

**Briefing on the Personal Responsibility
and
Work Opportunity Reconciliation Act of 1996
PL 104-193**

September 9-10, 1996
The Washington Renaissance Hotel
Washington, D.C.

The registration desk is open from 7:00 a.m. to 5:30 p.m. on Monday and from 7:00 a.m. until 4:00 p.m. on Tuesday.

A small meeting room is available to participants for private meetings. Please book this room at the registration desk.

Messages for meeting participants will be posted on a message board located next to the registration desk.

Admission to all sessions will be restricted to individuals wearing credentials.

MONDAY, SEPTEMBER 9

8:00 a.m.-9:00 a.m. **Continental Breakfast**
Outside Grand Ballroom North

9:00 a.m.-12:00 noon **Welcome**
Grand Ballroom North *Sid Johnson, Executive Director, American Public Welfare Association (APWA)*

Overview of PL 104-193
Elaine Ryan, Director of Government Affairs, APWA
Sheri Steisel, Senior Committee Director, Human Services, National Conference of State Legislatures (NCSL)
Susan Golonka, Senior Policy Analyst, National Governors' Association (NGA)

12:15 p.m.-1:45 p.m. **Luncheon**
Grand Ballroom South *Ray Scheppach, Executive Director, NGA*
 Speaker: Carol Rasco, Assistant to the President for Domestic Policy

2:00 p.m.-4:00 p.m. **Federal Policy Plenary Session**
Grand Ballroom North *Moderator: Carmen R. Nazario, Cabinet Secretary, Delaware Department of Health and Social Services*
 Presenters: John Monahan, Director for the Office of Intergovernmental Affairs, U.S. Department of Health and Human Services (HHS)

MONDAY, SEPTEMBER 9 (continued)

*Ellen Haas, Undersecretary, Food and Consumer Service,
U.S. Department of Agriculture (USDA)*

*Sally Richardson, Deputy Administrator, Health Care
Finance Administration, HHS*

*Mary Jo Bane, Assistant Secretary, Administration for
Children and Families, HHS*

4:00 p.m.-4:15 p.m. Break
Outside Grand Ballroom North

4:15 p.m.-5:45 p.m. Concurrent Sessions

Meeting Room 10/11 **Waivers**

Moderators and Presenters:

Elaine Ryan, Director of Government Affairs, APWA

*Sheri Steisel, Senior Committee Director, Human Services,
NCSL*

The new welfare reform law contains a number of provisions with regard to Section 1115 welfare reform waivers, transitional Medicaid waivers and transitional child care waivers. This session will explore the complex decisions states face in determining whether to continue, expand or discontinue Section 1115 waivers. The session will review waiver implications on work and time limit requirements as well as cost neutrality, research and evaluation considerations.

Meeting Room 3 **Work Requirements I**

Moderator: Susan Golonka, Senior Policy Analyst, NGA

*Presenters: Judy Moon, Operations and Management Manager,
Florida Department of Labor and Employment
Security*

*Don Winstead, Welfare Reform Administrator, Florida
Department of Health and Rehabilitative Services*

*Doug Howard, Administrator, Division of Economic
Assistance, Iowa Department of Human Services*

This session will review the 'nuts and bolts' of the work requirement provisions in PL 104-193. Topics to be addressed include: who is covered, hours of work, participation rates, activities that count as work, and the pro rata reduction of the work participation rate based on caseload declines. The primary focus will be on the TANF work requirements, with a brief review of the new food stamp work requirement.

Meeting Room 4 **Getting Started Strategically**

Co-facilitators: Andrea Kane, Senior Policy Analyst, NGA

*Sue Christie, Director of the Institute of Family Self-
Sufficiency, APWA*

MONDAY, SEPTEMBER 9 (continued)

*Resource People: Mary Jo Bane, Assistant Secretary, Administration
for Children and Families, U.S. Department of
Health and Human Services*

Helene Stebbins, Policy Analyst, NGA

This session will review the key strategic issues facing states as they implement PL 104-193. Topics include: implementation decisions and time frames; state options and how to exercise them; penalties and bonuses; state plan time frames and requirements; and areas of federal authority.

Meeting Room 2

Changing the Message

*Moderator: Jack Tweedie, Program Manager, Children and Families
Program, NCSL*

*Presenters: Antonio Riley, State Representative, Wisconsin
Mark Nadel, Associate Director for Income Security
Issues, U.S. General Accounting Office*

States face a tremendous challenge in transforming their welfare programs from cash assistance to work-based systems. They must change the vision and culture of the program almost overnight at the same time as they must grapple with difficult implementation questions. Speakers will describe their experiences with changing the vision of their welfare programs at the policy making, administrative, and recipient levels.

Meeting Room 8/9

Cross Systems Implications: Medicaid

Moderator: Lee Partridge, Health Policy Director, APWA

*Presenter: Judy Moore, Deputy Director of the Medicaid Bureau,
HCFA*

*Resource People: Jeff Harris, Senior Policy Analyst, NGA
John Peller, Health Policy Analyst, APWA
Joy Johnson Wilson, Senior Committee Director for
Health, NCSL
Ann Morse, Program Manager, Immigrant Policy
Project, NCSL*

With the link between cash assistance and Medicaid broken, states are faced with the challenge of changing complex Medicaid eligibility systems to establish new categories of eligibility. During this session, case studies will be reviewed to illustrate the Medicaid eligibility changes required by the immigration provisions, including deeming a sponsor's income. In addition, the participants will learn the Medicaid implications of the SSI eligibility changes for children and immigrants.

