

BR: Clinton (2) HRC bc multieth puts it well
to every member

Who in Dcd?
FL m.
JH did it
Melanne long list

Send Mark } Dr. S. Geng
leak Sun } strong, spt for
bill; how might
we + FL handle
to soluz probs -

SAP take time / Jen has stuff

① ATC - rap info out to Nat'lly - not off sets
share in look forward to when you
cont to all in our P to promote

THE WHITE HOUSE

WASHINGTON

May 6, 1996

Dear Mr. Speaker:

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. I am committed to breaking down these barriers and making adoption easier. Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves -- loving parents and a healthy home. This legislation will help children in need of adoptive homes to be united with devoted parents.

My Administration has worked hard to promote adoption in general, and adoption of children with special needs in particular. We championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their jobs or their health insurance. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity, and we remain committed to enforcing that law vigorously. As part of our 1993 deficit reduction package, I signed into law a provision that requires ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants. We have worked to preserve Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I believe that the bill is consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race. The Administration also has some concerns regarding some of the provisions used to offset the cost

The Honorable Newt Gingrich
Page Two

of the bill and would like to work with the Congress on these provisions. In addition, we need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

A handwritten signature in black ink, reading "Tim Clinton" with a long horizontal flourish extending to the right.

The Honorable Newt Gingrich
Speaker of the
House of Representatives
Washington, D.C. 20515

Clinton Backs Tax Credit For Adoption

GOP Bill Is Endorsed; Interracial Placements Could Be Expedited

By Barbara Vobejda
Washington Post Staff Writer

In a letter he will send to House Republican leaders today, President Clinton will endorse Republican legislation that would allow most adoptive families to claim a \$5,000 tax credit and penalize states whose adoption agencies delay placement of a child to find a family of the same race, White House sources said yesterday.

The president will embrace provisions that have traditionally been in the Republican domain. The adoption tax credit was part of the House GOP's "Contract With America," and Republicans have been most vocal in opposing racial matching in adoption placements.

"Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves—loving parents and a healthy home," the president said in his letter, a copy of which was obtained by The Washington Post.

It will be the second time in three days that the president has gotten involved in measures affecting families, a topic likely to play a major role in this year's presidential election. And both times, the president staked out positions likely to alienate some liberals.

On Saturday, he announced he would require states to end welfare payments to teenage parents who refuse to stay in school or to live with a parent or guardian.

In endorsing the adoption bill, Clinton said he "strongly supported" the tax credit—which would be \$5,000 for families earning up to \$75,000 a year. The size of the credit would gradually decline for families earning between \$75,000 and \$115,000; families earning more than \$115,000 would not be eligible for a credit.

Also, he went further than he has in the past to interject himself directly into the emotional and divisive issue of interracial adoption.

The bill, slated to go to the House floor this week, would prohibit states or adoption agencies from discriminating on the basis of race

See ADOPT, A5, Col. 1

[Washington Post, Monday, May 6, 1996]

THE WASHINGTON

Clinton Endorses House GOP Bill Including Tax Credit for Adoptions

ADOPT, From A1

against families who want to adopt. Agencies could consider race in placing a child if there are two or more qualified families, but may not delay placement while waiting for a parent of the same race.

That language, Clinton said in his letter, is consistent with "my long-standing goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race."

Republicans said they welcome the endorsement, but pointed out that the president had vetoed a welfare bill last year that contained similar language on interracial adoptions.

"We're happy to have it," Rep. Susan Molinari (R-N.Y.) said of the endorsement. "I know he had tentative problems with trans-racial adoptions in the past. . . . I hope this signals to Democrats to join with us."

More than 400,000 children are in the foster care system, about half of whom are minorities. Minority children wait longer to be adopted than do white children, according to studies.

Among children in foster care, only about 21,000 are legally available for adoption, according to the Department of Health and Human Services. And of those, two out of three have "special needs," including emotional or physical disabilities or the need to be placed as part of a sibling group.

Many Republicans and some Democrats, including former senator Howard M. Metzenbaum (D-Ohio), have contended that the policy of race matching has kept thousands of African American children languishing in foster care for years. But social workers say that the high number in foster care stems from the difficulty in placing children with special needs.

Legislation was adopted in 1994

with the intention of banning race matching, but Metzenbaum and others were dissatisfied with Clinton administration regulations interpreting the law because they allowed agencies to consider race. Administration

"The only reason the president's doing all of this is . . . because he wants to make it clear he's not opposed to interracial adoption."

— Rep. Charles B. Rangel (D-N.Y.)

officials say the law has been aggressively enforced, reducing the number of states that give an automatic preference to black families in the adoption of black children.

Still, Republicans have pushed for a new law that would ban racial placement outright, basically establishing a colorblind system that would match children and families without regard to race.

While that was the original language in the bill when it went before

the Ways and Means Committee, it was amended to allow race to be considered when there is more than one qualified family seeking to adopt a child. The bill, which was approved by the committee on a voice vote, would also go further than current law to penalize states that do not comply.

Rep. Charles B. Rangel (D-N.Y.), who has argued vociferously against a "first-come, first-served" approach, said the new language does not change the current law. "The only reason the president's doing all of this is . . . because he wants to make it clear he's not opposed to interracial adoption. . . . But if he feels good saying it, okay."

David Liederman, executive director of the Child Welfare League of America, called the tax credit a "misdirection" of resources in a tight fiscal climate, essentially helping middle-class families while other proposals would cut funding for programs meant to help those willing to adopt special-needs children.

"I would have hoped the president would have spoken to that," Liederman said.

It is estimated the credit would cost the government \$1.7 billion over seven years, and the GOP bill would offset the revenue loss with income gained in enforcing new anti-fraud provisions on foreign trusts and from repeal of a tax exclusion for businesses purchasing energy conservation measures.



**United States
Office of
Personnel
Management**

FAX TRANSMITTAL SHEET

OFFICE OF THE DEPUTY DIRECTOR

Number of Pages
(including this one)

4

**Please
Deliver
To:**

Name: **Diana Fortuna**

Office: **White House Domestic Policy**

Room:

Telephone:

From:

Name: **Lorraine A. Green**

Office: **Deputy Director**

Room: **5518**

Telephone: **(202) 606-1000**

FAX Number: **202-606-0080**

Remarks

Attached is the recommendation on adoption benefits. Please call me on 606-1000, after you review.

ADOPTION ASSISTANCE FOR FEDERAL EMPLOYEES

All over America, children are waiting for a family and a home. More than 100,000 children are waiting to be adopted; many of them have special needs. They are brothers and sisters who want to grow up together, who may be older, or who have physical or emotional problems--but they share the needs that you and I have--the love, comfort, security, and commitment that families bring.

As the Nation's largest employer, the Federal Government has long been committed to helping our employees balance their work and family needs. We offer a variety of family friendly flexibilities that can benefit adopting parents. But the needs of children without families require that we do more.

Current Benefits for Adoptive Parents

Time off the job is one of the most important of these benefits. Several recent Administration initiatives have helped Federal employees who are adoptive parents take time off the job for purposes related to adoption.

The Family and Medical Leave Act of 1993 is a cornerstone of my administration's effort to ensure that the Federal Government is a family-friendly employer. The Act entitles Federal employees who adopt a child to a total of 12 weeks of unpaid leave. The entitlement to unpaid leave begins prior to the adoption (in order to allow time off for pre-adoption activities such as meetings with adoption agencies, attorneys, etc.) and continues for the 12-month period following the adoption.

In 1994, I signed into law two additional pieces of legislation that enhanced the entitlements of Federal employees who become adoptive parents. The Federal Employees Family Friendly Leave Act allows most employees to use up to 13 days of paid sick leave each year to care for family members who are ill or need medical care. This includes adoptive children, who sometimes require greater medical attention.

Separate legislation authorized Federal employees to use an unlimited amount of sick leave specifically for purposes relating to the adoption of a child, including, but not limited to, appointments with adoption agencies, social workers, and attorneys; court proceedings; required travel; and any periods during which an adoptive parent is ordered or required by the adoption agency or a court to be absent from work to care for the adopted child. This is a significant benefit. Based on the results of earlier experimentation with a similar program in the Federal Government (and using current average salary rates), we estimate that the value of this benefit is approximately \$1,000 per adoption. All of these leave entitlements are available to both adoptive mothers and adoptive fathers.

In addition to using paid and unpaid leave for adoption purposes, Federal employees also may take advantage of flexible work scheduling arrangements. Since the first experimental legislation was enacted in 1978, the Federal Government has been a leading employer in efforts to provide workers with the option of flexible and compressed work schedules. Approximately half of all Federal employees now work in offices that offer flexible work scheduling arrangements, which can be very useful to employees who need to schedule appointments with adoption agencies and attorneys to further the adoption process or appointments with health care providers or counselors following an adoption.

Further, many agencies offer a wide range of child care services. There are over 100 on-site child care centers to help our Federal civilian workforce. Resource and referral services are also available to help parents locate quality child care in their communities.

Employee Assistance Programs can provide adoptive parents with assistance, education, family counseling, and referrals to local community resources such as social service agencies and support groups.

The Federal Employees Health Benefits Program covers adopted children, including those with special needs. It also covers foster children who live with the employee and who are expected to be raised to adulthood by the employee. Of special importance, the health benefits program is prohibited from denying benefits solely because of a pre-existing physical or mental condition, and there is no waiting period for coverage to begin.

The Federal Employees Group Life Insurance Program allows employees to insure an adopted child. Further, just as a biological child, an adopted child is automatically a beneficiary if there is no designated beneficiary or surviving spouse.

The Retirement Program's survivor benefits cover adopted children under the same circumstances as biological children.

Proposed New Benefits for Adoptive Parents

I'm proud of what the Federal Government has done so far to help adoptive families, but we can do more.

To facilitate and offer further encouragement to Federal employees who wish to adopt a child, I will propose legislation to create a new category of leave benefits for Federal employees. This benefit would be available to any Federal employee who is a prospective adoptive mother or father and would be in addition to the leave entitlements already available. Under this proposal, an additional 5 days of paid leave would be available for purposes relating to the adoption of a child. To foster the adoption of special needs children, an additional 5 days of paid leave would be provided, bringing the total to 10 days of additional paid leave in such cases. At current average salary rates, the value of this benefit would be in excess of \$750 for each adoption (over

\$1,500 in the case of special needs adoptions). But the real value of this benefit to adoptive parents is the assurance that they would be able to pursue adoption activities while preserving their regular accrued paid leave for the purposes for which it was intended--including the ability to spend additional time off with the adopted child.

Our second initiative focuses on the area of greatest need--the adoption of children with special needs. I believe that children who are waiting for loving families of their own is one of America's most difficult and saddest problems. Therefore, I will also propose legislation that authorizes Federal agencies to reimburse employees who adopt a special needs child up to \$3000 for a single adoption, or up to \$5000 for any employee who adopts several special needs children. This reimbursement will cover adoption-related expenses and would be tax free.

And finally, I am directing all Heads of Departments and Agencies to assure that all agency Employee Assistance Programs have comprehensive services relating to adoption, with an emphasis on adopting special needs children. Such services should include information regarding adoption procedures, referrals to adoption agencies, specialized counseling concerning special needs children, and awareness activities designed to familiarize employees and managers regarding existing personnel and management flexibilities (such as paid and unpaid leave). Agencies will be encouraged to develop innovative campaigns which can increase employee awareness concerning the adoption of children with special needs. The Office of Personnel Management will provide agencies with guidance in these matters.

As an employer, we must provide national leadership to sensitize and educate our workforce about the many children, especially special needs children, who are waiting for families. The Federal government is committed to shortening their wait. We hope that the benefits and assistance we are proposing will provide greater support to Federal employees who are considering adopting special needs children.

**ADMINISTRATION FOR CHILDREN AND FAMILIES
ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES
CHILDREN'S BUREAU
330 C. STREET, SW, SWITZER BLDG., ROOM 2070
WASHINGTON, DC, 20201-0001
OFFICE***202-205-8618 FAX***(202)260-9345**

*******FAX COVER SHEET*******

DATE: 1/22/96

TO: Dianna Fortuna

ORGANIZATION: Domestic Policy

RECIPIENT'S FAX NUMBER: 456-7431

FROM: CAROL W. WILLIAMS, ASSOCIATE COMMISSIONER,
CHILDREN'S BUREAU

TELEPHONE NUMBERS: OFFICE****(202)205-8618
FAX***** (202)260-9345

NUMBER OF PAGES, INCLUDING COVER SHEET: 4

REMARKS: Adoption Fact Sheet

Adoption Fact Sheet

- 127
-53
74
- o 127,441 children of all races and nationalities were adopted in the United States in 1992 (the last year for which statistics are available).¹
 - o 53,525 (42%) of the total adoptions were stepparent or relative adoptions.
 - o 19,753 (15.5%) of the total adoptions were conducted by public agencies, that is, they were adoptions of children from the foster system.
 - o 6,536 (5%) children from other countries were adopted by U.S. families in 1992.² The largest numbers of children from other countries came from Korea (1,787), Columbia (403), and Chile (403). [In 1993, 7,348 children were adopted by U.S. families. The largest numbers came from Korea (1,765) and Russia (695). A final total from the Immigration and Naturalization Service (INS) is not yet available for 1994. INS does say that the number is slightly more than 8,000.]
 - o The remainder of 1992 adoptions, 47,627 (37.5%), were either private agency or independent adoptions of U.S. children.
 - o In fiscal year 1990, the last year for which statistics are available, an estimated 69,000 children in foster care had a permanency plan of adoption. Of these, about 20,000 were legally free to be adopted and were awaiting adoptive placement.³ Of the 20,000, 44.3% were Caucasian, 42.8% were African-American, 7.0% were Hispanic, and 3.7% were of other racial/ethnic groups (e.g., Asian, Pacific Islander, American Indian, or Alaskan Native).
 - o At the close of FY 90 an estimated 18,000 children had been placed in adoptive homes during the year and were simply waiting for finalization of their adoptions. In addition to these 18,000 children, approximately 17,000 were adopted from public agencies during the same period. Of these, 50.8% were Caucasian, 29.2% were African-American, 13.3% were Hispanic, and 4.5% were from other racial/ethnic groups.⁴

R's say 50?

¹ The Flow of Adoption Information from the States, National Center for State Courts, Victor E. Flango and Carol R. Flango, Williamsburg, VA, 1994.

² U.S. Immigration and Naturalization Service, 1994.

