



FACSIMILE TRANSMISSION

ADMINISTRATION FOR CHILDREN AND FAMILIES
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DATE:

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Number of Pages (excluding cover):

FROM:

JOHN MONAHAN - *Shannon Rudisill*

Office of the Assistant Secretary *for gm*

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MESSAGE:

Cynthia,
This is the letter on DC's welfare waiver. If you have
questions or concerns, please call Shannon Rudisill
at 401-6944.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. Michael C. Rogers
 City Administrator
 Government of the District of Columbia
 Executive Office
 Washington, D.C. 20001

Dear Mr. Rogers:

This letter responds to your letter of May 15, 1997, requesting that the Administration for Children and Families reconsider its decision of September 19, 1996 to withdraw waiver authority related to the work requirements component of the District of Columbia's welfare reform demonstration titled Project on Work, Employment and Responsibility (POWER). These waivers were withdrawn after an ACF review determined that the District of Columbia had not met requirements for providing an opportunity for public notice and comment concerning these specific waiver policies within its own jurisdiction prior to approval.

Your letter, and supplemental documentation sent with a letter to Deputy General Counsel Anna Durand on June 17, 1997 by Jearline F. Williams, Deputy City Administrator for Human Development and Comprehensive Health, assert that the District provided the necessary public notice related to work requirements by, among other things, passage of legislation, known as the "Cropp Legislation," by the District Council. After reviewing the materials provided by Ms. Williams, including the legislation, we continue to conclude that the District of Columbia has not provided evidence that it met our public notice requirements with respect to the work requirement waivers that were approved by ACF on August 19, 1996.

The waivers ACF initially approved would have allowed the District of Columbia to implement policies to: 1) reduce exemptions from participation in work activities under the JOBS program, and 2) sanction recipients who refused a job offer or quit a job. These policies were not addressed by the Cropp legislation, nor has the District of Columbia provided evidence that such policies were specifically addressed in any public forum leading up to passage of the legislation and application for waivers.

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KM	Roller	8/15						

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The work-related provisions of the Cropp legislation are limited to:

- 1) allowing non-custodial parents to participate in JOBS;
- 2) expanding the Alternative Work Experience Program (AWEP) through plan amendment (i.e., a state plan option, no waivers required); and
- 3) exempting chemically dependent recipients from JOBS activities while participating in a treatment program.

However, the District of Columbia did not apply for waivers to implement any of these policies in its application even though the special application form used by the District (which provided for an expedited review and approval of your waiver application) included waivers to allow non-custodial parents to participate in JOBS as an option. Regardless of whether welfare reform policies included in the Cropp legislation were addressed in a public forum that allowed residents opportunity for review and comment, our assessment of whether the District of Columbia met public notice requirements must relate to whether public notice was met in addressing the policies pertinent to the approved waivers, not other policies for which no waivers were sought or approved.

Ms. Williams raised two additional issues: 1) that ACF did not inform the District of Columbia within 15 days of receipt of the application that it was deficient in meeting the public notice requirements so that there would be a chance to cure the deficiency, and 2) that the District of Columbia cured the public notice deficiency by meeting public notice requirements for submitting its Temporary Assistance for Needy Families (TANF) plan (which ACF has certified). The waiver could not have been approved until after the District had cured the public notice deficiency. Section 415(a)(2)(b) of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), provides that waivers approved subsequent to enactment have no effect in delaying TANF work requirements as defined under section 407. Consequently, in order for the District to have had the ability to delay the applicability of Section 407 to its TANF program, the District would have had to cure the deficiency with respect to public notice before August 22, 1996. Given the August 6, 1996 date of submission of the District's waiver application, regardless of when thereafter ACF informed the District of the deficiency, there would not have been sufficient time for the District to cure before August 22, 1996.

I recognize the challenges that PRWORA presents to jurisdictions as they move to institute welfare reform under TANF. My staff and I stand ready to assist the District of Columbia as you

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initiate reforms that move your cash assistance program to a more work-based focus. I am optimistic that discussions you are planning to have with John Monahan and David Lett of ACF should aid the District in this process.

Sincerely,

Howard Rolston
Director
Office of Planning, Research and
Demonstration

cc: Mr. David Lett
ACF Regional Administrator