Meeting Room 16

Child Care

Moderator: John Sciamanna, Senior Policy Associate, APWA

*Presenter: Joan Lombardi, Associate Commissioner, Child Care
Bureau, ACF*

MONDAY, SEPTEMBER 9 (continued)

*Grace Hardy, Director, Division of Child Care, Colorado
Department of Human Services*

Federal work participation rate requirements on states and time limits for recipients will expand the number of welfare recipients participating in work activities and, as a result, the demand for child care will increase. How will states manage three different funding streams, expand child care supply, and maintain quality of services? Panelists will discuss the law's requirements and state strategies to meet the need.

6:00 p.m.-7:30 p.m. **Reception**
Grand Ballroom South

TUESDAY, SEPTEMBER 10

7:00 a.m.-8:00 a.m. Continental Breakfast
Outside Renaissance West

7:30 a.m.-8:30 a.m. **Federal Policy Plenary Session**

Grand Ballroom North

*Moderator: Gerald Miller, Director, Michigan Family Independence
Agency*

*Presenters: Carolyn W. Colvin, Deputy Commissioner for Programs
and Policy, Social Security Administration*

*Robert Bach, Executive Associate Commissioner, Office of
Policy and Planning, Immigration and Naturalization
Service, U.S. Department of Justice*

8:30 a.m.-8:45 a.m. **Break**

8:45 a.m.-10:15 a.m. **Concurrent Sessions**

Renaissance West A **Waivers**

*Moderators: Elaine Ryan, Director of Government Affairs, APWA
Sheri Steisel, Senior Committee Director, Human
Services, NCSL*

*Presenters: Mary Jo Bane, Assistant Secretary, Administration for
Children and Families, HHS*

*Ron Haskins, Staff Director, Subcommittee on Human
Resources of the Committee on Ways and Means, U.S.
House of Representatives*

The new welfare reform law contains a number of provisions with regard to Section 1115 welfare reform waivers, transitional Medicaid waivers and transitional child care waivers. This session will explore the complex decisions states face in determining whether to continue, expand or

TUESDAY, SEPTEMBER 10 (continued)

discontinue Section 1115 waivers. The session will review waiver implications on work and time limit requirements as well as cost neutrality and research and evaluation considerations.

Meeting Room 8/9

Immigration

Moderator: Ann Morse, Program Manager, Immigrant Policy Project, NCSL

Presenters: Robert Bach, Executive Associate Commissioner, Office of Policy and Planning, Immigration and Naturalization Service, U.S. Department of Justice

Joshua Bernstein, Director, Washington Office, National Immigration Law Center

Sara McCarthy, Principal Consultant, Committee on Health and Human Services, California Senate

Resource People: Bonny O'Neil, Associate Deputy Administrator, Food and Consumer Service, USDA

Carolyn Colvin, Deputy Commissioner for Programs and Policy, SSA

David Nielsen, Social Science Analyst, Office of the Assistant Secretary for Policy and Evaluation, HHS

Irene Bueno, Deputy Assistant Secretary, Office of the Assistant Secretary for Legislation, HHS

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Lan Liu
514-3242

The bulk of federal savings in welfare reform were found by denying public benefits to legal immigrants (\$23.8 billion, or 44% of the 6-year savings). New immigrants are barred from most federal means-tested programs; new and current immigrants lose SSI and food stamp benefits; and the federal government delegates authority to states to provide or deny Medicaid, TANF, and SSBG to immigrants as well as state-funded benefit programs. Participants will hear a summary of the changes, a discussion of state costs and implementation issues, and INS progress on verification systems and citizenship programs.

Meeting Room 10/11

Cross System Implications: Child Welfare and Services to Teens

Moderator: Betsey Rosenbaum, Director of the Family and Child Welfare Section, APWA

Presenters: Shelley Smith, Program Director Children, Youth, and Families Program, NCSL

Arnold R. Tompkins, Director, Ohio Department of Human Services

Jane Kitchel, Commissioner, Vermont Department of Social Services

This session will highlight the provisions of the new welfare reform law that encourage school attendance and completion, require teens on assistance to live at home and that focus on the

TUESDAY, SEPTEMBER 10 (continued)

prevention of out-of-wedlock births. In addition, the session will address implications of the changes in cash assistance and SSI for children that could produce new challenges for the child welfare system.

Meeting Room 13/14 Fiscal Issues I

Moderator: Susan Golonka, Senior Policy Analyst, NGA

*Presenters: Todd Bland, Fiscal and Policy Analyst, California
Legislative Analyst's Office*

*Don Winstead, Welfare Reform Administrator, Florida
Department of Health and Rehabilitative Services*

*Mark Greenberg, Senior Staff Attorney, Center for Law
and Social Policy*

Resource People: Shiela Dacey, Congressional Budget Office

Gene Falk, Congressional Research Service

This session will begin with an overview of the broad and interactive fiscal implications for states of the Personal Responsibility and Work Opportunity Reconciliation Act and then turn to fiscal issues and options under the TANF block grant. Particular focus will be on the considerations around early implementation and the policy implications of the maintenance of effort requirement.