³ Characteristics of Children in Substitute and Adoptive Care, The Voluntary Cooperative Information System, American Public Welfare Association, Washington, DC, 1993.

⁴ Ibid.

ADOPTION BACKGROUND INFORMATION

How does the public adoption system work?

- ▶ Under state and federal laws, before exploring adoption possibilities, state child welfare agencies are required to try to reunite children with their parents when a child's safety can be assured. States are required to make a determination regarding reunification or adoption within one year.
- ▶ Approximately 30% - 50% of all children initially placed in foster care need permanent placement
- ▶ When reunification is not possible, state and federal laws require efforts to find a permanent home for a child, preferably through adoption. All state laws require that, before an adoption can take place, the legal rights of the biological parents be severed through a state court proceeding.

Who are the children who need adoptive homes?

- ▶ One group consists of children, primarily infants, whose parents voluntarily relinquish them for adoption; little is known about these children or the nature of their adoptive placements because their parents generally deal with private adoption agencies or make private placements with adoptive families.
- ▶ A second group of children are those who have been placed in foster care based on court determination that they were abused or neglected, and for whom reunification efforts have been unsuccessful.

In December 1990, there were approximately 69,000 foster children in the country for whom state agencies had determined that adoption was the appropriate goal. Approximately 20,000 of these children were legally free to be adopted (their parents' legal rights to ever regain custody had been terminated) and were waiting to be adopted.

Forty-four percent of the children awaiting adoption were white, 43% African American, 7% Hispanic. Only four percent of these children were under age 1; 36% were between the ages of 1 and 5; 43% were 6 - 12 years of age; and 17% were over the age of 12. The median age was 7.4 years.

Two out of three waiting children have special needs: medical, developmental, behavioral or psychological.

Of the children awaiting adoption at the end of 1990, approximately 46% had already waited two years.

It takes substantially longer to find homes for minority children. Older children and sibling groups irrespective of race also have longer waits.

Many children are never adopted, even though their biological parents' parental rights have been terminated.

Why does it take so long and why do so many children go unadopted?

- ▶ Finding adoptive homes for older children and those with emotional or physical problems requires aggressive action by agencies, and most of the children waiting for adoption fall into these categories.
- ▶ In 1990, 43% of the children waiting for adoption were 6 to 12 years old; only 4% were infants. Two out of three children -- a doubling since 1982 -- had some special need: they were disabled, older, had siblings, or were minority.
- ▶ Lengthy processes to terminate parental rights, lack of financial resources for adoption, excessive caseloads and difficulty in recruiting foster and adoptive families contribute to the slow adoption of many of these children.

Title IV-E Adoption Assistance

Authorizing Legislation: Section 470, Title IV-E of the Social Security Act, as amended.

FY 1995 Appropriation: \$399,348,000

<u>FY</u>	<u>Appropriation</u>	<u>Avg. Monthly Number of Children</u>
1994	\$317,400,000	91,880
1993	\$243,964,000	78,112
1992	\$201,861,000	66,500
1991	\$189,832,000	54,818
1990	\$124,855,000	46,444
1989	\$111,744,000	40,920
1988	\$ 88,000,000	34,841

Purpose:

This program provides funds to States to assist in paying maintenance costs for adopted children (AFDC or SSI eligible) with special needs, e.g., children who are older or handicapped. Funds are also used for the administrative costs of managing the program and training staff. The goal of this program is to facilitate the placement of hard to place children in permanent adoptive homes and thus prevent long, inappropriate stays in foster care.

Adoption Assistance is an open-ended entitlement program. Federal financial participation in State maintenance expenditures is provided at the Medicaid match rate for medical assistance payments, which varies among States from 50 percent to 78 percent. State adoption subsidy rates made on behalf of individual children also vary from State to State but may not exceed 7 comparable foster family care rates. State administrative costs are matched at an open-ended 50 percent match rate; training at an open-ended 75 percent match rate.

THE WHITE HOUSE
WASHINGTON

Office of Legislative Affairs
House Liaison
Fax Cover Sheet

Date: May 9, 1996

To:

Jeremy Benami	456-7028
Diana Fortuna	456-7431
Bruce Reed	456-5557
Diane Regas	4567028
Lisa Kountoupes	395-3729
Lester Cash	395-0851
Joe Minarik	395-1198
Janet Forsgren	395-6148
Melinda Haskins	395-6148
Jennifer Klein	456-2878
Dawn Chirwa	456-1647
Mary Bourdette	690-8425
Annette Smith	622-9260
Carol Williams	260-9345

From: Janet Murguia at (202) 456-6620
Deputy Assistant to the President
for Legislative Affairs / House Liaison

Comments: Attached is a copy of the letter that was sent to the President on May 10, 1996 by Representative Jim Bunning (R-KY) regarding the President's position on the Adoption Promotion and Stability Act of 1996. I thought this might be of interest to you.

Note: The information contained in this facsimile message is **CONFIDENTIAL** and intended for the recipient **ONLY**. If there is a problem with the transmission, please contact the sender as soon as possible.

Number of pages including cover: 3

JIM BUNNING
4TH DISTRICT, KENTUCKY

COMMITTEES:
WAYS AND MEANS
CHAIRMAN, SUBCOMMITTEE
ON SOCIAL SECURITY
BUDGET COMMITTEE
ETHICS COMMITTEE
DEPUTY WHIP

2437 RAYBURN BUILDING
WASHINGTON, DC 20515
(202) 226-3465

1717 DIXIE HIGHWAY
SUITE 160
FT. WRIGHT, KY 41011
(608) 341-2602

1405 GREENUP AVENUE
SUITE 236
ASHLAND, KY 41101
(608) 326-9898

Congress of the United States

House of Representatives

Washington, DC 20515-1704

MAY 13 1996

May 10, 1996

President William J. Clinton
The White House
Washington, D.C. 20500

Dear President Clinton:

I am writing to express my gratitude for your apparent change of heart in providing loving families for children irrespective of race.

However, I would like to correct one point in your letter to the Speaker in which you express your support for the Adoption Promotion and Stability Act of 1996. In that letter, you stated that the bill was "consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race." This makes it sound as if you and your administration have been supporting our efforts to end the bias against interracial adoptions for some time, when, in fact, you and your administration have been a major source of our problem on this subject.

With regard to your personal "longstanding goals," I would remind you of the adoption legislation that you endorsed as Governor of Arkansas and which was enacted into law in 1987 (Ark. Code 9-9-102 (1987)). As you may recall that measure requires the court to give preferences to potential adoptive families with the same racial or ethnic heritage as the child. In this statute, race-matching is given preference over other types of adoptive arrangements.

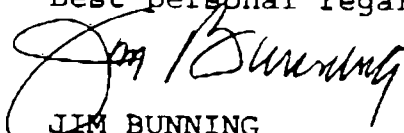
This statute has denied black children loving homes, has resulted in lawsuits being filed by potential adoptive families who were denied the opportunity to adopt because they were not the right color, and continues to elevate race over love to the point of bringing the state out of compliance with federal law.

These facts definitely tend to belie your claim of a personal "longstanding goal to end the historical bias against interracial adoption."

More recently, your newfound support for interracial adoption, if implemented, will also mark a significant reversal of your Administration's policy since your Administration has been a major source of the system-wide bias against interracial adoption which has locked so many minority children out of the adoptive process. As you know, Senator Howard Metzenbaum has publicly stated that your Administration gutted his well-intentioned adoption legislation in 1994 by insisting on amendments that weakened his bill and allowed race to be made a major consideration in adoption placements. Moreover, your Administration was responsible for the promulgation of regulations which went beyond the intent of the legislation in discriminating against interracial adoption.

Nonetheless, even though your newfound support of our effort to bring an end to the bias against interracial adoptions is a little more newfound than you would like to publically admit, and even though you have twice vetoed legislation that contained language virtually identical to the measure that you now are endorsing, we welcome your support and your change of heart on the subject.

Best personal regards,



JIM BUNNING
Member of Congress

OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

LKM NO: 4380

FILE NO: 2225

URGENT

5/9/96

LEGISLATIVE REFERRAL MEMORANDUM

Total Page(s): 6

TO: Legislative Liaison Officer - See Distribution below:

FROM: Janet FORSGREN *Janet Forsgren* (for) Assistant Director for Legislative ReferenceOMB CONTACT: Melinda HASKINS 395-3923 Legislative Assistant's Line: 395-3923
C=US, A=TELEMAIL, P=GOV+EOP, O=OMB, OU1=LRD, S=HASKINS, G=MELINDA, I=D
haskins_m@a1.eop.govSUBJECT: JUSTICE Proposed Report RE: HR3286, To help families defray adoption costs,
and to promote the adoption of minority children

DEADLINE: 4 PM Thursday, May 09,1996

URGENTIn accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President.Please advise us if this item will affect direct spending or receipts for purposes of the
"Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.* COMMENTS: Rush clearance required for the Department of Justice's letter on H.R. 3286 --the adoption tax
credit bill. Floor action begins at 3 PM today. *

AGENCIES:

52-HHS - Sondra S. Wallace - 2026907760
59-INTERIOR - Jane Lyder - 2022086708
76-National Economic Council - Sonyia Matthews - 2024562174

EOP:

Klain_R
Shea_TA
{Apfel_K
{Cassell_M
Glauthier_TJ
White_B
Fontenot_K
Cash_L
Cogswell_R
Beard_B
James_I
Haun_D
Thompson_J
Oliven_L
{Kountoupes_L
{Shuffield_A**URGENT**Chirwa_D
Schmidt_D
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Reed_B
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Murguia_J
Klein_J
O'Connor_J
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Damus_R

LRM NO: 4380
FILE NO: 2225

If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

Please include the LRM number shown above, and the subject shown below.

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

☐ Concur
☐ No Objection
☐ No Comment
☐ See proposed edits on pages _____
☐ Other: _____
☐ FAX RETURN of _____ pages, attached to this response sheet



U. S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

The Honorable Newt Gingrich
Speaker of the House of
Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

as you know,
This letter presents the views of the Justice Department on H.R. 3286, the "Adoption Promotion and Stability Act of 1996." We support H.R. 3286 but have concerns about titles II and III of the bill.

Title II

Some legal
oppose addition
Section 201(a) of H.R. 3286 would allow any person denied the opportunity to be an adoptive or foster parent on the basis of race, color or national origin by a State, or any person aggrieved by a State's discrimination in making a placement decision in violation of the Act to sue the State in Federal court. To ensure that the immunity from suit granted States by the Eleventh Amendment does not prevent individuals from vindicating this right, we suggest that the bill include a provision clarifying that section 201 is enacted pursuant both to Congress' authority under section 5 of the Fourteenth Amendment and to its spending power under article I of the Constitution. Alternatively, section 201 could be modified to expressly require a State to waive its Eleventh Amendment immunity from suits brought pursuant to H.R. 3286, as a condition of receiving Federal payments for foster care and adoption assistance.

Title III

Congress enacted the Indian Child Welfare Act (ICWA) in 1978 after determining that "the wholesale separation of Indian children from their families is perhaps the most tragic and destructive aspect of American Indian life today." H.R. Rep. No. 1386, 95th Cong., 2d Sess. 9 (1978). Data over several years indicated that 25-35% of all Indian children were being removed from their families and 85% or more placed in non-Indian

- 2 -

environments.¹ The Act reflects testimony during congressional hearings that it is in the best interest of the Indian child that the child's relationship to the tribe be protected.² Through the Indian Child Welfare Act, Congress intended to affirm tribal authority and jurisdiction over internal domestic relations, including child custody proceedings.

We have several objections to title III of H.R. 3286.

A. Detrimental Impact on Tribal Sovereignty

The proposed amendments interfere with tribal sovereignty and the right of tribal self-government. Among the attributes of Indian tribal sovereignty recognized by the Supreme Court is the right to determine tribal membership. Santa Clara Pueblo v. Martinez, 436 U.S. 49 (1978). Section 302 of H.R. 3286 provides that membership in a tribe is effective from the actual date of admission and that it shall not be given retroactive effect. For persons over 18 years of age, section 302 requires written consent for tribal membership. Many tribes do not regard tribal enrollment as coterminous with membership and the Department of Interior, in its guidelines on Indian child custody proceedings, has recognized that "[e]nrollment is the common evidentiary means of establishing Indian status, but is not the only means nor is it necessarily determinative." Through its membership restrictions, H.R. 3206 may force some tribal governments to alter enrollment and membership practices in order to preserve the application of the ICWA to their members.

Section 302 of H.R. 3286 does not specify which courts may review tribal membership. We recommend that if adopted, the legislation expressly state that tribal courts should determine whether membership is effective under the act. If jurisdiction is not clarified, the proposed amendments could reverse the practice of deference to tribal determinations of membership by permitting State courts to challenge or invalidate tribal determinations.

¹The Association on American Indian Affairs (AAIA) conducted surveys of States with large Indian populations in 1969 and in 1974. H.R. 95-1386 at 9.

²During congressional hearings, witnesses testified regarding the developmental difficulties encountered by Indian children who grew up in non-Indian environments and suffered "cultural alienation." Hearings before the Subcommittee on Indian Affairs of the Senate Committee on Interior and Insular Affairs, 93d Cong., 2d Sess. 46 (1974).

³Guidelines for State Courts: Indian Child Custody Proceedings, 44 Fed. Reg. 67,586 (Nov. 6, 1979).

B. Detrimental Impact on Tribal Court Jurisdiction

When Congress enacted the ICWA, it recognized that "cultural biases frequently affect decisionmaking" and that non-Indian state courts and agencies imposed discriminatory standards to the severe detriment of Indian children and communities. H. Rep. 1386, 95th Cong., 2d Sess. at 7533 (July 24, 1978). To address the failure of States "to recognize the essential tribal relations of Indian people and the cultural and social standards prevailing in Indian communities and families," Congress enhanced tribal jurisdiction over child custody proceedings. See Indian Child Welfare Act of 1978, 25 U.S.C. 1901 (congressional findings). H.R. 3286 would amend the ICWA to require a factual determination of whether an Indian parent maintains the requisite "significant social, cultural, or political affiliation" with a tribe to warrant the application of the Act. J

Again, title III fails to indicate which courts would have jurisdiction to conduct a factual determination into tribal affiliation. To the extent that state courts would make these determinations, H.R. 3286 would undercut tribal court jurisdiction, an essential aspect of tribal sovereignty. See Iowa Mutual Ins. Co. v. La Plante, 480 U.S. 9, 18 (1987). Reducing tribal court jurisdiction over Indian Child Welfare Act proceedings would conflict directly with the objectives of the ICWA and with prevailing law and policy regarding tribal courts. The President, in his Memorandum on Government-to-Government Relations with Native American Tribal Governments (April 29, 1994), directed that tribal sovereignty be respected and tribal governments consulted to the greatest extent possible. Congress has found that "tribal justice systems are an essential part of tribal governments and serve as important forums for ensuring public health and safety and the political integrity of tribal governments." See Indian Tribal Justice Act, 25 U.S.C. 3601(5). The legislation should make clear that the tribal courts and not the state courts will maintain presumptive jurisdiction under ICWA. This would help assure that the tribes retain essential features of sovereignty and would guard against the very danger that Congress identified when it enacted ICWA in 1978.

