At the same time, states should use the resources provided in the welfare reform law and the flexibility provided in the recent welfare reform rules to invest in those who need additional help to leave the welfare rolls and to support working families who have left the rolls succeed in the workforce.

You will also call on Congress to finish the job by enacting your initiatives to help those families with the greatest challenges move from welfare to work and succeed in the workforce, including:

- $1 billion to extend the Welfare-to-Work program to help long-term welfare recipients and low-income fathers work and support their families. Welfare-to-Work funds are targeted to those individuals who need the most help, including long-term welfare recipients with low basic skills, substance abuse or poor work history, and are distributed to states and communities based on concentrations of poverty, welfare dependency, and unemployment. Also under your proposal, states and communities would use a minimum of 20 percent of their formula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work, establish paternity, and pay child support. The Administration's reauthorization proposal, which has been endorsed by the U.S. Conference of Mayors, the National League of Cities, and the National Association of Counties, is included in H.R. 1482 introduced by Congressman Cardin and S. 1317 introduced by Senator Akaka. The reauthorization would build on the $3 billion Welfare-to-Work program you secured in the 1997 Balanced Budget Act. To date, communities in nearly every state are using Welfare-to-Work funds to help individuals with the greatest challenges, and today the Vice President announced the Department of Labor will release over $100 million in grants to the states of Alaska, Illinois, Indiana, Kansas, Minnesota, and New Jersey.

- Significant new funding for child care to help working families meet the cost of child care including: (1) $7.5 billion over five years to expand the Child Care Block Grant, (2) $5 billion over five years in greater child care tax relief, (3) $3 billion over five years in child care quality improvements, (4) a new tax credit for businesses that provide child care services for their workers, and (5) new tax relief for parents who choose to stay at home with their young children. With more parents entering the work force, the need for child care has risen as a critical support to help parents keep their jobs. The 1996 welfare law did provide $4 billion in additional funds to states to provide more care and help improve the quality of programs, but the unmet need remains large. There are approximately 10 million children eligible for federal funded support, yet in 1997, only 1.25 million children received assistance. Ensuring that families who leave welfare for jobs stay employed is one of the next challenges of welfare reform, and reliable, safe, and affordable child care is one of the critical ingredients for parents succeeding in work.

- Additional welfare-to-work housing vouchers and transportation funds to provide 25,000 more housing vouchers and double Access to Jobs transportation funding from $75 million to $150 million. The welfare-to-work housing vouchers will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job. The Job Access grants will provide funds for communities to provide innovative transportation solutions so welfare recipients and other low income workers can get to work.

- Extend both the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit to encourage the hiring and retention of long-term welfare recipients and other disadvantaged individuals.

I. PARTICIPANTS

Meet & Greet Participants:
See attached list

Discussion Attendees:
Mayor Paul Helmke
Mayor Marc Morial
Mayor Beverly O'Neill
Gerry Greenwald, Chief Executive Officer, United Airlines

Program Participants:
Mayor Richard Daley
Eli Segal, President & CEO, Welfare to Work Partnership

Discussion Participants:
Rodney Carroll, Chief Operating Officer, Welfare to Work Partnership and Operations Division Manager, United Parcel Service of America
NOTE: Rodney Carroll will moderate the discussion.
Governor Thomas Carper
Governor George Ryan
Mayor Wellington Webb
See attached list for other participants.

II. PRESS PLAN

Open Press.

III. SEQUENCE OF EVENTS

-**YOU** will greet members of the Welfare to Work Partnership Board of Directors.
-**YOU** will be announced, accompanied by Mayor Richard Daley, Eli Segal, and Gerry Greenwald, onto the stage.
-Eli Segal will make opening remarks and introduce Mayor Daley.
-Mayor Daley will make remarks and introduce **YOU**.
-**YOU** will make remarks and take your seat for the discussion.
-Rodney Carroll will begin and moderate the discussion.
-Upon conclusion of the discussion, **YOU** will make concluding remarks, work a ropeline, and depart.

VI. REMARKS

To be provided by speechwriting.

I. ATTACHMENTS

- Meet and Greet Participants
- Suggested Discussion Sequence and Questions
- Discussion Participant Bios
- State-by-State Work Participation Numbers Chart
- State-by-State Welfare Caseload Numbers Chart
- Federal Hiring Numbers Chart