Meeting Room 3 Changing the Message

*Moderator: Jack Tweedie, Program Manager, Children and Families
Program, NCSL*

Speakers: Antonio Riley, State Representative, Wisconsin

*Mark Nadel, Associate Director for Income Security
Issues, U.S. General Accounting Office*

States face a tremendous challenge in transforming their welfare programs from cash assistance to work-based systems. They must change the vision and culture of the program almost overnight at the same time as they must grapple with difficult implementation questions. Speakers will describe their experiences with changing the vision of their welfare programs at the policy making, administrative, and recipient levels.

Meeting Room 4 Information Systems

Moderator: Kelly Thompson, Senior Policy Associate, APWA

*Presenters: Mark Ragan, Acting Director, Office of Information
System Management, HHS*

*Rick Friedman, Co-Director, Office of Information
Systems and Data Analysis, Medicaid Bureau, HCFA*

*Tim O'Connor, Director, Benefit Redemption Division,
Food Stamp Program, USDA*

Resource People: John Peller, Health Policy Analyst, APWA

*Margaret Trostel, Senior Analyst, Family and Child
Welfare Services, APWA*

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TUESDAY, SEPTEMBER 10 (continued)

In order to implement the new welfare reform law, states will be required to fund and develop a wide range of new information systems related to cash, welfare, time limits, child support, and Medicaid and Food Stamp eligibility changes. Systems must also be designed to generate the data required to meet the expanded reporting requirements contained in the law. This session will brief participants on the enhanced funding to complete child support information systems of the 1988 Family Support Act as well as the Statewide Automated Child Welfare Information Systems (SACWIS).

10:15 a.m.-10:45 a.m. Break
Outside Renaissance West

10:45 a.m.-12:15 p.m. Concurrent Sessions

Meeting Room 4 **Work Requirements II**

Moderator: Evelyn Ganzglass, Director, Employment and Social Service Policy Studies, NGA

*Presenters: LaDonna Pavetti, Research Associate, Urban Institute
Julie Strawn, Senior Associate, Welfare Information Network*

David Shreve, Program Director, NCSL

This session will begin with a brief summary of the work requirements and will then focus primarily on strategies to increase recipients' participation in work. Topics to be addressed include: taking into consideration caseload and labor market characteristics in designing the program to meet the new requirements; understanding the likely fiscal implications of different design options; and issues related to the connection between the welfare and workforce development systems.

Meeting Room 13/14 **Food Stamps**

Moderator: Larry Goolsby, Senior Policy Analyst, APWA

*Presenters: Julie Osnes, South Dakota Food Stamp Administrator
Yvette Jackson, Deputy Administrator, Food and Consumer Service, USDA*

The administration of the Food Stamp program will change dramatically with new time limits on assistance and work requirements mandated by the new welfare reform law. The session will include presentations on the new simplified food stamp program, changes to the standard and other deductions, new waiver authority, cash out and immigrant eligibility changes.

Renaissance West A **Fiscal Issues II**

Moderators: Susan Golonka, Senior Policy Analyst, NGA

Elaine Ryan, Director of Government Affairs, APWA

Presenters: Norm Thompson, Chief Financial Officer, Administration for Children and Families, HHS

TUESDAY, SEPTEMBER 10 (continued)

*Ron Haskins, Staff Director, Subcommittee on Human Resources
of the Ways and Means Committee, U.S. House of
Representatives*

*Mark Greenberg, Senior Staff Attorney, Center for Law and
Social Policy*

Resource People: Shiela Dacey, Congressional Budget Office

Gene Falk, Congressional Research Service

Todd Bland, Fiscal and Policy Analyst, California

Legislative Analyst's Office

This session will focus on funding formulas and allocations under the TANF and child care block grants, how states can receive additional dollars through bonus funds and the contingency fund, how states can lose funds through penalties, and closing out of old programs, claims and disallowances. The flexibility provided states through transferability, creation of a rainy day fund and the interaction between TANF and child care will also be explored.

Meeting Room 3 Getting Started Strategically

Co-facilitators: Andrea Kane, Senior Policy Analyst, NGA

*Sue Christie, Director of the Institute of Family Self-
Sufficiency, APWA*

Resource Person: Helene Stebbins, Policy Analyst, NGA

This session will review the key strategic issues facing states as they implement PL 104-193. Topics include: implementation decisions and time frames; state options and how to exercise them; penalties and bonuses; state plan time frames and requirements; and areas of federal authority.

Meeting Room 10/11 Legal Issues

Moderator: Jon Dunlop, Policy Associate, Human Services, NCSL

*Presenters: Jon Felde, Senior Committee Director, Law and Justice
and General Counsel, NCSL*

*Paul Leche, Deputy General Counsel, Texas Department
of Human Services*

*David Peterson, Deputy General Counsel, Illinois
Department of Public Aid*

*Michele Besso, Assistant Attorney General, Washington
Attorney General's Office*

*Sherry Murray Klein, Assistant Attorney General, Arizona
Attorney General's Office*

A number of options that PL 104-193 gives the states may contradict standing court interpretations of both the federal constitution and state constitutions. Furthermore, the federal welfare law contains mandates which may potentially put states at risk of litigation. A panel will identify possible contradictions between the new law and standing court decisions, review provisions in the law that require state actions that may create legal liabilities for states, and explore who may have standing to bring a welfare lawsuit against a state.