Thank you for the opportunity to comment on this matter. If we may be of additional assistance, please do not hesitate to call upon us. The Office of Management and Budget has advised

that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

Andrew Foie
Assistant Attorney General

OFFICE OF MANAGEMENT AND BUDGET**Legislative Reference Division
Labor-Welfare-Personnel Branch****Telecopier Transmittal Sheet****FROM: Melinda Haskins****395-3923****DATE:** 5/4/96**TIME:** 7:15 pm**Pages sent (including transmittal sheet):** 3**COMMENTS:**

*FYI: See attached letter from
Representative Yang to Rep. Solomon.
Re: HR 3286.*

TO: *K. Apple***CC:** *Fortuna - D
Reed - B***PLEASE CALL THE PERSON(S) NAMED ABOVE FOR IMMEDIATE PICK-UP.**

[illegible]

Title III of H.R. 3286 would exempt from ICWA coverage child custody proceedings involving a child living outside an Indian reservation whose parents do not maintain "significant social, cultural or political affiliation" with the parents' tribe(s). This is a

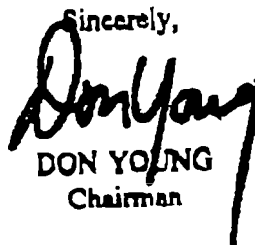
dramatic departure from the ICWA, by shifting a determination of a child's Indian heritage from a tribal court to a State court. In addition, "significant", "social affiliation", "cultural affiliation" and "political affiliation" are undefined, and given their critical importance, are certain to be litigated. Title III also includes a seemingly unrelated provision imposing new conditions for tribal membership for certain Indians.

Finally, and perhaps most significantly, this bill will result in procedural delays harming abused and neglected children. Many people do not realize that the majority of cases under ICWA are neglect and abuse cases, not adoptions. The hearings required to determine whether ICWA or State law applies will delay necessary and appropriate intervention by both State and tribal protective service providers, possibly resulting in physical or emotion harm to these children.

While I am sympathetic to the few situations involving adoption of Indian children which have created difficulties for non-Indian families, I believe this sweeping rewrite of the ICWA is not warranted and flies in the face of Indian sovereignty and our special relationship with these First Americans. Be assured that I am not alone in this conclusion.

Therefore, if the Rules Committee does not make in order the text of H.R. 3286 as reported from the Committee on Resources, I ask that you do make in order the Committee on Resource amendment to strike Title III. I and many others are prepared to fight to ensure that Congress does not renege on our agreements with Indians while protecting Indian children and their families.

Sincerely,


DON YOUNG
Chairman

cc: The Honorable John Joseph Moakley
The Honorable George Miller
The Honorable Richard K. Arney
The Honorable Newt Gingrich

**DATE: 5/7/96**

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
200 INDEPENDENCE AVE., SW
WASHINGTON, D.C. 20201**

PHONE: (202) 690-6311**FAX: (202) 690-8425**

**OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
HUMAN SERVICES LEGISLATION
ROOM 413 H HUMPHREY BUILDING**

FROM:TO : Diana Fortuna[XX] MARY M. BOURDETTE
Deputy Asst. Sec.OFFICE : DPC

[] BARBARA P. CLARK

ROOM NO : _____

[] DOUG HAAR

PHONE NO : _____

[] MARION ROBINSON

FAX NO : 456-7028TOTAL PAGES
INCLUDING COVER) : 2**REMARKS:**

Here's a revised one-pager on MEPA enforcement that is hopefully more useful than the earlier one. I faxed it to Melanne, but if you speak with her, you might mention its over there -- anything to make Metz understand this.

MULTIETHNIC PLACEMENT ACT

IMPLEMENTATION STATUS

Since the Multiethnic Placement Act (MEPA) was enacted in October, 1994, the Department of Health and Human Services has taken aggressive actions to ensure that states comply with its prohibition against delaying or denying the adoption of children on the basis of race, color or national origin.

- ▶ **HHS quickly sent information to the states about the new law, issued guidance to the states to ensure full and prompt compliance, and reviewed state laws, regulations and published policies on adoption and foster care.**
- ▶ **Twenty-seven States and the District of Columbia were notified that their statutes, regulations or policies were not in compliance with the new law. Many of these States were operating under preferences for race-based placements, while others were allowing delays for purposes of making same-race placements -- impermissible policies which imposed barriers to the timely adoption of waiting children.**
- ▶ **HHS required states to take immediate action to comply with the letter and spirit of MEPA, and provided training, technical assistance and extensive materials to assist state efforts.**

Numerous States changed statutes, regulations and policies to eliminate the impermissible use of race, color or national origin in foster care and adoption placements. By January of 1996, 46 States were in compliance with HHS' strict enforcement of MEPA.

- ▶ **New Mexico, for example, put new regulations, policies and procedures into effect in October 1995, after HHS identified impermissible procedures establishing same race/ethnicity placement and allowing time periods to search for same race/ethnicity foster care and adoption placements.**
- ▶ **Three of the remaining four States (IA, KY and MN) are expected to make the changes required to ensure compliance with MEPA's prohibitions by July, 1996. Because of its bi-annual legislative calendar, the remaining State (AR) is expected to be in full compliance by April, 1997.**
- ▶ **HHS is also working closely with states to comply with MEPA's additional requirement that states provide for the diligent recruitment of potential foster and adoptive families who are capable of meeting the needs of children with various cultural, ethnic and racial backgrounds.**

The aggressive implementation of MEPA is one of many steps HHS has taken to promote the adoption of children, especially children with special needs.

5/7/96

	Current Law (MEPA)	Bill
Child	Agency may not delay or deny placement of child <u>solely</u> on the basis of race or national origin	Drop "solely"
Parent	Agency may not <u>categorically</u> deny to any person the opportunity to become an adoptive or foster parent <u>solely</u> on the basis of race or national origin	Drop "categorically" and "solely"
Permitted to consider race?	Agency may consider cultural, ethnic, or racial background of the child and capacity of the prospective parents to meet the needs of a child of this background as one of a number of factors used to determine best interests of a child	Drop

Shall not delay or deny or otherwise discriminate
 Court: Did you discrim? ^{intermed, gender} uses strict scrutiny - for protected categories
 can't unless
 fundamental interest
 + what I'm doing is
 narrow tailoring
 can't unless
 best int of
 child,
 must be particularized

Anna: intention was to give guidance

Date: 05/10/96 Time: 12:30
AWASHINGTON: have failed

About 450,000 American children live in foster care at any given moment, according to the bill, and as many as 600,000 live in foster care during the course of a given year. About 40 percent of them are black.

Complicated adoptions, particularly those involving foreign children, can cost \$15,000 or more.

Sen. Arlen Specter, R-Pa., introduced a similar adoption tax credit bill in the Senate last month.

``When it comes to matters involving family, I usually hold fast to the position that government should butt out and mind its own business,'' said Rep. Jim Bunning, R-Ky. ``But making adoption simple and more affordable is one instance in which the government can and should step in to make a difference.''

Rep. Gerald Solomon, R-N.Y., was one of several who spoke of their experiences as adopted or foster children.

Solomon said family circumstances forced him to live away from his mother for 15 years.

``I can still recall looking at the other kids and being envious,'' he said.

President Clinton endorsed both the tax credit and the elimination of race matching, but he has opposed another provision that would make it easier for anyone to adopt American Indian children.

Some white parents have complained that federal law has kept them from adopting children with as little as 1/64 Indian ancestry.

The Navajo Nation and many other tribes have angrily denounced the provision, saying it weakens a law enacted to preserve their cultures by placing Indian children in Indian homes. It also allows courts to decide who is Indian and who is not, they said.

``We are breaking promises made to the Indian people,'' said Rep. Don Young, R-Alaska. ``It has kept families together, children with their relatives.''

But Rep. Pete Geren, D-Texas, said the bill allows parents to make decisions ``free from the control of ancestors.''

The tax credit was part of the GOP's ``Contract With America'' and was included in a massive budget proposal that Clinton vetoed last year. It also is a Republican-backed plan that Clinton has made his own.

Under the bill, adoptive families earning less than \$75,000 a year would receive the \$5,000 credit. Gradually smaller credits would be given to families earning up to \$115,000.

The bill also calls for a \$5,000 tax exclusion for employer-sponsored adoption assistance.

To offset a \$1.7 billion loss in tax revenue, the bill would change tax rules for foreign trusts with U.S. beneficiaries and eliminate an income exclusion for energy conservation items businesses buy and use.

The Congressional Budget Office has said the bill could save the government \$9 million over a seven-year period.

The bill is HR3286
APNP-05-10-96 1231EST

Date: 05/10/96 Time: 12:16

AWASHINGTON (AP) The House approved a bill today aimed at

WASHINGTON (AP) The House approved a bill today aimed at encouraging adoptions by giving middle-income families who adopt a child a \$5,000 tax credit.

The bill, passed 393-15, also would outlaw ``race matching'' the practice of trying to match a child with adoptive parents of the same race. Rep. Susan Molinari, R-N.Y., the bill's sponsor, said that policy can leave children languishing in foster care even though parents of another race are willing to adopt them.

Opponents, including some black social workers, have maintained that black children are better off with black parents. The National Association of Black Social Workers has said interracial adoptions should be approved only after exhaustive attempts to find a relative or black adoptive parents have failed.

MORE

APNP-05-10-96 1218EST

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

10-May-1996 04:58pm

TO: Diana M. Fortuna

FROM: Tracey E. Thornton
 Office of Legislative Affairs

CC: Janet Murguia

SUBJECT: RE: adoption bill

I think you want to get Treasury to take the lead w/Moynihan--I don't think he's gotten over his welfare fight w/hhs. Yes let's get together--my gut is that the tribal issue will be resolved quite differently in the senate.

*Copy sent
to Marilyn
Yager.*

Susan A. Freivalds

1415 Flag Avenue South
Minneapolis, MN 55426
612-546-1184

May 3, 1996

FAX TO: Diana Fortuna
White House Domestic Policy Office
Fax: 202-456-7431 or 7028

FROM: Susan Freivalds *snf*
Fax: 612-544-6698

TOTAL PAGES: 14

Here are the relevant portions of a Wendy's International publication on employee adoption assistance benefits, along with a brief adoption factsheet that I put together when I was at Adoptive Families of America.

I'll be in the country until Sunday evening, May 5. Please feel free to call me over the weekend if I can answer any questions. I'll be back home on May 13.

*Marilyn -
Here's more
than you
need -
Diana*



THE STATE OF CORPORATE ADOPTION BENEFITS

Prepared by Wendy's International, Inc.

EXECUTIVE SUMMARY

A growing number of U.S. corporations are implementing benefits programs to assist employees who adopt a child. A 1993 study by employee benefits consultant Hewitt Associates indicates that approximately 18% of 1,000 large U.S. corporations now offer adoption-related benefits, up 6% from 1991.

Adoption-related benefits are still far from achieving parity with maternity benefits, and are generally limited in scope. The average benefits plan provides an estimated \$2,000 maximum reimbursement per adoption, while the average cost of an adoption is \$9,000 (estimated by the National Council for Adoption).

Among companies that offer no adoption benefits, the most common reason given (in a survey of Fortune 1,000 corporations by Wendy's International) was "not a priority." Concerns about the potential cost of offering these benefits was also cited.

Societal perceptions of adoption are changing, and it seems less likely corporations will view adoption benefits as "not a priority." For example, the "Family Leave and Medical Act of 1993" gives employees who adopt a child the same right to time off as birth parents. It's important to note, however, that even before the law was passed, many companies were voluntarily giving new adoptive parents the same leave opportunities as birth parents. Also, the "Omnibus Reconciliation Act of 1993" prohibits restrictions on coverage by group health insurance plans based on the fact the child is adopted or had a pre-existing medical condition before adoption.

Adoptive parent benefits do not approach the scope or frequency of maternity benefits, but more companies are viewing adoption assistance as part of a comprehensive work-family benefits plan.

Companies also are increasingly aware of the costs associated with adoption benefits which, in reality, are relatively low. Adoption benefits have a high positive perception among employees, while a relatively low utilization rate makes these benefits cost-effective for employers.

More than 50,000 children were adopted in 1992 in the United States, and based on research gathered from benefits consultants and Wendy's own survey of Fortune 1,000 companies, Wendy's estimates that corporations provided financial assistance in 2,000 or more of those adoptions. Based on the growth so far in the number of companies offering adoption-related benefits, corporations should facilitate an increasing number of adoptions during the next few years.

CORPORATE ADOPTION BENEFITS: A Historical Perspective

"With the assistance of this policy, no one will be denied the opportunity to adopt based on finances."—Robert F. Carniaux, director, compensation & benefits, Hasbro, Inc., discussing his company's newly implemented adoption benefits program.

In the past few years, corporations have been examining family issues such as dependent care assistance, time off to care for family members, day care, and reimbursement of employees' adoption-related expenses. As corporations seek ways to improve their employees' well-being outside the work place, family-related benefits, once considered "peripheral," are now being recognized as important.

Maternity benefits have long been regarded as an integral part of corporate benefit plans. Benefits for employees who adopt rarely have, until the past three years, been included in corporate compensation packages.

The National Council for Adoption estimates that the average adoption costs \$9,000, which is comparable to maternity costs. Even so, adoptive parents have typically had to bear the full cost of bringing a child into their home. This has discouraged many prospective adoptive parents and prevented them from adopting children who need a family.

Survey findings and the observations of human resources and adoption experts nationwide seem to indicate that a growing number of companies are adding adoptive parent assistance to their list of employee benefits*, and the value to both employees and the cause of adoption is significant.