WELFARE TO WORK CONFERENCE MEET & GREET PARTICIPANTS
August 3, 1999

Henry Anthony, AHL Services
Cathy Bessant, Bank of America
Rodney Carroll, Welfare to Work Partnership and United Parcel Service of America
Paul Clayton, Burger King, North America
Ted English, The TJX Companies, Inc.
William T. Esrey, Sprint Corporation
Michael Fergus, Allied Van Lines
Jim Goodwin, UAL Corporation
Gerald Greenwald, UAL Corporation
Rachel Hubka, Rachel's Bus Company
Brendan Keegan, Marriott International
Jim Kelly, United Parcel Service of America, Inc.
Stanley Litow, IBM Corporation
Shelley Longmuir, United Airlines Corporation
Arthur Martinez, Sears, Roebuck and Co.
William McDermott, Xerox Corporation
Rosemary Mede, CVS Corporation
Russell Meyer, Cessna Aircraft, a Textron Company
Chip Raymond, Citigroup Foundation
Eli Segal, Welfare to Work Partnership
Robert B. Shapiro, Monsanto Company
Laurence Siegel, The Mills Corporation
John Sloan, Sears, Roebuck and Co.
Lea Soupata, United Parcel Service of America
George Stinson, General Converters & Assemblers, Inc.
Jonathan M. Tisch, Loews Hotels
Barbara Turner, Boscart Construction
Doug Williams, The Limited
Mark Willis, Chase Manhattan Bank
Barry Zigas, Fannie Mae

WELFARE TO WORK CONFERENCE NATIONAL FORUM DISCUSSION PARTICIPANTS

AUTOMATED DATA SCIENCES (Santa Monica, CA)

Rena Burns, President

Rena Burns, a 47-year-old, Hispanic small business owner, runs an information technology/software development firm which employs 50 people, and has been a winner of the Small Business Administration's Regional Welfare to Work Entrepreneur Award. Although she did not set out to hire welfare recipients, Burns experienced such success with one welfare to work employee that she has now hired four welfare to work employees, and is using the local One-Stop Center as a hiring source. She believes the small business environment is a good one for welfare to work hires, as they are able to be more versatile in providing the personal attention, encouragement, and coaching which she feels are key factors to the success of these new workers. Having been on welfare as one of five children with a single mother, Rena works hard to provide others with the chances she never had growing up. She also believes that as a business owner it is her responsibility to give back to the community that supports her business.

BANK OF AMERICA

Catherine Bessant, President, Community Development Banking Group

Bank of America's Welfare to Self Sufficiency Initiative, initiated in April 1998, aims to achieve the greatest potential for sustained self-sufficiency of former welfare recipients. Having hired more than 330 new workers in recruitment, training and retention programs across the country, including Dallas, Los Angeles, Norfolk, Phoenix, San Francisco, Seattle, Portland and Spokane, the bank has also facilitated hiring of hundreds of other recipients in dozens of other locations through their support of local organizations and initiatives. New hires at the bank have become proof operators, teller, ATM processors, and customer service representatives. Bank of America places career advancement as a priority in helping their new hires achieve self-sufficiency, and has dedicated resources to increase the economic opportunity for and advance the careers of these new employees. Employee supports include money management courses, up to $2,000 reimbursement for tuition and textbooks, subsidized child care, a home ownership program in which the bank provides a $5,000 mortgage loan in which only the interest is due back from the employee, an extensive EAP program, including the Family Resource Center, and a peer-to-peer mentoring program.

Success Story:
LaTonya R. Stephens, Duncanville, TX
LaTonya Stephens, a 26 year-old African-American and the mother of two daughters, had been on and off welfare for two years when she heard about a training program offered by Goodwill Industries. She enrolled in the program, and was hired by Bank of America in Dallas in August 1998 as a Telephone Banking Representative. She has been rewarded for her outstanding performance, has recently received a promotion and raise to approximately $20,600 annually, and looks forward to moving up with the company. In addition, the bank has provided her with childcare assistance. LaTonya is proud to have completed her G.E.D., to be able to adequately support herself and her daughters, and to have saved enough to purchase a new car this year.

CVS CORPORATION
Rosemary Mede, Senior Vice President, Human Resources
Since the inception of CVS' involvement in welfare to work, the company has hired 3,788 welfare recipients with a 60% retention rate, double the industry standard. With active welfare to work programs throughout the eastern United States, CVS has an established record of hiring harder-to-place welfare recipients, and has made internal promotion a company policy. In the metropolitan D.C. area, CVS/Pharmacy and the District of Columbia Apprenticeship Council have developed an apprenticeship program for Pharmacy Technicians. This program has delivered quality employment and training opportunities for people exploring careers.

Success Story:
Antoinette Patrick, Washington, D.C.
Antoinette Patrick, a 41-year-old African-American, is the married mother of 2 children, one of whom has a disability. She had been receiving welfare assistance periodically for approximately 5 years. Through the DC Department of Employment, Antoinette was identified as having high potential for the apprenticeship program, and was chosen for the pharmacy program by CVS after intensive interviews. She was hired with full health benefits as a CVS Pharmacy Technician in October 1998, and has already received a raise in pay to $7.25/hour. She takes pride in delivering good service to customers that are ill or are caring for a sick child or parent. She hopes to take advantage of the educational benefits and loans offered by CVS to attend pharmacy school in the future. Antoinette has also opened a savings account for each of her children, and hopes to be able to help them attend college.