TUESDAY, SEPTEMBER 10 (continued)

Meeting Room 8/9

Child Support Enforcement

*Moderator and Presenter: Kelly Thompson, Senior Policy Associate,
APWA*

*Paul Legler, Attorney Advisor, Office of the Assistant
Secretary for Policy and Evaluation, HHS*

*Betsy Matheson, Director of Policy and Planning, Office
of Child Support Enforcement, HHS*

*Sheri Steisel, Senior Committee Director, Human Services,
NCSL*

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A major component of federal welfare reform is improving the child support collections and enforcement system. The new federal child support statute expands the authority of state IV-D agencies, requires the passage of numerous state laws and mandates new automated systems and interstate cooperation. This session will examine the federal requirements on states, deadlines and administrative requirements.

12:30 p.m.-2:15 p.m. **Luncheon**

Grand Ballroom North

Senator James J. Lack, New York, Past President, NCSL

*Speaker: Representative Clay Shaw, Chairman, Subcommittee on
Human Resources of the Committee on Ways and Means,
U.S. House of Representatives*

*William T. Pound, Executive Director, National Conference
of State Legislatures*

*Speaker: Barry Van Lare, Executive Director, Welfare Information
Network*

2:15 p.m.-2:30p.m. **Break**

2:30 p.m.-4:00 p.m. **Concurrent Sessions**

Auditorium

American Public Welfare Association Meeting

State Human Service Administrators, Local Public Welfare Administrators and their staffs will meet to discuss the development of benchmarks to measure state performance under the new welfare reform legislation. There will be a facilitated discussion of the criteria to use in distributing one billion dollars in bonuses to high performance states. In addition, our members will be briefed on the APWA Regional Welfare Reform Implementation Seminars to be conducted throughout the country in September as well as other training and technical assistance plans to help states implement the new law.

TUESDAY, SEPTEMBER 10 (continued)

Renaissance West B National Conference of State Legislatures

This meeting provides a forum for state legislators and legislative staff to talk privately about plans, priorities, concerns and opportunities for implementing welfare reform. Among the topics to be discussed will be managing the legislative appropriations, statutory and oversight process, working with various levels of government, consultation in the federal regulatory process, pursuing congressional technical amendments and opportunities to share inter-state concerns.

Renaissance West A National Governors' Association

This meeting will provide an opportunity for Governors' policy, planning and budget staff to identify priorities for NGA's future welfare reform implementation assistance activities. In addition, participants will make recommendations on strategies for ensuring gubernatorial input to the regulatory process, technical amendments, and the development of performance outcome measures which will be used to distribute bonuses to high performance states.

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09-Sep-1996 09:20am

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TO: Diana M. Fortuna
TO: Jeremy D. Benami
TO: Emily Bromberg

FROM: Jill Pizzuto
Domestic Policy Council

SUBJECT: CHR / today's speech

11:45

fyi: speech is also saved on our i: drive. This is the version
WITH CHR corrections -- should be final draft unless you all make
a few more changes in your 10:30 meeting.

Draft

NGA/NCSL/APWA CONFERENCE ON WELFARE REFORM

Carol H. Rasco

September 9, 1996

Thank you, _____. I thank NGA, NCSL, and APWA for inviting the
Administration to be a part of this conference and for working
with us as you prepared for this meeting.

As I prepared to come here, I could not help but think back eight
years ago to the signing of the Family Support Act....then
Governors Clinton and Castle represented the NGA in the Rose
Garden as President Reagan signed that version of welfare
reform....as part of my reflection I also wondered how I could

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08-Sep-1996 07:14pm

TO: Carol H. Rasco

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: Notes about speech

I have faxed the revision of the speech to your house. Please call me or beep me asap if there is any problem and I will run back to the office.

A few comments:

1. Your handwritten comment at the bottom of page 1 of the first draft got cut off on my fax, but I just dropped the sentence you had bracketed, which read something like, "Let me assure you that no one in the administration is more committed to seeing this process through than President Clinton". I believe the point you were making is that people may have more doubts about the commitment of others in the administration than they do about the President's commitment.

2. On page 5, you had asked if we are confident about the statistic that someone who works a minimum wage job will have an income of \$14,000 once the the EITC and minimum wage increases are fully phased in. I got this from Jeremy, and am trying to find his source. I left it in for now.

3. In the conclusion you wrote, you had listed programs being changed by welfare reform, including Head Start (new page 12). I changed it to child care. I'm not sure the law includes changes to Head Start; I'm double checking.

4. In the conclusion you wrote (on the new page 12), I wasn't entirely clear about your analogy of the current process to the life of a welfare recipient. I'm sure I am just missing something, but it either didn't seem like an analogy, or else, since the current system is viewed as such a failure, it sounded like you thought our process was destined to fail. I wasn't sure what to do about this, so I left it pretty much the way you had it.

My understanding is that Jill plans to be in by 8 a.m. Monday morning for any revisions, and she said we should let her know if you need her earlier. I have emailed her that the speech is on

the i-drive under "speech.nga".

FAX COVER SHEET

CAROL H. RASCO

(202)456-2216 WORK PHONE

(202)456-2878 WORK FAX

(703)370-1340 HOME FAX

TO: Diana Fortuna

FAX #: 202-456-7028

FROM: CAROL H. RASCO

DATE: 9/8/96

NUMBER OF PAGES (including cover sheet): 11

COMMENTS: See email

If you have any problems with the fax transmission, please call
(202)456-2216.