* For a listing of companies that currently offer adoption-related benefits, see page 12.

WHAT IS MEANT BY ADOPTION BENEFITS/ASSISTANCE?

"Many employers already offer maternity leave and other child care benefits. Adoption benefits are increasingly being recognized as a natural part of a 'family friendly' work and family benefits program."—Carol Sladek, consultant, Hewitt Associates

Adoption benefits or assistance is when corporations partially or fully reimburse employees for some or all of the following expenses/services associated with an adoption:

- Legal expenses related to the adoption process
- Adoption agency (private or public) fees
- Medical expenses and examinations of child before adoption (after adoption, the child is generally covered under the employee's health insurance)
- Payment of a birth mother's medical and pre-natal expenses (in the case of pre-arranged infant adoptions)
- Psychological evaluations of the child to be adopted
- Post-adoption psychological counseling for the adopted child
- Pre- and post-adoption psychological counseling for adoptive parents, and/or family counseling
- Travel expenses, immunization, and translation services for a foreign or non-English speaking adoptive child
- Paid time off for the adoptive parent

Most employers offer a single lump-sum payment at the conclusion of the adoption process, and some reimburse specific adoption-related expenses on an as-incurred basis.

Although some benefits plans cover 100% of expenses up to the maximum, the typical plan reimburses 80% of an employee's approved adoption-related expenses.

In almost all cases, recipients of adoption reimbursements from corporations must pay tax on the distribution. In the future, that may change. In February 1993, a bill was

introduced in the U.S. House of Representatives that would allow families making less than \$60,000 to claim a federal tax deduction, up to \$5,000, for expenses related to adopting a child. The "Fairness for Adopting Families Act" (H.R. 930) would also exclude from an employee's income up to \$5,000 of an employer's reimbursement for adoption-related expenses.

Currently, corporations may be able to provide some non-taxable benefits under their medical insurance plans. Certain legal expenses related to an adoption may be covered under a company-sponsored group legal plan.

THE NEED FOR CORPORATE ADOPTION BENEFITS

Adoption experts estimate there are 100,000 children in this country waiting to be adopted at any given time. There were approximately 50,000 children adopted in 1992, but thousands more were not. Widespread corporate financial assistance for employees who adopt could encourage more adoptions and help close the gap between the number of children awaiting adoption and the number of prospective adoptive parents.

As more U.S. corporations add adoption-related benefits programs, their impact on companies and employees is becoming easier to evaluate. Wendy's International estimates that as many as 2,000 adoptions per year are facilitated by some form of corporate adoption assistance, based on information from a Wendy's International survey of Fortune 1000 corporations.

Although individual programs may have exceptions, corporate adoption benefits generally cover most categories of adoption, including private agency domestic and foreign adoptions, step child adoption, and adoption of children with special needs.

Many of the children awaiting adoption are those with "special needs," so called because they are older, are from minority cultures, have brothers or sisters, or are physically or emotionally challenged. People adopting special needs children can usually obtain state and federal financial reimbursement for adoption-related expenses, but still rely on employers to assist by providing time off and covering expenses not reimbursed by the government.

WHY COMPANIES OFFER ADOPTION BENEFITS

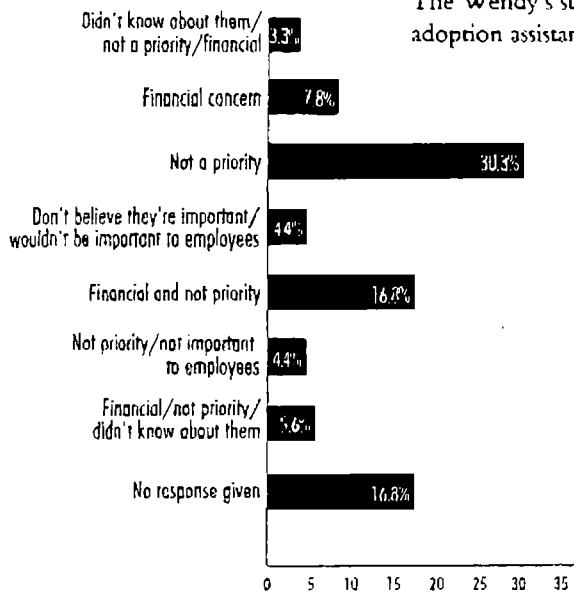
Companies are recognizing that an adoption assistance program:

- Brings adoptive parents' benefits closer to parity with employee maternity benefits, an action that has been legally supported in numerous situations, and one that is ultimately fair and equitable
- Attracts quality employees and assists in recruiting efforts by strengthening a company's image as family-friendly
- Gives employees a benefit with high perceived value at a relatively low cost to the corporation because of low utilization rates
- Offers the flexibility of tailoring the package to suit the needs and resources of company employees
- Allows companies to keep pace with current benefits trends, which include adoptive parent benefits
- Allows the corporation to address an important social issue—that of children waiting to be adopted

"Corporate benefits help people overcome the obstacle of cost that prevents many from even considering adoption. The increasing number of corporate assistance programs has been, and can continue to be, a major catalyst for encouraging adoption."

—Carolyn Johnson,

Executive Director of the National Adoption Center

Why don't you offer these benefits?*(may check more than one)*

source: Wendy's International, Inc.

WHY CORPORATIONS DON'T OFFER ADOPTION BENEFITS

The Wendy's survey indicated that the most commonly cited reasons for not offering adoption assistance were that the issue was "not a priority" and concern about the cost of offering these benefits. However, according to both Buck Consultants and Hewitt Associates, as well as human resource managers whose companies offer adoption assistance, cost is typically not an issue.

CORPORATE ADOPTION BENEFITS TODAY

Larger companies (the Fortune 1000) are generally more active in addressing family-workplace issues, including adoptive parent benefits. Companies that have implemented other family-workplace programs such as dependent care or "family friendly" leave policies are more likely to offer adoption benefits.

In a 1992 study, "Work & Family: A Survey of Employer Practices," Buck Consultants determined that 11% of the organizations it surveyed offered some type of financial assistance for employees who adopt.

"Overall, the program has a very high positive perception among employees, but a very reasonable utilization rate and cost."

*— Paulette Snowden,
insurance supervisor, The
Washington Post*

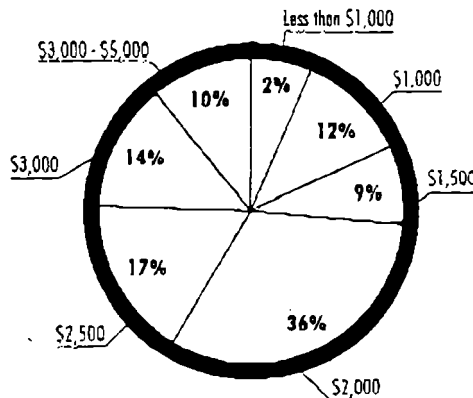
A study released in 1991 by benefits consultant Hewitt Associates found that approximately 12% of Fortune 1000 corporations offer some provision for reimbursement of adoption-related expenses.

Hewitt's 1993 study shows the number grew to 18% by 1993, a growth rate that seems consistent with the increasingly expanding list of companies adding adoption benefits.

Adoption benefits programs have been uniformly well-received and valued by employees, yet their relatively low utilization rate makes them affordable even for tightly budgeted companies.

For example, based on a telephone survey of companies in 1991, Buck Consultants, New York, estimated an annual utilization rate of between four and 10 adoptions per 1,000 employees—about one half of one percent.

Limits of Coverage*

HOW COMPANIES COVER THE NEEDS OF ADOPTIVE PARENTS

*Of the companies surveyed, 12% had no dollar limit. This chart lists for the remaining 88%.

source: Hewitt Associates, 1993

In general, the maximum adoption-related benefits fall well below the average cost of \$9,000 per adoption estimated by NCFA. The typical plan limits the amount of coverage to \$2,000 per adopted child, according to a 1993 survey of Fortune 1000 corporations by Wendy's International, a statistic verified by the Hewitt study.

Of the companies responding to the Wendy's survey, 43% of the companies that provide benefits offer \$2,000 or less to employees who adopt; 28% offer between \$2,000 and \$4,000; 6.4% offer \$5,000 or more, and; 22% had no response.

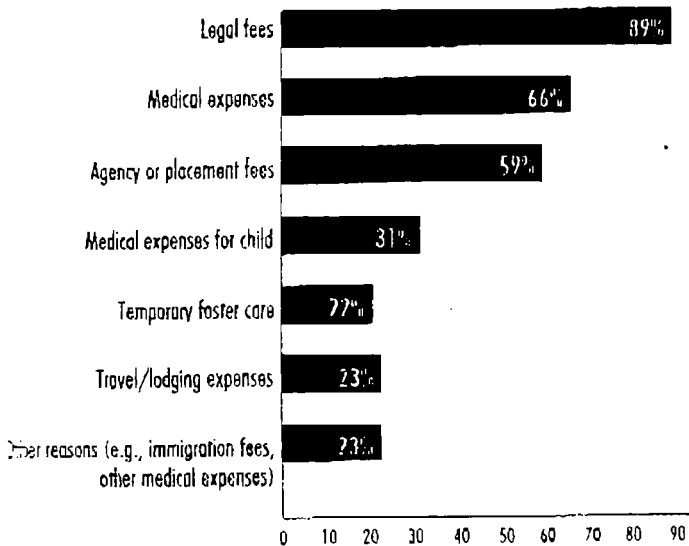
A typical adoption assistance plan will reimburse up to 80% of eligible expenses.

WHAT IS COVERED BY THE TYPICAL PROGRAM

Based on a sampling of plans from corporations providing adoption assistance, the most commonly covered expenses include (ranked in order from most to least commonly offered):

Reimbursement of Adoption-Related Benefits*

Adoption benefit programs with reimbursement for:



* The total percentage exceeds 100% because employers offer more than one type of assistance.

source: Hewitt Associates, 1993

- Legal fees and court costs
- Medical expenses for the birth mother (if adopting an infant)
- Adoption agency or placement fees
- Medical expenses for the adopted child not covered by a medical plan, such as immunization
- Temporary foster care immediately preceding the adoption
- Transportation, travel, translation, lodging expenses, and immigration fees for the child

Adoption-related expenses incurred but less frequently covered include:

- Professional counseling for the adoptive child or adopting parents
- Legal and court fees related to contested parental rights or legal guardianship
- Costs related to legal adoption of a stepchild

According to the Wendy's survey, 36% of the respondents with adoption benefits reimburse some counseling costs related to an adoption, and 66% of the corporations reimburse medical costs of a newly adopted child that are not covered by the employee's dependent medical benefits.

COVERAGE OF "SPECIAL NEEDS" ADOPTIONS

Adopting a child with special needs can be an emotionally rewarding experience, but a financially challenging one as well. There may be additional medical expenses related to adopting a special needs child, and an employee might require additional time off to help the child make the transition into his or her new home.

"By offering extra dollars for special needs

adoptions, an employer sends a positive, meaning-

ful message to employees and to society. It says:

'This company cares about helping our children find homes and loving

families, and we support our employees who make

this happen.'" — Dave

Thomas, Founder,

Wendy's International

All 50 states offer some type of financial assistance to people who adopt a child with special needs, who is most often a ward of the state.

The type and extent of the assistance varies, but children with special needs who are eligible for assistance under the Federal title IV-E program under the Social Security Act are also eligible for Medicaid and possibly other federal reimbursement.

Government subsidies can help meet medical costs not covered by a family's health insurance, plus other care and service costs. The subsidies are usually granted without regard for the family's financial status.

Corporations, however, can still provide critical support to employees who choose to adopt a child with special needs by providing paid leave, financial assistance to cover additional expenses, and emotional support.

Companies can offer the time off necessary to help new parents during what might be a challenging adjustment period following adoption. The company can also ensure that expenses not covered by the government are reimbursed by the corporation.

Based on responses to the Wendy's survey, only 4% of corporations that provide adoption-related benefits offer additional assistance to employees who adopt a child with special needs. Corporations that do specify additional assistance for the adoption of special needs children generally offer between \$1,000 and \$2,000 more than for other types of adoptions.

Corporate benefits managers can also help employees adopting children with special needs by using their resources to help employees identify and obtain the appropriate government reimbursements.

TIME OFF FOR ADOPTIVE PARENTS

Few corporations offer paid time off for employees who adopt. The Wendy's survey found that 19% of the respondents had programs with some amount of paid leave, ranging from one day to six weeks. According to the National Adoption Center, the length of paid leave is often based on the amount of leave time an employee has accrued, and may be defined as authorized time off, discretionary time, annual or paid personal leave, or as annual or all-purpose time.

A 1983 survey by the North American Council on Adoptable Children of working mothers in Maryland showed that the number of companies with adoption leave policies was only one-third that of companies with maternity leave policies for birth parents—whether paid or unpaid time off.

The "Family Leave and Medical Act of 1993," passed on January 5, 1993, mandates 12 weeks of unpaid leave within a 12-month period for new adoptive parents, giving them the same right to unpaid leave as employees on maternity leave. Although the law requires the same amount of unpaid leave be granted, it is worthwhile to note that before the law was passed, companies were increasingly giving adoptive parents the same leave as birth parents. It should be noted, however, that in most companies, discrepancies still exist between maternity and adoptive parent leave policies.

A 1992 study by the Society for Human Resource Management found that approximately 40% of surveyed employers offer paid pregnancy leave, with an average benefit of 11 weeks. About 8% of employers offered paid paternity leave. While the medical and physical needs of a new adoptive parent may not be comparable to a pregnant mother, spending time with a newly adopted child helps to cement family ties. More corporate leave policies are taking this into account.

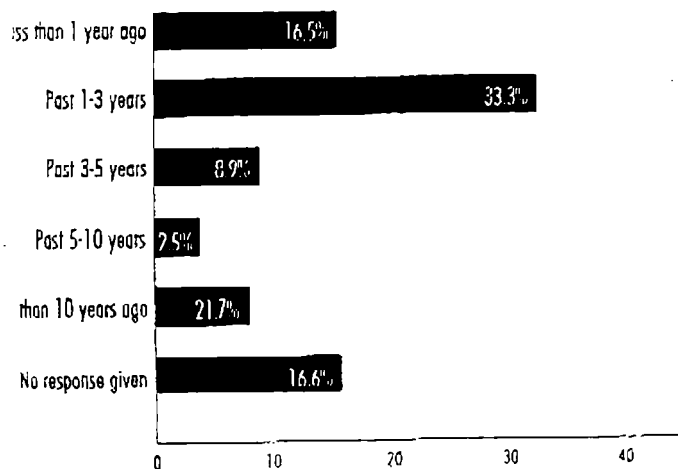
Compared to a decade ago, paid and unpaid leave for corporate employees who adopt is more frequently in line with maternity leave policies.