LOEWS HOTELS (Miami, FL)
Jonathan Tisch, Chief Executive Officer
A board member of the Welfare to Work Partnership since 1997, Jonathan Tisch leads a rapidly expanding chain of 15 hotels and resorts. Loews empowers individuals and communities by partnering with organizations to create jobs for and assist in the training of welfare recipients. A prime example of this welfare to work effort is in Miami, where Loews and 44 other members of the Greater Miami & the Beaches Hotel Association worked with Mayor Alex Penelas' office,

the local WAGES coalition, and service providers such as Lockheed Martin and America Works, to meet the need for enthusiastic well-trained employees. To date, Loews has hired 40 responsible and qualified individuals from the welfare rolls into well-paying jobs with growth opportunities in their new 800-room hotel in Miami Beach. The success of this venture has inspired Loews to replicate this model at all of their new properties, while maintaining a strong commitment to hire welfare recipients at pre-existing sites.

Success Story:
Consuelo McGlond, Miami, FL
Consuelo McGlond, a 28-year-old African-American, is the mother of 3 children. She had received welfare assistance for most of the last ten years, and had never held a job for longer than six months. Last year she enrolled in the America Works Program where she participated in a 10-week course in computer literacy, interviewing skills, and job readiness. Upon completion of this course, she was hired by Loews Miami Beach Hotel as an Overnight Switchboard Operator in November 1998. Consuelo currently makes $9.00/hour and has full health and dental benefits. Consuelo says that she loves her job at Loews, especially the pride she feels when she is able to successfully assist a customer in need. She was awarded the Jonathan Tisch President's Award for her professional manner and great attitude at work. Consuelo's aspires to enroll in community college and take business or hospitality courses and learn Spanish. She hopes her kids will be able to attend college one day, and says she encourages them to "be a little better than me".

MASTERLUBE (Billings, MT)
Bill Simmons, Chief Executive Officer
MasterLube is a group of five, ten-minute oil change stores. Bill Simmons believes his company should serve as an entry point into the work force for its employees, during which time they participate in training for both career and personal development. He has seen "alums" move on to jobs in banks, school systems, the railroad, and mental health centers. MasterLube has a five-step system to implement their mission statement -- "Attract, hire, train, develop, and launch." At any time approximately 20-25% of the MasterLube staff are former welfare recipients. Simmons takes a personal interest in his employees, even going so far as to accompany them to a job interview or to enroll in college courses. The company helps employees overcome challenges such as substance abuse by providing treatment for any employee who needs it through the company health insurance plan, allowing employees to pay back the insurance deductible in installments through a payroll deduction, and pairing that employee with a colleague who has successfully completed treatment. MasterLube has been an extremely successful business, gaining interest from industry competitors, and Simmons believes that much of this is due to the service delivered by the people he has hired.

Success Story:
Tyler Left Hand, Billings, MT
Tyler Left Hand, a 31-year-old Native American, is the non-custodial father of a 5 year-old daughter. Tyler has worked hard to pay child support to help keep his daughter and her mother

off of welfare assistance. Tyler grew up on the Crow Tribe reservation, but left for Billings, Montana after becoming unemployed. He was hired by MasterLube, with full health benefits, in November 1995 as a pit technician, and has worked his way up to assistant manager where he earns $8.00/hour. He enjoys the sense of pride he feels when he completes a day of work, and appreciates the skills and knowledge he has gained from his work. Tyler hopes to enroll in a vocational school, and also dreams of opening his own lube shop with his brother one day.

TJX COMPANIES, INC & MORGAN MEMORIAL GOODWILL INDUSTRIES
Ted English, President & Chief Operating Officer, TJX Companies, Inc.
Joanne Hilferty, Chief Executive Officer, Morgan Memorial Goodwill Industries (Boston, MA)

The TJX Companies, Inc., the world's largest off-price apparel retailer, was one of the first national companies to commit to hire individuals off public assistance by becoming a charter member of The Welfare to Work Partnership in August of 1997. When they joined, they committed to hiring 5,000 former welfare recipients by the year 2000, and as of June 1999 they have exceeded their goals and hired 10,145 welfare recipients. TJX attributes their success to their collaboration with community-based organizations as part of their recruiting and retention efforts. In Boston, TJX has partnered with Morgan Memorial Goodwill Industries, and has received Welfare-to-Work funding from the Boston Private Industry Council, to pilot The First Step Transition to Work Program, an intensive retail and customer service skill training program. The program, located in the Boston Empowerment Zone, offers four weeks of classroom training, one to five weeks of internship, job placement and post-placement case management for one year to help people succeed on the job. TJX plans to duplicate this program in areas with high welfare populations, public transportation, and a need for new workers.