Draft

NGA/NCSL/APWA CONFERENCE ON WELFARE REFORM

Carol H. Rasco

September 9, 1996

Working on intro

Thank you very much, [not sure yet who introduces you], for that kind introduction. On behalf of the Administration officials here today and tomorrow, I want to thank Ray Scheppach, Bill Pound, and Sid Johnson for inviting us to join you as you begin your work to implement the new welfare reform bill. We appreciate the opportunity to take part in this very timely conference.

Less than three weeks ago, President Clinton signed ^(something indicating strong bi-partisan support in Congress) legislation making the most dramatic changes in the country's social welfare system in thirty years. Welfare as we knew it is no more.

But, as President Clinton said on signing the bill, ^{while} the legislation may have marked the end of "welfare as we know it", it is really only the beginning of welfare reform.

We now have an historic opportunity to create a new program that provides those who need it with a hand up and out of poverty.

But the challenging work must now begin. [Let me assure you that there is no one in ^{the} our administration more committed to seeing this process through than President Clinton.]? (Frankly I think people know this - they wonder

... speak

many of ^{from Governor Clinton's tenure in the NGA}
As I think you ~~all~~ know, the President has a profound
understanding of the state perspective on welfare reform. In
fact, I know many of you here in this room from the days when we
worked together on this issue, when the President was the chair
of the National Governors' Association. [More recollections?]

It has been a long journey since then. None of us could have
predicted all the twists and turns that have led us to this day,
and to this unique opportunity.

And it is certainly fitting that the final law relies so heavily
on the states. Clearly, states have long been ahead of the curve
on welfare reform. You have demonstrated a record of innovation
reflected in the nearly 80 state waiver programs we have
approved ^{to date.} States have known for some time that federal welfare
laws were not working, and the push for waivers was a
manifestation of that. ~~and~~ This legislation recognizes that
states are in the best position to accomplish the goals we all
want to reach.

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Now you have the opportunity you have long sought. Each of us has an awesome responsibility to fulfill in making this law work to improve the lives of people now on welfare. We in the federal government will be working with you, but we will play a very different role than we have in the past. We will ^{be} prescribing processes a lot less than we used to, and instead working with you on outcomes and goals. You will have many other partners, as well -- the business community, the non-profit sector, ^{the religious community,} welfare recipients themselves. And we must work to ensure that everyone ^{state} does their part. But in so many ways, it will be up to you. ^{agencies who have not worked on this issue previously,}

Vision

~~This morning I want to spend a little time talking about what ~~the~~ means to the President and to this Administration to truly make~~
^{truly successful}
~~welfare reform a success. Look like to the President in~~
~~his administration?~~

The President ^{has 3 primary} goals for welfare reform ~~and~~

- (1) to create a ^{genuine,} transitional system of support for families in need;
- (2) To make work pay; and
- (3) to do everything we can to achieve those two goals while protecting children during this difficult transition period.

~~Let me discuss each of these briefly in turn:~~

(1) The fundamental problem with the old welfare system was its answer to the question, "What does a poor family need?" The answer was a check. Plain and simple. The less income you brought into the household the larger your check. The system contained all the wrong incentives and was out of step with our values and culture.

I think it is fair to say that a new consensus has emerged in this country that the right answer to the question of what a poor family needs is work. Work gives shape and meaning and dignity to all of our lives. It has to be the centerpiece of our social compact. All those who can work, should. All those who work full time should not have to raise their children in poverty.

So the first goal of welfare reform is to transform welfare offices and programs from check-writing operations to work preparation, placement, and support. Welfare offices should be places where people who need help temporarily -- because of family crisis, unemployment, or for whatever reason -- can go to get it. And the help they get will be help in preparing for, finding, and holding a job.

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(2) The second goal of welfare reform is to ensure that work pays. I'm sure I don't need to tell all of you that for many years it simply made rational sense for a mother in many states to choose to stay on welfare rather than to work.

The decision was based on simple economics: A mother leaving welfare to go to work would often bring home less cash while facing increased expenses for child care, transportation and work clothes, and of course putting her family's health care and other benefits at risk.

It was no wonder so many people chose welfare over work. The only real surprise is how many people chose to leave welfare for work despite the economics.

Let me tell you a bit about what's been accomplished so far to change these economics.

First, we've taken two critical steps to increase the incomes of the working poor -- the expansion of the Earned Income Tax Credit and the increase in the minimum wage. When both of these changes are fully phased in, a person working a full-time minimum wage

job will have over \$14,000 in annual income after taxes, excluding other benefits. That is a major improvement over four years ago.

We are quite confident of this figure.

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The second critical element is child care. The new law increases federal funding for child care over the next six years by \$4 billion. The President is also proposing to expand Head Start to over 1 million children in the next six years, and is leading a national challenge to support efforts to keep schools open late, so that parents have a safe, secure place for their children while they are still at work.

A final piece of the puzzle is health care. The welfare bill guarantees a year of Medicaid for those leaving welfare for work and severs the link between Medicaid and welfare. Several states have developed plans to extend coverage to more working poor families, and the Kennedy Kassebaum law will help families keep their insurance if they have to switch jobs, which so often happens at entry levels. Of course, there is more to be done to expand health care coverage so that all working Americans and their children have it, and the President is committed to moving step by step toward that goal.

must never again
The bottom line is that welfare no longer pays better than work.