Based on the current trends of giving adoptive parents the same rights as birth parents, it is likely that paid time off for adoptive parents will, in time, more closely resemble paid leave for birth parents.

THE FUTURE OF CORPORATE ADOPTION BENEFITS

When did you introduce employee adoption benefits?

Adoption benefit programs with reimbursement for:



ART 3: "Reasons Not Offering Adoption Assistance Benefits" from Wendy's Wendy's International, Inc. Survey of Fortune 1000 Corporations. [Bar ph]

The future for corporate adoption benefits looks bright. The Wendy's survey indicates a large percentage of respondents (49.8%) have implemented adoption assistance programs within the past three years (since 1990). Growth in the number of companies offering these benefits has been steady, and indications are that this trend should continue throughout the 1990s.

As information on adoption benefits becomes more widely disseminated, awareness levels rise. And as understanding of adoption benefits increases, we can expect to see initiatives to implement adoption benefits coming from three distinct groups:

- Top levels of management and ownership seeking to make their companies more "family friendly" to attract and retain top employees
- Employees, frustrated in their efforts to adopt, who raise the issue of benefits with their human resources departments
- Human resource managers seeking to include adoption benefits as part of a comprehensive family-workplace program

CONCLUSION

Ultimately, adoption benefits create a win-win scenario for all involved. Corporations expand their selection of family workplace benefits at an affordable cost. Employees committed to adopting a child receive the financial help they may need to make the adoption possible. Society benefits as more children find loving families and permanent homes, giving them the opportunity to become fulfilled, productive citizens as they mature.

ADOPTION BENEFITS AT WORK (As of January 1, 1993)

A number of corporations have developed adoption benefits programs that have facilitated employee adoptions. These plans offer a diverse range of coverage, but generally indicate a growing belief that adoption assistance is an important employee benefit.

Amway Corp., Ada, Mich.—Since offering adoption assistance in 1989, 14 employees have utilized the benefits to adopt 14 children. The company provides up to \$2,500 in reimbursement per child, with a maximum of two adoptions per family. Compensation covers a standard array of adoption-related expenses.

"Employees like the fact that we pay as expenses are incurred, rather than waiting until the adoption is finalized," says Sharon Cook, senior manager, employee benefits. "The biggest financial struggle is during the adoption, and this helps them meet ongoing expenses."

The Coca Cola Company, Atlanta, Ga.—The company provides a maximum of \$4,000 per adoption, reimbursing agency fees, legal and court fees, temporary foster care costs, transportation costs, and other expenses. Since implementing the plan in 1992, the company has provided benefits for 10 adoptions.

Consolidated Edison, New York—The utility company has reimbursed employees who adopt since 1990. It recently raised its maximum per-adoption reimbursement from \$2,000 to \$2,500. Coverage includes legal and court fees, adoption agency fees, travel expenses for the adoptive child, and temporary foster care fees. Under the plan, 25 Con Edison employees who adopted children have utilized the benefits. Some employees have adopted special needs children, with the cost of the procedure paid by the State of New York.

"It is a very well-received program," says Carolyn E. Dorais, manager of employee benefits research and communications.

Hasbro, Inc., Pawtucket, R.I.—Hasbro implemented a program on January 1, 1993 that recognizes both regular and special needs adoption. The company provides eligible employees with a maximum of \$4,000 reimbursement per adoption, and a maximum of \$6,000 for the adoption of a child with special needs. Hasbro makes special efforts to grant new adoptive parents necessary amounts of unpaid leave.

"The reaction and positive feedback [to the program] have been overwhelming," says Robert F. Carniaux, director, compensation & benefits. "To now hear the stories of those people who will be able to open their homes and hearts to build new families through Hasbro's help has been a truly uplifting experience."

S.C. Johnson & Son, Inc., Racine, Wis.—Having incorporated an adoption policy in 1970, S.C. Johnson is generally considered to be the first large U.S. corporation to offer adoption-related benefits. Its program reimburses employees up to \$2,000 per adoption to cover legal and social service agency fees. The company estimates more than 40 adoptions have taken place since benefits were implemented.

Pacific Gas & Electric Company, San Francisco—The company has reimbursed expenses for more than 50 children adopted by employees since offering adoption benefits in 1989. The company's program offers a maximum of a \$2,000 reimbursement for adoption-related expenses, including some medical expenses for the adoptive child.

The Washington Post, Washington, D.C.—The Post provides a maximum of \$4,000 per adopted child, and up to \$5,000 for a child with special needs. Standard costs are covered, and the plan provides for possible reimbursement of counseling expenses. In the four years the plan has been available, there have been 15 adoptions by employees.

"After surveying adoption agencies and other companies, we concluded the cost of adopting a special needs child is higher, and it would be appropriate to offer additional reimbursement," says Paulette Snowden, insurance supervisor.

Wendy's International, Dublin, Ohio—Since adoption assistance was first offered in 1990, employees have utilized the benefits to adopt 17 children. The company provides a maximum of \$4,000 per adoption, and up to \$6,000 for the adoption of a child with special needs. All legitimate related expenses are eligible to be reimbursed, and employees can also obtain up to six weeks paid leave, plus additional unpaid leave, when adopting a child.

CORPORATIONS OFFERING ADOPTION-RELATED EMPLOYEE BENEFITS (As of April 1, 1993)

Abbott Laboratories	Digital Equipment Corporation
ACACIA Mutual Life Insurance Company	Diocese of Columbus, Catholic Charities
Aetna Life & Casualty	The Walt Disney Company
Alexander & Baldwin, Inc.	Dispatch Printing Company
American Savings Bank	Donnelly Corporation
American Association of Retired Persons	Dow Chemical Co.
American Can Company	Dr. Pepper/Seven-Up Companies, Inc.
American Express	E.I. Du Pont de Nemours & Co.
American National Trust and Savings Association	Eastman Kodak Company
American Telephone & Telegraph	Educational Testing Service
Ameritech Corp.	Eli Lilly and Company
Amoco Corporation	Emery Worldwide Corporation
Amway Corp.	Emmett and Chandler Illinois, Inc.
Apple Computer, Inc.	Fannie Mae
Arthur Andersen & Co. S.C.	Far East Motors, Inc. (Nissan)
AT&T Co.	Federal Reserve Bank of Kansas City
Avon Products	Fel-Pro Inc.
BancOhio National Bank	Felt Products Manufacturing Company
Bank of American National Trust and Savings Association	First Tennessee Bank National Association
Banker's Life Company	First Pennsylvania Bank
BarclayAmerican Corporation	Footo Cone and Belding Communications, Inc.
Basic American Foods	The Ford Foundation
Baxter Healthcare Corporation	FreshMark (Sugardale)
Baxter International	G.D. Searle & Co.
Bellsouth Corp.	G.T. Water Products, Inc.
Ben & Jerry's Homemade, Inc.	Gannett Company
Best Products, Co., Inc.	GAP, Inc.
BE & K Inc.	General Mills
Borden, Inc.	General Motors Corporation
Borden Packaging and Industrial Products	Genetech, Inc.
Bureau of National Affairs, Inc.	Glaxo
Burger King	Goldome Bank of Buffalo
Burroughs Wellcome Co.	Great Western Bank
C.L. Bete Co.	Hallmark Cards Incorporated
Campbell Soup Company	Hasbro, Inc.
Capital Cities/ABC	Herrman Miller, Inc.
Carter Hawley Hale	Hewitt Associates
Champion International Corporation	Hewlett-Packard
Chase Manhattan Bank, N.A.	Hoechst Celanese Corp.
Chevron Corporation	Hoffman LaRoche
Chrysler Motors Corporation	Holy Cross Shared Services, Inc.
Ciba-Geigy Corp.	Home Depot
Citibank, N.A.	Home Box Office
City of Philadelphia	Honeywell, Inc.
The Coca-Cola Company	Howard County, MD
Colgate Palmolive	Humana Inc.
Consolidated Edison Company of New York, Inc.	IBM Corporation
Continental Bank	IDS Financial Services, Inc.
Control Data	Intermetrics
Coming, Inc.	Intermountain Health Care Inc.
Covenant Insurance Company	International Multifoods
Cyprus Minerals Company	International Minerals and Chemical Corporation
Dayton Hudson Corporation	J.P. Morgan & Co., Inc.
DDB Needham Worldwide	JM Family Enterprises, Inc.
Deloitte & Touche	John Hancock Mutual Life Insurance Company
Deseret Mutual Benefit Association	S.C. Johnson & Son, Inc.
	KeyCorp

▶14◀

Kraft General Foods Group, Inc.
Lancaster Laboratories
Leo Burnett
Lincoln National Corporation
Liqui-Box
Little Caesars
Liz Claiborne
Lotus Development Corp.
Manufacturers Hanover Trust Company
Marion Merrell Dow, Inc.
Massachusetts Mutual Life Insurance Co.
MasterCard International
McKesson Corporation
Mennonite Mutual Aid Association
Meredith Corporation
Merrill Lynch
Michigan National Corporation
Miles Laboratories, Inc.
Minister of National Health & Welfare (Canada)
Motorola, Inc.
Mount Carmel Health
National Adoption Center
NationsBank
NCBC Corporation
NCR Corporation
Newly Weds Foods
Northern States Power Company
Northern Trust Company
Nynex
Ohio Bell Telephone Co.
Omnistaff, Inc.
Oscar Mayer Foodservice
Owens-Corning Fiberglas
Pacific Bell
Pacific Gas & Electric
Patagonia
PepsiCo
Pfizer, Inc.
Phelps Dodge
Pillsbury Company
Pitney Bowes
Prime Computer, Inc.
Primerica Corporation
Principal Financial Group
Procter & Gamble Company
Promus Companies
Prudential Insurance Company of America
Putnam Companies
Quad/Graphics
Quaker Oats Company
Reader's Digest
Rohm and Haas Company
ROLM, A Siemens Company
SAS Institute
Schering Corporation
Sequent Computer Systems, Inc.
ServiStar Corporation
Signode Industries, Inc.
Smith Kline & French Laboratories
SmithKline Beecham Pharmaceutical Co.

Sony Corporation of America
Southwestern Bell Corporation
Stanley Works
Steelcase
Sunny Fresh Foods
Syntex Corporation
Tambrands, Inc.
Tandem Computers, Inc.
Temple, Barker & Sloane
Texas Instruments, Inc.
The Travelers Companies
3-M
Time Warner, Inc.
U.S. Sprint Communications
U.S. Surgical Corporation
United Technologies
United Telecommunications
Upjohn Company
USF&G
Velero Energy Corporation
Victor F. Weaver, Inc.
Volvo of North America
Wang Laboratories
Warner-Lambert Corp.
Washington Post Company
Wendy's International, Inc.
Western Savings of Arizona
Wheaton College
Work/Family Directions
The Wyatt Company
Wyeth-Ayerst
Xerox Corporation
Yale University

The Washington Post

AN INDEPENDENT NEWSPAPER

Family-Value Rhetoric and Reality

PRESIDENT CLINTON yesterday endorsed a Republican measure aimed at encouraging adoption. The legislation, a plank of the GOP Contract With America, would provide a \$5,000 tax credit to adoptive families and would encourage transracial adoptions. The idea, Mr. Clinton said, is to "give more children what every child in America deserves—loving parents and a healthy home." No one could argue with that goal, any more than one could find fault with the Republican explanation: "Our Family Reinforcement Act is pro-family because it recognizes the value of families." Unfortunately, this bill, while politically enticing to both sides, probably isn't the best way to help the children who need help most.

Its provision on interethnic adoption would remove one barrier that keeps some children from finding a home. The bill would allow adoption agencies to consider race when placing a child if more than one family is available. But agencies would no longer be permitted to keep children in foster care only because no same-race family had presented itself. This is always an emotional subject, but this bill follows the right course here. If a loving family is willing to take a child into its home, that child should not be denied.

The tax credit is another matter. It would go to all families that adopt children, here or overseas, unless their annual income tops \$115,000; families with incomes between \$75,000 and \$115,000 would get a partial credit. One goal is to help moderate-income families that might otherwise be put off by lawyers' fees and other costs of adoption, which routinely exceed \$10,000 and often range up to \$20,000 and beyond. In addition, some supporters say the tax

credit would send an important message of government support for adoption.

But the message would not come cheap: It would cost the U.S. Treasury some \$1.7 billion to \$2 billion over the next seven years, and this at a time when the government is having trouble meeting many other needs of poor children. Some of that money would undoubtedly go to adoption agencies and lawyers who would jack up their prices accordingly. Most would go to families that would have adopted in any case. For—and here is the crucial point—few healthy babies of any race in this country have trouble finding adoptive homes. If any government intervention is called for, it is on behalf of foster children who are not so easily placed.

Every year about 50,000 American children and another 10,000 foreign children are adopted by non-relative U.S. families. At the same time, there are 450,000 children in foster care, of whom about 86,000 are or will be adoptable. They often have trouble finding homes because they are older, they have emotional or physical problems or they come in sibling groups. Often, their best shot at adoption is with their foster families—but those families may not be able to afford the cost.

Federal and state programs provide health insurance and subsidies for such special-need children and their adoptive families. Increasing the funding for such programs might not be as popular as a tax credit with the middle-class families that both parties are now wooing. But if Mr. Clinton and the Republican leadership really want to help more children find homes, they might better target their \$2 billion toward those special-need kids.

A School Board Puts Itself First

NOW THAT word has leaked out that budget constraints will prevent some of the city's brightest and most creative public school students from traveling to the Odyssey of the Mind competition in Ames, Iowa, school

other school board members who become so moved by the low standing of the District in Congress that the converts are compelled to lobby their congressional delegations to be more generous to the District at budget time. With that travel rationale, and the fact that the school board is on Capitol

Clinton Backs Republicans' Bill on Tax Credit for Adoptions

By ALISON MITCHELL

WASHINGTON, May 6 — Endorsing an element of the Republicans' Contract With America, President Clinton today threw his support behind legislation that would provide a sizable tax credit for all but the wealthiest families who adopt children.

Mr. Clinton's announcement was the second in three days in which he moved to outflank the Republicans on social issues. On Saturday, he announced that his Administration would require states to devise plans to keep teen-age welfare mothers in school.