Success Story:
Maria Mercado, Boston, MA

Maria Mercado, a 29 year-old Hispanic, is the mother of two daughters. Maria had been receiving welfare assistance for 10 years, when she received a mailer advertising Morgan Memorial Goodwill Industries First Step Transition to Work program. While it was a great challenge for her to gain the confidence to work after all of those years, Maria signed up for the training program and was eventually hired by TJX Companies in December 1998 as a cashier at Marshalls. She has been promoted several times, and is currently training as a department coordinator, a supervisory position. She is currently earning $7.00/hour, and will receive a raise and benefits with her promotion. Maria has gained much self-confidence through her training and work, and feels much better about her ability to provide for her children. She is studying for and hopes to receive her G.E.D. soon.

UNITED PARCEL SERVICE OF AMERICA AND THE WELFARE TO WORK PARTNERSHIP
Rodney Carroll, Operations Division Manager, United Parcel Service of America and Chief Operating Officer, The Welfare to Work Partnership

UPS has been a leader in recruiting and hiring welfare recipients for the past 25 years. Under the leadership of UPS Chairman and CEO Jim Kelly, one of the five founding members of the Welfare to Work Partnership, UPS has become even more involved in hiring welfare recipients and encouraging other companies to get involved since 1997. To date, UPS has hired 25,000 welfare to work employees in 40 locations throughout the country including Atlanta, Camden, Chicago, Philadelphia and San Diego. In the Philadelphia area, Rodney Carroll and UPS helped to create a bus system with SEPTA (South Eastern Philadelphia Transit Authority), that allowed Rodney to personally hire more than 700 people from welfare to work at UPS. Transportation has been one of the major roadblocks in welfare to work success, and the program he created, which started in 1996 with 4 buses and has grown today to a total of 54 buses, now moves thousands of people to their jobs daily.

Success Story:

Tiffany Smith, Philadelphia, PA

Tiffany Smith, a 22-year-old Caucasian, is the mother of two, who grew up receiving welfare and continued to receive it after her first child was born. She began working at UPS in late 1996 as a loader/unloader making $8.50/hour with full benefits. She has now been promoted to a package sorter, earning $10.50/hour. Tiffany's daily commute to her job at the Philadelphia Air Hub involves taking her children to day care, and then taking a bus to a subway to another bus that runs to UPS. While this is not easy, she prefers the independence her job provides to relying on welfare. In September she will resume GED classes taught at the airport and funded by UPS. Her goal is to become a supervisor at UPS in the near future, and then to pursue a degree in nursing.

XEROX CORPORATION

Bill McDermott, Senior Vice President

Xerox Business Services (XBS) provides services to more than four million people every day, making XBS the fastest growing division of Xerox Corporation. The XBS welfare to work program began in 1997, and has a 76 percent retention rate with their 380 welfare to work hires, with a 38 percent promotion rate to date. Most welfare to work hires start at XBS as accountant associates earning $7 to $8 per hour. XBS's welfare to work initiative includes retention-focused strategies, and includes skills development. Some creative techniques that XBS has employed include a mentoring program, a toll-free line between mangers and employees that can be used in emergencies, and a strong outreach to community-based organizations such as Women in Community Service (WICS). Together with WICS, Xerox has implemented their mentoring program called "Friends at Work" to provide support to XBS new hires during their first months of work.

Success Story

Wendy Waxler, Washington, D.C.

Wendy Waxler, a 32 year-old African-American, is the mother of a 3 year-old daughter. Although she was constantly in search of employment, her daughter's disability and medical needs made finding reliable childcare difficult and balancing a work schedule with doctor's appointments almost impossible. Wendy received welfare assistance for one and a half years.

Eventually, she enrolled in an employment program at So Others Might Eat (SOME). Through the ReEntry to Work Program, Wendy was recruited by Xerox Business Services, and found an employer that could be flexible around her circumstances. She was hired by XBS in February 1999 as a temporary account associate, quickly becoming a permanent employee. She has received several promotions, and currently earns $9.60/hour, receives health benefits and participates in both 401K and net-profit sharing plans. She was even offered a job by an XBS client with whom she was temporarily assigned to work. By allowing her to work at night, managing the fax center for a large law firm, Wendy can both provide for her daughter and be available to care for and attend to her medical needs. She feels that her new job has enormously boosted her self-esteem and aspirations for the future. Wendy hopes to grow with Xerox, eventually becoming a systems or network analyst, and to start a resource newsletter for other parents of disabled children. She would like to help others in need gain the skills and confidence that she has regained through her employment at XBS.