This is very confusing
The combined effect of all these changes means that the mom with two children in Colorado who used to get \$8000 in AFDC will now take home \$12,600 or more than 50 percent more in even a part-time minimum wage job. On top of that, she'll get health care, Food Stamps, child care and better help in collecting child support. That's the right set of incentives.

don't think this audience is place to use a specific

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(3) ~~Finally~~ Our third goal is to ensure that children are protected. Families and their children will be better off in the long run with a system that substitutes paychecks for welfare checks and ensures that those who do take a job, any job, can raise their kids out of poverty. The bill also includes the child support enforcement measures the President proposed two years ago -- ~~the most sweeping crackdown on deadbeat parents in history~~

Can we add a sentence or two more on child support since it is so critical???

And, of course, this bill is much better for children than the bills the President vetoed. It maintains the national nutrition safety net by eliminating the Food Stamp cap and the optional block grant. It drops deep cuts and devastating changes in school lunch, child welfare, and help for disabled children. It maintains health and safety standards for federally funded day care. And it preserves the national Medicaid guarantee for poor children, the disabled, pregnant women and the elderly.

Problems with the Bill

The President signed this legislation because it presented a historic opportunity to reform welfare. However, as you all know, he did so with strong objections to certain provisions that are not related to welfare reform.

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He has vowed to correct the deep cuts in Food Stamps for working families with high shelter costs. He is also committed to changing provisions that are so unfair to legal immigrant families who have followed the rules, worked hard, and paid taxes, and who have suffered a calamity that has forced them to seek assistance. In addition to placing an undue hardship on these individuals, this will shift costs to states, local governments, and communities that serve large immigrant populations. The President is committed to working with Congress to fix these parts of the bill in the legislative process.

In implementing the bill, the Administration has already taken actions to treat legal immigrants fairly. We have offered states a waiver of food stamp recertification requirements, so that many states will have more time to develop the procedures needed to make accurate determinations about eligibility. We are continuing to reduce the bureaucratic delays in the citizenship process, so that legal immigrants who are eligible to become citizens can do so as quickly as possible. The Attorney General has issued a memorandum pursuant to the new law listing non-cash services that may not be denied to immigrants because they are necessary for the protection of life and safety. Finally, we are widely disseminating information on naturalization, ~~including to~~

~~states~~ I hope you will include the issue of naturalization in your discussions with the ever-widening circle of stakeholders with whom you will be working - public & private.

Implementation Issues

Let me now touch briefly on some of the steps we will be taking over the coming months to ensure that our goals for welfare reform are fulfilled.

The central issue in a reformed welfare system that requires work is "where are the jobs?" The President understands this, and that's why he unveiled a new \$3.4 billion job creation and placement initiative -- called the Welfare to Work Jobs Challenge. This fund will provide money to support job creation and placement initiatives, targeted to the hardest-to-place welfare recipients. This three-part initiative includes a targeted welfare-to-work tax credit, tax incentives to increase investment in distressed areas, and a major welfare-to-work jobs initiative. (CHR working on addition.)

The President is committed to an active ^{but appropriate} role for the Federal government in the implementation of this legislation -- ~~although~~ ^{our role} it will be modified to reflect more of a partnership and less of ^{the traditional} a bureaucratic approach. The White House is bringing together on a regular basis the agencies with the major responsibility for implementing this bill, including the Department of Health and Human Services, the Department of Agriculture, the Social Security Administration, and the Immigration and Naturalization Service, to ensure that all of us are working together in a coordinated fashion across agencies to implement this law.

10

smoothly and effectively.

A larger group of ^{bill in #} agencies ^{and depts.} is meeting on a regular basis to discuss the implications of the law more broadly. ~~and~~ ^{move not} ~~beginning the process of working~~ with the three organizations sponsoring this conference to make sure we are truly acting in partnership with you.

We are here today to learn from one another. All of us have questions about how to interpret the statute and how programs will work on the ground level. The Administration officials who are here today and tomorrow will do their best to discuss these questions with you. But it would be misleading to suggest that we have all the answers at this point. In fact, one benefit of this conference coming so soon after the enactment of the law is that we can all take advantage of this opportunity to learn from one another.

On the other hand, from the perspective of state officials, I know that the law's effective dates must seem very near indeed. There is so much to do: developing work programs; changing the culture of welfare offices; writing new state plans; implementing a new child support enforcement system and a new child care block grant; managing major changes to the food stamp program ^{and other nutrition programs;} delinking Medicaid from welfare and other systems; and getting a handle on performance bonuses and contingency funds.

4 + DOT - ?
EPA
HHS
CEA
Labor
Commerce

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

06-Sep-1996 01:40pm

TO: Jill Pizzuto
TO: Jeremy D. Benami
TO: Diana M. Fortuna

FROM: Elizabeth E. Drye
 Domestic Policy Council

SUBJECT: FED EX FOR CHR ON WELFARE SPEECH

Not sure where the prep stands on this, but per attached e-mail, Carol would like to have fed-ex sent to her today with background materials and draft remarks, if available. Can one of you handle this? (Carol said in a previous e-mail she does NOT anticipate Leon will do in the end and feels she needs to be well-prepared).