Mr. Clinton has also worked hard in recent months to call attention to a "values agenda" of his own on issues relating to families and children. In traveling to New Jersey on Tuesday, for example, he plans to exhort teenagers to avoid smoking.

Today, the President sent a letter to Speaker Newt Gingrich, Republican of Georgia, expressing his "strong support" for a Republican bill that would give a \$5,000 tax credit for many adoptive families. The measure is bound for a House vote later this week.

The measure would also fine states if they delayed interracial adoptions so as to await the possibility of a same-race placement, although it would allow race to be considered as a factor in adoptions if two qualified families seek a child.

"Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves, loving parents and a healthy home," Mr. Clinton wrote.

The President said the tax credit would "allow middle-class families for whom adoption may be prohibitively expensive to adopt children to

love and nurture." He also called the bill's provision on interracial adoptions "consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions."

Representative Susan Molinari, the Staten Island Republican who is the main sponsor of the adoption bill, said she was delighted by Mr. Clinton's backing, noting that it would help draw bipartisan support.

Assessing the President's stands over the past few days, Ms. Molinari said, "It's President Clinton starting to get in shape to sound like candidate Clinton again with several conservative pro-family positions staked out."

Mr. Clinton's aides said both the President and the First Lady had long favored steps to encourage adoption. "That's been a President Clinton theme since the beginning of his tenure in office," said the White House press secretary, Michael D. McCurry.

Mr. Clinton's aides said the letter to Mr. Gingrich was the first time the President had supported a tax credit for adoptions. Over the past year he has vetoed the same provision twice because it was included in measures he opposed — a welfare overhaul measure and the Republicans' bill to balance the budget by 2002.

Under the adoption bill, families who earn less than \$75,000 a year would be able to claim the full \$5,000 tax credit to help defray the costs of one-time adoption expenses. The values of the tax credit would be scaled back for families with incomes be-

tween \$75,000 and \$115,000. Families earning more than \$115,000 would not qualify for the credit.

The National Council for Adoption has estimated the average cost of adopting an American child to be \$20,000, while the cost of adopting a child from overseas can reach as high as \$36,000.

The House Ways and Means Committee has said the bill will cost the Government \$1.7 billion over seven years and proposed to make up for the loss by tightening taxes on foreign trusts and by repealing tax credits for businesses that pay for

energy conservation measures. Mr. Clinton's aides said he did not support the move to eliminate the energy tax subsidy.

The question of interracial adoptions has along been an emotional issue. The Republican bill originally would have blocked race from being considered in adoptions, a provision that drew a protest in committee from Representative Charles B. Rangel, the black Democrat who represents Harlem.

But the bill was amended to allow race to be considered if more than one qualified family sought a child.

But an adoption agency would be barred from delaying the placement of a child to wait for a prospective parent of a certain race. Mr. Rangel said the amendment allowing race to be considered alleviated his concerns.

"We all are reading from the same page," Mr. Rangel said.

Leora Neal, a national co-chairwoman of the National Association of Black Social Workers task force on foster care and adoption, said that while her group believed interracial adoptions should only take place as a last resort her group "could live

with" the language in the adoption bill.

The bill would impose an escalating series of sanctions on states if they were found to be delaying the placement of children for adoption or foster care on the basis of race.

David Liederman, the executive director of the Child Welfare League of America, an association of 850 public and nonprofit child welfare agencies, was critical of the tax credit measure. He said that in a time of dwindling resources money could better be spent to encourage the adoptions of hard-to-place children whose care is costly.

"We think that if we're going to spend \$1.7 billion over a few years we should target that money at kids in

foster care who are mainly special needs kids in need of wonderful loving families," Mr. Liederman said. "This tax credit approach not going to do it for them."

Mr. Clinton remained silent on a provision of the bill intended to make sure that a 1978 law designed protect the cultural heritage of American Indians was not interpreted so broadly that it prohibited adoptions of children whose parents voluntarily gave them up for placement and did not maintain "significant tribal affiliations."

Clinton Moves on Welfare, Budget In Attempt to Woo Moderate Voters

Strategy May Make It Harder for Dole to Show Contrasts, Advisers Say

5/7/96

By John F. Harris and Dan Balz
Washington Post Staff Writers

President Clinton in recent days has moved on welfare reform and the balanced budget as part of a strategy that White House advisers say is designed to capture moderate voters and make it harder for Senate Majority Leader Robert J. Dole (R-Kan.) to draw vivid philosophical contrasts.

Clinton's maneuvering, designed to shore up his standing with unaligned voters in the center, may have a secondary benefit, the White House believes: driving a wedge in the Republican coalition between those who are eager for progress on these issues and the man at the top of the GOP ticket.

Dole, according to this theory, has little interest in making much progress on welfare reform or negotiating a balanced budget between now and the election, taking advantage of Clinton's earlier vetoes to argue that the president is the obstacle to progress. But reelection-minded Republicans, especially moderates now eager to disassociate themselves from the more radical House GOP freshmen, have an interest in trying to strike some compromises with Clinton in order to go before voters with some tangible achievements. While Clinton aides say it's unlikely he can drive an effective wedge among the Republicans, he can make Dole's job at crafting a coherent message and building a following for it that much harder.

This was the thinking behind a flurry of White House activity over the past several days designed to blur the very contrasts Dole seeks to make vivid.

Dole tells voters that Clinton is the obstacle to a balanced budget—and has scheduled another vote on a constitutional amendment requiring a balanced budget to drive home the point—and notes correctly that he vetoed the spending plan that the GOP-led Congress sent him. But there was Clinton at the White House a few days back meeting with a bipartisan group of senators on the budget, saying he'd like nothing more than for Dole to join him for new budget talks.

Dole argues on the stump that real welfare reform won't happen until he is elected president and notes correctly that Clinton has vetoed two welfare reform measures. But the White House counters that Clinton has taken executive action 37 times to let states experiment with different approaches to welfare, and just last Saturday he ordered changes that will require states to end benefits to teenage mothers who refuse to finish school or to live with a responsible adult.

On abortion, the ideological contrasts between the two candidates are clear enough. Dole is opposed to abortion rights and Clinton is in favor. But even here White House aides say Clinton was distressed that his veto of a bill banning a late-term abortion procedure would allow the opposition to cast him as an abortion extremist—something he has never considered himself to be.

The White House endorsed Republican legislation yesterday that would allow most families who adopt children to claim a \$5,000 tax credit—a reflection, aides say, of Clinton's determination to make abortion less frequent by making an alternative more accessible.

"We don't want to give him [Dole] an opening," one White House adviser said of Clinton's actions.

Republicans and their allies scoffed

at Clinton's efforts to occupy the political center.

Linda DiVall, a Republican pollster, said voters will judge Clinton in November on more than "just a weekend edict"; Clinton's success so far is because "there's no aggressive battle against him right now."

Dole campaign manager Scott Reed said Clinton has been successful "taking our rhetoric" but vowed to convince the voters that Clinton is at heart a liberal. "If Clinton were to be deposed on his political record, he'd be indicted for political fraud," Reed said.

But making this case will be harder if there is uncertainty in Republican ranks about whether to deal with Clinton or fight him.

A year ago, there was a similar debate going on with the Democrats. Many congressional Democrats were furious with Clinton for trying to match Republicans in putting forward a seven-year balanced budget plan, believing it would be better to cast the Republican efforts as heartless and extremist.

The Democratic dissension has died down as Clinton's approval ratings have risen.

Gary Jacobson, a professor at the University of California at San Diego, said Clinton has adopted "a fairly transparent strategy," but one that nonetheless puts Republicans in a difficult position.

"They can say he's seen the light and we'll cooperate with him," Jacobson said. "But that doesn't help their presidential candidate. It doesn't give voters any reason to abandon Clinton. But if they try to distinguish themselves from him, they have to move to the right."

"The Dole strategy seems to be to find anything he can to paint Clinton as a liberal," Jacobson said, "and Clinton's not making it easy for them."

May 7, 1996

The Washington Post

AHN

Plain Talk kolm

for 5/10/96

To: Diana Fortuna

67431

Dollars won't solve our adoption shame

Politicians just don't get it. Adoption is not a matter of money. It's prompted by love. Or put off by fear.

This week, Bill Clinton joined the Republican Congress in offering adoptive parents a tax credit of up to \$5,000 if they earn under \$115,000 a year.

Fact is, most of the estimated 2 million prospective adoptive parents can well afford a child. But many are afraid that the baby they adopt might be taken away by biological parents. Remember:

◆ Baby Jessica

◆ Baby Richard

◆ Baby Emily

Since those highly-publicized heart breakers, the number of non-related domestic adoptions has remained flat. But adoptions in the USA of foreign-born children have increased by over 40% since 1992.

Legal red tape and cost in adopting a foreign child is greater. But their growing popularity is because the chance of that child being taken away is almost zero.

My wife Rachel and I luckily and happily are among 3 million adoptive parents with minor children. Alexis, 5, is the joy of our lives. But we understand why court cases and fuzzy state laws favoring biological parents have some prospective adopters running scared.

In 1994, to ease those concerns, Uniform State Commissioners proposed clear Uniform Laws Commission procedures and protections for all phases of the adoption process. Yet, not a single state legislator has adopted such a law. Only ~~three~~ ^{SIX} Oklahoma, Pennsylvania and ^{Florida,} ^{Illinois,} ^{Missouri} Vermont -- have even had such a bill introduced.

Meanwhile, 450,000 children remain in foster homes. And 1.2 million unwed pregnant females, many teenagers, are torn between abortion and childbirth.

That's a national shame. But legal protections for adoptive parents would do more than will money to provide the "loving parents and a healthy home" which Clinton properly says every child deserves.

Vermont ~~legislator~~ approved
but ~~hasn't~~ signed
but will sign next ~~week~~
Wed.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 5-3 ACTION/CONCURRENCE/COMMENT DUE BY: 5-3 3 pmSUBJECT: Adoption Letter

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	McCURRY	☐	☐
PANETTA	☒	☐	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
ICKES	☐	☐	QUINN	☒	☐
LIEBERMAN	☐	☐	RASCO	☐	☐
RIVLIN	☐	☐	REED	☒	☐
BAER	☒	☐	SOSNIK	☐	☐
CURRY	☐	☐	STEPHANOPOULOS	☒	☐
EMANUEL	☒	☐	STIGLITZ	☐	☐
GIBBONS	☐	☐	STREETT	☐	☐
HALE	☐	☐	TYSON	☐	☐
HERMAN	☐	☐	WALLEY	☐	☐
HIGGINS	☐	☐	WILLIAMS	☐	☐
HILLEY	☒	☐	<u>Veri</u>	☒	☐
KLAIN	☐	☐		☐	☐
LAKE	☒	☐		☐	☐
LINDSEY	☐	☐		☐	☐

REMARKS:

Comments to Diana Fortuna
65570

RESPONSE:

Staff Secretary
Ext. 6-2702

DRAFT

May 6, 1996

Dear :

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, there are about 450,000 children in the United States who need permanent families. Yet the tens of thousands of families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. The First Lady and I are committed to easing and encouraging adoption.

My Administration championed the Family and Medical Leave Act which ensures that parents can take time off when they adopt a child without fearing the loss of their jobs. We launched a public education campaign about adoption. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity. We remain committed to enforcing that law vigorously. As part of OBRA 1993, I signed into law a provision that requires most ERISA plans to provide the same health coverage for adopted children that they do for biological children of plan participants. We have increased the number of children with special needs who have been adopted with Federal adoption assistance by 30 percent. The First Lady has continually urged all Americans to do more about adoption in her speeches, columns and her recent book, and she has convened experts, adoption advocates and concerned parents to work on making the process simpler and more efficient.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I also believe that the adoption and foster care provisions in title II of the bill are consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often have meant interminable waits for children to be matched with parents of the same race.

We should set a goal of reducing our foster care and adoption rolls by 100,000 children each year for the next five years. The Adoption Promotion and Stability Act is an important first step toward meeting that challenge. I look forward to working with you on it so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

Melissa:

Attached is the letter as sent to Vobejda and the First Lady materials I sent to her, along with the radio address.

I also include some background on the bill in case you might need it (which I didn't give to Vobejda).

Leg Affairs here is saying this won't be autopenned and sent to congressional offices until Monday. They don't think it needs to go any sooner, because they are alerting the members they think matter (Molinari, Rangel, Shaw).

(A question we might want to think about is giving Metzenbaum a call Sunday night, if we think we have any hope of mending fences with him. But maybe such a call could backfire, I don't know.)

Regarding the tax questions you've raised, Annette Smith would be best to answer them, but here is what I know:

Is the first time we've had an adoption tax credit? There was a deduction, not a credit, in the law that was repealed in 1986, as part of Tax Reform.

How much will this cost the Treasury? \$3 billion over 10 years (although I would double check with Annette).

What percent of total revenue is the repeal of energy conservation tax incentive? Still not sure; check w/Annette.

Again, Annette Smith's home phone is 703-413-8112; but she is more likely to be on her pager, at 801-3076. Les Samuels' home number is 265-0422. The Treasury operator is 622-1260.

Good luck! I'll be on beeper and reachable through the WH operator.

Diana

Fax to: Barbara Vobejda
phone 334-1430; fax 334-6097

FROM: Diana Fortuna
456-5570

Here is the letter on adoption. Melissa Skolfield is prepared to answer your questions. Also included for your information is the transcript of an adoption event the First Lady did last November.

Cover plus 12 pages

EMBARGOED FOR PUBLICATION UNTIL MONDAY, MAY 6, 1996

Dear [House leadership; cc to committee members; copy to all members]:

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. I am committed to breaking down these barriers and making adoption easier. Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves -- loving parents and a healthy home. This legislation will help children in need of adoptive homes to be united with devoted parents.

My Administration has worked hard to promote adoption in general, and adoption of children with special needs in particular. We championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their jobs or their health insurance. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity, and we remain committed to enforcing that law vigorously. As part of our 1993 deficit reduction package, I signed into law a provision that requires ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants. We have worked to preserve Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I also believe that the bill is consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race. The Administration also has some concerns regarding some of the provisions used to offset the cost of the bill and would like to work with the Congress on these provisions. We also need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

THE WHITE HOUSE
Office of the First Lady

For Immediate Release

November 13, 1995

**REMARKS BY FIRST LADY HILLARY RODHAM CLINTON
AT NATIONAL ADOPTION MONTH EVENT
WASHINGTON, D.C.**

MRS. CLINTON: Good Afternoon. Thank you. Thank you. Please be seated and please be welcomed to the White House. This is a very special day for all of us. And there have been many very important events that have occurred here in the East Room of the White House, but I honestly don't believe there is any that is more important than what we are doing by celebrating National Adoption Month. And November is a particularly appropriate time to highlight the importance of adoption in this country.