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

06-Sep-1996 01:25pm

TO: Elizabeth E. Drye

FROM: Carol H. Rasco
 Domestic Policy Council

CC: Jill Pizzuto

SUBJECT: Welfare Reform

I have been giving thought to the speech on Monday...
Seems to me there are four key things that must be included:
+changes the President has announced he will seek
+Implementation issues
 Directives to Secretaries to date
 AG piece on programs legal immigrants CAN participate in (the
 soup kitchen issue, etc...I assume that came out?)
 Coordinating bodies we have going
+Jobs: both POTUS announced initiative and other ideas
+Overall WH/Admin. vision-direction on this issue

I'll keep thinking....if I give the speech I know I will focus on
need to keep in mind the clients and the front line workers.

Finally, I brought with me the paper on the JOBS initiative but
not much else. I would very much like to have Fed Ex'd here to my
sister's home (with no signature for receipt necessary as I can't
assure when we would/would not be here tomorrow) for Saturday
delivery (before 3 p.m.):

HHS summary of bill (Jeremy gave me one before Chicago...I'm not
sure where it is at office now or if I got back from Chicago with
it)

The HHS guidance if we have ever gotten the draft
Any other Q/A folks think is good solid background
POTUS statements when he announced he would sign bill, his signing
speech and signing statement (I understand these are two different
things?)

The recent McCurry statement with attached directives on Food
stamps and naturalization (I think this is still on top of my
desk, not sure.)

Finally, if there are draft talking points a draft speech,
whatever ready to go in that packet you can or they can be faxed
to my brother in law at his business today (someone would need to
call to make sure he is there, how long he is staying, etc.) and

otherwise can be faxed to KINKO at 501-954-1333 with my name on it. The person faxing it from DC should then beep me to tell me it is at KINKO or leave a message on my sister's home phone. If any problems in transmitting to KINKO their phone number is 501-954-1300.

Thanks!

DRAFT AGENDA 8/29
BRIEFING ON WELFARE REFORM*
SEPTEMBER 9-10

DRAFT

cc Jeremy
Steve
Lyn
Bruce

From Diana

FYI

NGA/NCSL/APWA
Conference Agenda

MONDAY, SEPTEMBER 9

9:00am-12:00-Welcome-Sid Johnson, Executive Director, American Public Welfare Association

Overview of PL 104-193

Elaine Ryan, Director of Government Affairs, APWA

Sheri Steisel, title

Susan Golonka, title

12:15-1:45 Luncheon

Ray Scheppach, Executive Director, National Governors' Association Moderator

Barry Van Lare, Executive Director, Welfare Information Network

Add with speaker list

2:00-4:00 Administration Plenary

Gerald Miller, title, Moderator

— John Monahan, Director of Intergovernmental xx, HHS

— Mary Jo Bane, Assistant Secretary, Administration on Children and Families

— Sally Richardson, title HCFA

— Ellen Haas, Assistant Secretary, Food and Nutrition Services, USDA

They want to tape
plenaries - we
raise press issue -
they say no
drop idea

4:00-4:15 Break

4:15-5:45 Break-Outs

Waivers

Elaine Ryan, Director of Government Affairs, APWA

Sheri Steisel moderators and presenters

} state only

Work Requirements

Moderator and Speaker: Susan Golonka

Doug Howard, Administrator, Division of Economic Assistance, Iowa Department of Human Services

Don Winstead, Welfare Reform Administrator, Florida Department of Health and Rehabilitative Services

S. only

This session will review the 'nuts and bolts' of the work requirement provisions in HR 3734. Topics to be addressed include: who is covered, hours of work, participation rates, activities that count as work, penalties, and the prorata reduction of the work participation rate based on caseload declines. The primary focus will be on the TANF work requirements, with a brief review of food stamp and child support work provisions.

DRAFT

Getting Started Strategically

Moderator: Andrea Kane, Senior Policy Analyst, NGA

Speakers: Mary Jo Bane, Assistant Secretary, Administration on Children and Families,
U.S. Department of Health and Human Services

Sue Christy, APWA

Helene Stebbins,

legislator possibly from MD FL, MI

This session will review the key strategic issues facing states as they implement PL 104-193 Topics include: implementation decisions and time frames, state options and how to exercise them, penalties and bonuses, state plan time frames and requirements, and areas of federal authority.

Changing the Message

Moderator: Jack Tweedie, Program Manager, Children and Families Program, NCSL

Speakers: Antonio Riley, Wisconsin

Linda Wolfe, title, APWA

States face a tremendous challenge in transforming their welfare programs from cash assistance to work-based systems. They must change the vision and culture of the program almost overnight at the same time as they must grapple with difficult implementation questions. Speakers will describe their experiences with changing the vision of their welfare programs at the policy making, administrative, and recipient levels.

Cross Systems Implications: Medicaid

Moderator: Lee Partridge, APWA Health Policy Director

Jeff Harris, Senior Policy Analyst, NGA

John Peller, title APWA

Joy Johnson Wilson, title, NCSL

Ann Morse, title, NCSL

Judy Moore, Deputy Director of the Medicaid Bureau, HCFA

With the link between cash assistance and Medicaid broken, states are faced with the challenge of changing complex Medicaid eligibility systems to establish new categories of eligibility. During this session, case studies will be reviewed to illustrate the Medicaid eligibility changes required by the immigration provisions, including deeming a sponsor's income. In addition, the participants will learn the Medicaid implications of the SSI eligibility changes for children and immigrants.