It's hard to believe but Thanksgiving and the Holiday Season are a little more than a week away. And during this season we traditionally focus on family. And we recognize how much we need and depend on the love of our parents and spouses and children and other relatives. So for all of you who are gathered here to begin this celebration, that we hope will ignite a fire of enthusiasm throughout the country about adoption, I want to say thank you.

There are several members of Congress here and I am delighted that all of you could join us. Secretary of Health and Human Services, Donna Shalala, a long time advocate of family and children services is here with us because all of us believe that there isn't anything more important than our families and that the families formed by adoption are special and deserve the support of all the rest of us. Because we want to emphasize that there's a need in our country to bring the richness and love and support and guidance and discipline and attention of family life to every one of America's waiting children.

As we go into the Holiday Season, I hope every American will recognize that there are tens of thousands of children waiting for the love of a mother, a father, a sister, a brother, to have grandparents and aunts and uncles, to have a dog or a cat like Socks. Tens of thousands of those children, every single day, are growing up without mothers or fathers to help teach them, to nurture them and to tell them that they are special. We know

they are, but they need someone in their family to tell them that.

Often when we think of adoption, we have a picture in our mind of infants being welcomed into a family. But adoption today involves children and teenagers of all ages, backgrounds and circumstances. In this room today are adoptive families and waiting children who demonstrate the range of adoptive experiences. Adoption has provided a new beginning for school-aged children, for adolescents, for children with physical and emotional and educational disabilities, children of different races and cultures, and brothers and sisters who want to remain together.

Let me give you a picture of the children in America who are waiting. Six out of ten of them are school-aged children. Four out of ten are white. Four out of ten are African-American. The rest, Hispanic, Native American and every other race and color that you can imagine. Two out of three have special needs. Each one of these children has the capacity to love, to bring new joy and energy into a family. Most of you who are here, the families that already know that, are living proof of how adoption can be successful and emotionally rewarding. But we need more of you.

I recently met with Shane Salter, a young man who grew up in foster care without ever being placed in a permanent family. He described what that meant to him. He talked about his continued longing for parents who would not only care for him but who could be grandparents to his own children. Adoption can change lives, not only of those in the immediate family, but through generations.

I know that adoption in America today can be frustrating and emotionally draining and expensive. A newspaper column I wrote about adoption this summer generated more responses than any other I've written. I meet people throughout the country who come up and say they have read my column and they're an adoptive parent. Or they have read my column and they're a foster parent. Or they read my column, and they were adopted. Prospective parents have written to tell me of the immense obstacles, the red tape, and the costs, particularly the legal costs, that have led them to despair of ever being able to adopt a child.

I want you to know that the President is committed to easing and encouraging the adoption process. And I recently convened a group of experts to discuss how to make the government a better partner, and more responsive to the needs of prospective parents and children. In particular, the administration is working hard to ease the adoption of minority and special-needs children. The President is committed to enforcing the Multi-Ethnic Placement Act which prohibits adoption agencies from denying the placement

of a child solely on the basis of race, color, or national origin of a child or prospective adoptive parents.

The administration also championed -- and the first bill the President signed -- was the Family and Medical Leave Act which ensures that parents can take time off when they adopt a child without fearing the loss of their jobs. And the administration has launched a public education campaign about adoption. A campaign in which I am very honored to participate. These are just some of the many initiatives, both in the government and in the private sector, and in partnership between both the public and private sectors, that are designed to support the placement of children in loving homes.

But all of your efforts and all of the administration's efforts to strengthen our families and children could be jeopardized by actions in Congress. The government currently provides essential recruitment and training services for prospective adoptive parents. As well as subsidies to families who adopt special-needs children, those living with Cerebral Palsy, or HIV, or some other disability, since those children have large medical and educational expenses. Many of the children who are special-needs, when they are adopted into families, bring with them such large medical costs, that if Medicaid is cut back substantially, the medical insurance for many of those special-needs children will no longer be available after they are adopted. Which would be a great tragedy, because there are so many parents who just need a little bit of financial help with the costs. Need a little bit of subsidy but then do need continuing medical help to be able to open their lives to these children. So we must all who care about adoption know that putting our nation's economic house in order does not mean sweeping out compassion and caring for our neediest children and families, making it less likely they will ever have a house of their own.

We have to work together to improve our adoption system. In the Proclamation for National Adoption Month the President said that citizens from all communities and organizations from the public and private sectors must join together to renew our commitment to finding permanent homes for each one of America's children. Two of the private foundations doing this important work are the Ann E. Casey Foundation which is active in five states, and the W.K. Kellogg Foundation's Families For Kids, active in ten states.

I wish we could re-double, re-triple our efforts. I believe that if we really put our minds to it, if we could recruit qualified volunteers out of our judicial system and our legal system and our social work system, to be assigned to each child who is waiting to be adopted. We could make it possible for thousands and thousands more children to be adopted by this time

next year. We have to put our minds to it but there is no more important task than trying to do everything in our power to ensure that every child has a family.

Perhaps no person has been a more effective advocate for children waiting to be adopted, than our next speaker. The founder of Wendy's, the star of T.V., Dave Thomas started speaking out on adoption in 1990 when he became the national spokesperson for the White House Initiative on Adoption. As an adopted child himself, he says he would not have become the successful father, husband and businessman he is today, had he not been able to grow up in a supportive family.

The Dave Thomas Foundation for Adoption seeks to make adoption more affordable, streamline the adoption process, and educate the public about the potential joys of adoption. Mr. Thomas believes that no child is unadoptable and every child deserves a home and a loving family. But he knows, as we all do, that we have to overcome some misconceptions about adoption. We have to make it very clear that the children who are waiting are children just like yours and mine and every other child who goes to school and plays in playgrounds. They are America's children. And we have to make it clear to America that they would benefit greatly from having one of these children in their lives.

Mr. Thomas has also been a leader in the campaign to encourage corporations to extend maternity benefits to adoptive parents. This is so important. We do a terrible job in our country of ensuring maternity benefits in nearly every instance in most of the businesses in our country. It's important for new parents to be able to spend time with that child. Think how important it is for a new child coming into a strange home, filled with anticipation to have some time where he is the center of that family's attention, and that at least one parent gets a chance to spend that time with the child.

Within Wendy's, adoption benefits are paid leave and financial assistance with adoption costs. Available to employees who have been with the company for at least one year. All of us are very proud of Mr. Thomas' leadership and grateful to him for it.

Following him to the podium will be the Reverend Wayne Thompson, President of One Church-One Child. This is one of the great ideas in America. And I wish every church would join One Church-One Child. Because through One Church-One Child, we have seen literally hundreds of thousands of children being given homes who might otherwise not have been known to anyone. And the church serves as a back-up extended family for the members who adopt children. Through this work, thousands of African-American children have found loving homes and supportive church congregations.

You will also be hearing from the Marshall Family. The proud parents of two beautiful little girls, they have experienced so much love and happiness with their two daughters, that they have spent considerable time promoting adoption in their own community. In fact, they are the family featured in the posters supporting adoption that appear in Wendy's restaurants around the world.

And then finally, we will hear from a young woman who knows exactly what's at stake. Deanna is 13. She lived in a foster home for seven years before moving into a group home in Topeka, Kansas. Though she no longer lives with her two foster sisters, she is still close to them and she is still waiting. She is a cheerleader, an avid reader, and a budding poet -- and a lovely young woman based on my experience with her a few minutes ago.

So these people who will be speaking to you have the experience that we would like to see transmitted to every American. They know what it's like to form a family by choice. To be able to say, I choose you to be my son or daughter. And in return to know what it's like as a child to have the love and support that can only come from one's own family. So please join me in welcoming Mr. Dave Thomas."

Dave Thomas: "Thank you. Thank you. Thank you. I thank you Mrs. Clinton. I asked Mrs. Clinton about, something like about a year ago, if she would help. And she said, "I will." And that's the reason why we're here today so I just want everyone to know that Mrs. Clinton and the President are dedicated to adoption. So let's give them a big hand, because they did it.

Let me tell you why I'm interested in adoption. I was adopted as Mrs. Clinton said, and my mother, my foster mother died when I was about five years old. And I was born out of wedlock and I had nothing to do with it -- trust me. And I had nothing to do about being adopted, it wasn't my fault. But I was adopted and I had six, no not six, I had three more foster mothers and step-mothers and then I left when I was 15 years old. But I do know how important it is, a family. And all through my life I've always been envious of mothers and fathers. Because I've never seen my mother and father. And if you have never seen your mother and father and the nurturing, you know everyone deserves the love and nurturing, when you grow up. I never had it, and I've always been kind of jealous of it.

And my kids, I have five children, fourteen grandchildren, and I probably spoil them for that reason. Now whether that's good or bad, but it's one of the things that, I wasn't spoiled. But I know one thing, I did have a grandmother that did care for

me. She was my foster grandmother and I didn't find out until I was 13 years old that I was adopted, and I was really hurt. So I do know how important it is and I feel so sorry for these children today, in particular, parents who don't take care of their children. I mean I just think it's a crime. I think we need to have an education to educate these parents about responsibility. I don't know how you feel about it but I'm real strong on responsibility.

You know, in foster care, there is almost a half-million children in foster care right now. And there's about 100,000 waiting to be adopted. And when we started the foundation, we said, well, we need to have some goals. And our objective was to make adoption affordable and take the red tape out of adoption, and so that's what we've really been trying to do. And so the first thing we did, we put adoption benefits right with the maternity benefits. And I want everybody to understand it's kind of a no-brainer. If you have maternity benefits, add adoption benefits. And we've done that--

I'm even trying to get the federal government to do the same. Right Mrs. Clinton? Mrs. Clinton said she's going support me. Congressmen? -- Women? -- Senators? Don't forget now, because it's really important. But right now we have, in about thirty-five states, we have adoption benefits. And in cities and in corporations. We wrote all kinds of letters and it's really the right thing to do. We have not said how much, but just to help.

And we also have a bill in the Congress to a tax-credit. And I think it's something for -- adoption is expensive. And we need to help people to adopt as Mrs. Clinton said. And I hope this bill -- Debby -- is going to work out real well. I hope everybody supports it because it's really an important thing.

And then, I think that the next thing that we've been working on, is that we've tried something that we call a computer. Does everybody understand what computers are? And Jan Heffner is the Director of the Dave Thomas Foundation -- stand up Jan -- Jan has been working on this real, real hard.

You know what it is, it's really children with willing parents. Now the children need to be matched with willing parents. And what's happened is IBM, AT&T and Marriot have helped with some government agencies working to make this happen. And the first example case of adoption's waiting children on-line through the National Adoption Center, there was 100,000 inquiries. Am I right Jan? Over 100,000. So Internet is really something that we're really trying to work on.

We're trying to do everything we can to make it possible and remind people about adoption. Because, what happens, these kids are out there, and they go from foster home to foster home. I was in Chicago not too long ago and a little boy, six years old, was in sixteen foster homes. Can you imagine that? I mean that's not fair. So that's what we're really trying to do and if we can get the federal government -- that would really be a good example to put in for all the federal workers adoption benefits. Don't you think so?"

Mrs. Clinton: "I do."

Dave Thomas: "So, I'd just like to say this, I'd like to just say this. I think this is really a great event. I think it's something that we need to work on. And the more awareness and the more we talk about it. And I just keep talking about, and some people like to listen to me and some don't. But I'm going to keep talking because that -- every boy and every girl deserves a loving family. So thank you, and god bless you."

Wayne Thompson: "Thank you Mrs. Clinton for the opportunity to be a part of this historic day, and for your help in raising the awareness of the need for adoptions in our nation. The importance of adoption of children throughout our country can never be overstated. For these children are fortunate enough to have loving, permanent homes, in which they have been nurtured and cared for. They're led into adulthood with the support of parents which every child is entitled to and every child requires."

The family values are embodied by those parents who choose to bring children into their families and experience the joys of parenthood. The mission of the National One Church-One Child is to challenge each and every African-American congregation to adopt one African-American child. We believe that this furthers our need in our community for taking responsibility for our children. Believe me, this plan works.

In our church, we have had over sixteen adoptions since my involvement in this worthwhile program. In fact, there's one little boy who thinks he's pastor. When he was adopted I noticed that -- I always go to the door to greet the members as they leave -- I noticed that my line was shorter than usual, and I became a little bit concerned. I looked around and saw him shaking hands. And he had been adopted by a single-parent, a young woman who was an accountant, so I went over to him and I said, 'Now listen, there are some ground rules in this church. I'm the pastor -- and I shake everybody's hands so if you want to shake hands, come stand by me.' Well the brightness of his eyes

told the whole story. That where he had had no friends, no extended family, no church home, he was rejoicing, because now he had a new family and new friends.

We've had enormous success in placing children in our community in much needed adoptive homes. Many families, however, cannot adopt children without the help of the federal guarantee of financial assistance for every child and especially for special-needs children. This includes the children with Downs Syndrome and Cerebral Palsy and HIV AIDS and crack-cocaine addictive. These children are important too. And children are important to god and so our mission is one that we feel that we must continue to fight until the battle has been won.

The average family could not accept the responsibility for these children without the federal guarantee of financial assistance that is currently provided. This guarantee enables these families to care for children who would otherwise languish in the foster care system. And we are aware that there are welfare reform proposals that are pending now in Congress that would eliminate this much needed guarantee. And so our aim, and our struggle continues as we sound the alarm throughout our communities and from our pulpits, that there are children who are needed to be adopted, but that the government needs to accept the partnership which we offer. We offer it willingly. We offer it gladly.

Two out of three children who are waiting for adoption in this country have special-needs, making this federal guarantee more essential than every before. In the history of One Church-One Child, since 1980, more than 90,000 children have found homes through our congregations across this nation.

We thank god for the vision of Father Clemence many years ago and we thank you, Mrs. Clinton, for the vision you've cast forth today, because with your support and the support of those who represent and make up our government, we know that the prayers of the righteous will be answered. And so we offer, in this partnership consortium, the prayers of many people who want children to have permanent loving homes. Many pastors who work in our programs have themselves, like me, become adoptive parents and so we know that we practice what we preach. And we know that the children are the ones who get the blessing.

Again, thank you for making this a special day for children across this nation. We know that they long and deserve permanent, loving homes. And so that the need for further guaranteed federal protection most come and we believe with the help of god it will come. Thank you."

Mrs. Marshall: "First of all, I'd like to thank Mrs. Clinton, Mr. Thomas and all others involved, for inviting my family to be a part of this special event for a very important issue.

First of all, I would like to say that if only everyone out there knew, how much joy and happiness Kayla and Terry have brought into me and my husband's life, everyone would be lined up at all adoption agencies everywhere to adopt a child.

My husband and I have been married for 12 years. After being married 9 years, we decided we wanted children. I went to the doctor and found out that I wasn't able to have children. I used to always watch a local spot on our local news program called, 'Wednesday's Child'. They highlight on children that are up for adoption and need homes. So we decided to call Franklin County Children's Services and see how we could go through the adoption process.

They invited us to an adoption party in April of 1992. We were there for about an hour and there were hundreds of kids there from the ages of new-born to 7 years of age. We were there and we played with kids, we made balloons, we jumped rope and then all of a sudden, a little girl comes in. She was late. She came in and she had her little friend's hand and I looked at my husband and I said, 'Look at those jaws, I just love her.' When I first saw her, we knew that she was the one.

She talked to us at lunch, she asked for our fruit that we didn't want. She wasn't shy at all. And so we knew that she was the one and we called the next day and said that we wanted to start our class immediately, we wanted to get her as soon as possible. After we adopted Terry, she wanted sisters and brothers and so we said, 'Hey, we're willing to go and adopt another.' So then, Kayla comes into our life and there's not a day that doesn't go by that she just makes us smile and laugh so much. And if we had room in our home we would adopt 1,000 kids, no matter what race, what religion, color. We just love kids, because children are our future.

I remember when one day we didn't have kids, back when we didn't have kids, we adopted 15 children, nieces, nephews, neighbors' kids, and we went to the Ice Capades. We took up a whole row. We came back to our one bedroom apartment, we threw a big pajama party for 15 children. So, I mean, if we had room, we would adopt more, but we don't have the room in our home but we do have the room in our hearts. And we would like to let the kids know that are waiting for families and homes to keep the faith and with a little bit of help, hope and prayer, you'll all have a family and a home some day. Thank you."

Deanna Moppin: "My name is Deanna Lee Moppin. I have been in SRS custody ever since I was five years old. I was removed from my birth home because of sexual abuse. I was then placed in a new home where I remained for seven years, but then we seemed to have some problems so I was removed from that home along with two other of the girls that were in there.

We were placed in a shelter in Topeka, Kansas where we remained for a few nights before moving on to the villages. In the villages, I have two foster parents and there are nine other kids living with me. The foster parents try to help us feel good about ourselves and they try to help us with our problems and they do the best to find us all good homes that we will be happy in.

Some of the kids have nowhere to go, so they just have to keep putting one foot in front of the other and hope for the best while making goals for themselves until they reach their destination.

For most of them their destination is adoption. It is also one of mine. The reasons that I want to get adopted is usually if I want to go to the movies, I have to ask my house parents and they have to ask my village social worker who has to ask my social worker -- and then it has to come back the same way. That usually takes awhile. And if I want clothes, I have to ask my house parents who have to ask my village social worker who has to ask my social worker. There is also paper work that needs to be done and that usually takes up to about three weeks.

The other reasons that I want to be adopted is I would have a place that I could call home. I would have a room that I could call my room. I would have a family that I could love and would love me back.

I wrote a poem about waiting for a home and I would like to share it with you now:

My nerves cringe with excitement as I must wait.
I don't know when it will happen, there is no date.

My one wish that I hope to come true.
Will you make my wish come true, will you?

I don't want to be here forever, I want a home.
Please get me out of this system and out of this home.

Does anyone want me; it feels like three whole years.
I am still waiting for you, I'm so close to tears.

I want to live happy with my spirit so free.
Only you can make it happen; when will it be?

The papers are here, you have finally heard.
I'd fly to you now if I were a bird.

One question left; Do we make a pair?
Are you somebody who will really care?

I hope you're the one for other choices have come.
I'll go through them all for my choice should not be dumb.

I've always been hoping for this day to arrive.
Without a good family I could not survive.

My nerves boil with excitement I no longer wait.
I know when it will happen and I do know the date.

Mrs. Clinton: "I want to thank everyone who's here and all of the participants. I want to invite all of you into the State Dining Room where there will be a reception and some cookies and things for all of the children who have demonstrated extraordinary patience this afternoon. I just want to end with something that really, I think, echoes what everyone said. The primary responsibility for children lies with the parents and parents have the highest obligation to their own children and should do everything in their power to take care of those children. But sometimes for a lot of reasons that go back to the beginning of human history, that responsibility is not accepted. And then all the rest of us, I think, have the responsibility. We are a part of every child's family whether we acknowledge it or not. And so in any way that we can, we should try to accept that responsibility and give the love and attention that every child who was born deserves to have. And so that's what we hope the result of this National Adoption Month campaign will lead to -- more and more Americans accepting responsibility for all our children. Thank you very much."

May 6, 1996

Dear [House leadership; cc to committee members; copy to all members]:

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. I am committed to breaking down these barriers and making adoption easier. Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves -- loving parents and a healthy home. This legislation will help children in need of adoptive homes to be united with devoted parents.

My Administration has worked hard to promote adoption in general, and adoption of children with special needs in particular. We championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their jobs or their health insurance. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity, and we remain committed to enforcing that law vigorously. As part of our 1993 deficit reduction package, I signed into law a provision that requires ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants. We have worked to preserve Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I also believe that the bill is consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race. The Administration also has some concerns regarding some of the provisions used to offset the cost of the bill and would like to work with the Congress on these provisions. We also need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

EXECUTIVE OFFICE OF THE PRESIDENT
EXECUTIVE OFFICE OF THE PRESIDENT

N T
N T

03-May-1996 12:01pm

Carol
6.2.15

TO: (See Below),

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: Draft of POTUS adoption letter

Attached is a draft of the letter on the adoption bill. Jen Klein or I need your comments by 3 pm today. I am also circulating it to HHS.

I need OMB to help fact check the OBRA93/ERISA point in the letter, including that we supported this during the debate. HHS can check all the other facts, I think, such as making sure Family and Medical leave does this, and double checking on the public education campaign.

We need to decide whether to include the 100,000 goal (which the First Lady has already endorsed).

May 6, 1996

Dear :

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, there are about 450,000 children in the United States who need permanent families. Yet the tens of thousands of families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. The First Lady and I are committed to easing and encouraging adoption.

My Administration championed the Family and Medical Leave Act which ensures that parents can take time off when they adopt a child without fearing the loss of their jobs. We launched a public education campaign about adoption. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity. We remain committed to enforcing that law vigorously. As part of OBRA 1993, I signed into law a provision that requires most ERISA plans to provide the same health coverage for adopted children that they do for biological children of plan participants. We have increased the number of children with special needs who have been adopted with Federal adoption

assistance by 30 percent. The First Lady has continually urged all Americans to do more about adoption in her speeches, columns and her recent book, and she has convened experts, adoption advocates and concerned parents to work on making the process simpler and more efficient.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I also believe that the adoption and foster care provisions in title II of the bill are consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often have meant interminable waits for children to be matched with parents of the same race.

We should set a goal of reducing our foster care and adoption rolls by 100,000 children each year for the next five years. The Adoption Promotion and Stability Act is an important first step toward meeting that challenge. I look forward to working with you on it so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

Distribution:

TO: Bruce N. Reed
TO: Jeremy D. Benami
TO: Kenneth S. Apfel
TO: Janet Murguia
TO: Janet R. Forsgren
TO: Melinda D. Haskins
TO: Diane Regas
TO: Lisa Kountoupes
TO: Lester D. Cash
TO: Christine B. Ellertson
TO: Joseph Minarik
TO: Dawn Chirwa
TO: Lucia A. Wyman

CC: Jennifer L. Klein
CC: Cathy R. Mays

Jen version

May 6, 1996

Dear :

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, there are about 450,000 children in the United States who need permanent families. There are tens of thousands of parents seeking to adopt. Yet every day, significant barriers, including complex regulations, outdated assumptions and high adoption costs, stand in the way of bringing these parents and children together. The First Lady and I are committed to easing and encouraging adoption.

My Administration championed the Family and Medical Leave Act which ensures that parents can take time off when they adopt a child without fearing the loss of their jobs. We launched a public education campaign about adoption. We remain committed to enforcing vigorously the Multi-Ethnic Placement Act, which prohibits adoption agencies from denying or delaying the placement of a child solely on the basis of race, color, or national origin of a child or prospective adoptive parent. In OBRA 1993, [we included -- or can we say something more proactive?] a provision requiring most ERISA plans to provide the same health coverage to adopted children that they do to natural children of plan participants. The First Lady has continually urged all Americans to do more about adoption in her speeches, columns and her recent book, and she has convened experts, adoption advocates and concerned parents to work on making the process simpler and more efficient.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to children to love and nurture.

I also believe that the adoption and foster care provisions in title II of the bill are consistent with [the Administration's policy] and my longstanding goal to end the historical bias against interracial adoptions, which have meant interminable waiting until children are matched with parents of the same race.

We should set a goal of reducing our foster care and adoption roles by 100,000 children each year for the next five years. The Adoption Promotion and Stability Act is an important first step toward meeting that challenge. I look forward to working with you on it so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,

placing 100,000 each yr.

Ken:

DOJ/Interior: upset re Indian

- pleased doesn't include Title III

Gore said upset re energy tax; unhappy w/offset; also OMB

letter now a semi-sap;

P letter should be top of line;

Klain wants 1 sentence placeholder that "admin has some concerns regarding: express strong spt for legis to exp atc; OR paragraph does 2 reservations: pleased bill doesn't include title 3 regarding indian child welfare/pleased title 3 rgds ics was removed/dropped from bill; the adm does have concerns rgdg some of the tax provisions used to offset the cost of the bill, and would like to work with the congress on these provisions.

VP piped up at a mtg Ken was at yesterday

Must talk to RonK if they want to take this out;

TO: Melissa Skolfield
Mary Bourdette
Anne Rosewater/*Wendy Jacobson*
Karen Dorsey for Carol Williams (I hear Carol is out today?)

FROM: Diana Fortuna

DATE: May 3, 1996

Here is the draft letter. We need your comments to me or Jen Klein by 3pm today. Sorry for the quick turnaround.

Could you also check the following facts in the letter?

- o We must triple check that Family and medical Leave really does this.
- o Are we comfortable with the statement that we have launched a public education campaign about adoption?
- o Do we want to include the 100,000 goal that the First Lady has already articulated? (This is not just adoption, but reductions in foster care rolls as well.)

We have previously cleared the statement that we have increased special needs adoptions with Federal adoption assistance by 30%, so I assume this is OK.

OMB is checking the ERISA/OBRA93 point, but feel free to check it, too, if you like. We need to make sure we were supportive of this change.

Thanks!

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

03-May-1996 05:40pm

TO: (See Below)

FROM: Melinda D. Haskins
 Office of Mgmt and Budget, LRD

SUBJECT: More Justice Comments on H.R. 3286

Bob Hussey of Justice's Office of Legislative Affairs is concerned that the letter's current language in paragraph 2 stating "We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity." He states that MEPA has the effect of exempting the Indian Child Welfare Act from this provision.

Also, Hussey proposed the following insert to the letter (see my previous e-mail on the subject):

"I am also pleased that Title III of the bill as introduced was removed from the bill as it would impinge on Indian tribal governments' inherent right to make decisions on tribal enrollment and membership and could potentially lead to increased litigation that would potentially delay the adoption of Indian children."

Distribution:

TO: Diana M. Fortuna

CC: Kenneth S. Apfel

CC: Barry White

CC: James C. Murr

CC: Janet R. Forsgren

CC: Keith J. Fontenot

Fax to: Barbara Vobejda
phone 334-1430; fax 334-6097

FROM: Diana Fortuna
456-5570

Here is the letter on adoption. Melissa Skolfield is prepared to answer your questions. Also included for your information is the transcript of an adoption event the First Lady did last November.

EMBARGOED FOR PUBLICATION UNTIL MONDAY, MAY 6, 1996

Dear [House leadership; cc to committee members; copy to all members]:

I am writing to express my strong support for The Adoption Promotion and Stability Act of 1996. Today, families seeking to adopt children face significant barriers, including high adoption costs, complex regulations, and outdated assumptions. I am committed to breaking down these barriers and making adoption easier. Promoting adoption is one of the most important things we can do to strengthen American families and give more children what every child in America deserves -- loving parents and a healthy home. This legislation will help children in need of adoptive homes to be united with devoted parents.

My Administration has worked hard to promote adoption in general, and adoption of children with special needs in particular. We championed the Family and Medical Leave Act which enables parents to take time off to adopt a child without losing their jobs or their health insurance. We strongly supported the Multi-Ethnic Placement Act to help increase the number of adoptions by prohibiting discrimination based on race or ethnicity, and we remain committed to enforcing that law vigorously. As part of our 1993 deficit reduction package, I signed into law a provision that requires ERISA plans to provide the same health coverage for adopted children as for biological children of plan participants. We have worked to preserve Federal support for adoption of children with special needs, and increased by 60 percent the number of children with special needs who have been adopted with Federal adoption assistance.

But together we can and must do more. I strongly support the adoption tax credit in this bill. It will alleviate a significant barrier to adoption and allow middle class families, for whom adoption may be prohibitively expensive, to adopt children to love and nurture. It will encourage adoption of children with special needs. It will put parents seeking to build a family through adoption on a more equal footing with other families.

I also believe that the bill is consistent with the Administration's policy and my longstanding goal to end the historical bias against interracial adoptions, which too often has meant interminable waits for children to be matched with parents of the same race. The Administration also has some concerns regarding some of the provisions used to offset the cost of the bill and would like to work with the Congress on these provisions. We also need to ensure that unnecessary provisions are not included in the legislation.

The Adoption Promotion and Stability Act is an important first step toward meeting the challenge of removing barriers to adoption. I look forward to working with you so that the dreams of the waiting children in this country to have permanent homes and loving families can become a reality.

Sincerely,