Child Care

Moderator: Joan Lombardi, Associate Commissioner, Child Care Bureau, ACF

John Sciamanna, Senior Policy Associate, APWA

2 state legislators

Federal work participation rate requirements on states and time limits for recipients will expand the number of welfare recipients participating in work activities and, as a result, the demand for child care will increase. How will states manage three different funding streams, expand child care supply, and maintain quality of services? Panelists will discuss the law's requirements and state strategies to meet the need.

6:00-7:30 **Reception**

TUESDAY, SEPTEMBER 10

7:30-8:30 **Administration Plenary**

Moderator: Carmen R. Nazario, Cabinet Secretary, Delaware Department of Health and Social Services

Speakers: Carolyn W. Colvin, Deputy Commissioner for Programs and Policy, Social Security Administration

Robert Bach, title, Immigration and Naturalization Service, U.S. Department of Justice

8:45-10:15 Breakouts

Waivers

Elaine Ryan and Sheri Steisel moderators and presenters

Mary Jo Bane, Assistant Secretary, Administration on Children and Families, U.S. Department of Health and Human Services

Ron Haskins, Staff Director, Subcommittee on Human Resources of the Committee on Ways and Means, U.S. House of Representatives

The new welfare reform law contains a number of provisions with regard to Section 1115 welfare reform waivers, Transitional Medicaid waivers and transitional Child Care Waivers. This session will explore the complex decisions states face in determining whether to continue, expand or discontinue Section 1115 waivers. Particularly, the session will review waiver implications on work and time limit requirements as well as cost neutrality and research and evaluation considerations.

Immigration

Moderator: Ann Morse, title NCSL

Bob Bach title, Immigration and Naturalization Service, U.S. Department of Justice

Josh Bernstein, title, organiz.

Add HHS, FCS, SSA ~~Bob~~ Nelson/O'Neil/Colvin as resource people

The bulk of federal savings in welfare reform were found by denying public benefits to legal immigrants (\$23.8 billion, or 44% of the 6-yearsavings). New immigrants are barred from most federal means-tested programs; new and current immigrants lose SSI and food stamp benefits; and the federal government delegates authority to states to provide or deny Medicaid, TANF, and SSBG to immigrants as well as state-funded benefit programs. Participants will hear a summary of the changes, a state impact an

analysis of costs and implementation issues, and INS progress on verification systems and citizenship programs.

Cross System Implications: Child Welfare and Services to Teens

Moderator: Betsey Rosenbaum, APWA Director of the Family and Child Welfare Section

Julie Strawn, title, Welfare Information Network

Evelyn Ganzglass

Shelly Smith, NCSL

Arnold Tompkins, Iowa??

This session will highlight the provisions of the new welfare reform law that encourage school attendance and completion, require teens on assistance to live at home and that focus on the prevention of out-of-wedlock births. In addition, the moderators will discuss implications of the changes in cash assistance and SSI for children that could produce new challenges for the child welfare system.

Fiscal Issues

Moderator: Susan Golonka, title, NGA

Mark Greenberg, Senior Staff Attorney, Center for Law and Social Policy

Peter Burns (AZ)

Todd Bland, Fiscal and Policy Analyst, California Legislative Analyst's Office

S.O.

An interactive discussion on the fiscal issues and decisions states face in implementing the Personal responsibility and Work Opportunity Reconciliation Act of 1996. This session will focus on the restrictions and options states face in managing the TANF and Child Care block grants, as well as issues to consider regarding state assistance for the newly ineligible recipient population.

Changing the Message

Moderator: Jack Tweedie, Program Manager, Children and Families Program, NCSL

Speakers: Antonio Riley, Wisconsin

Linda Wolfe, title, APWA

S.O.

States face a tremendous challenge in transforming their welfare programs from cash assistance to work-based systems. They must change the vision and culture of the program almost overnight at the same time as they must grapple with difficult implementation questions. Speakers will describe their experiences with changing the vision of their welfare programs at the policy making, administrative, and recipient levels.

Information Management

Moderator: Kelly Thompson, Senior Policy Associate, APWA

John Peller, Health Policy Analyst, APWA

Mark Ragan, title, HHS

Rick Friedman, title, HCFA

Tim O'Connor, title, FCS

DRAFT

In order to implement the new welfare reform law, states will be required to fund and develop a wide range of new information systems related to cash, welfare, time limits, child support and Medicaid and Food Stamp eligibility changes. Systems must also be designed to generate the data required to meet the expanded reporting requirements contained in the law. This session will brief participants on the enhanced funding to complete child support information systems of the 1988 Family Support Act as well as the Statewide Automated Child Welfare Information Systems (SACWIS).i

10:15-10:45 **Break**

10:45-12:15 Breakouts

Work Requirements

Moderator: Evelyn Ganzglass, Director, Employment and Social Service Policy Studies, NGA

Julie Strawn, title Welfare Information Network

David Shreve, title, NCSL

S.O.

This session will provide a very brief overview of the 'nuts and bolts' of the work requirements in HR 3734, but the primary focus of the session will be on program design issues and challenges facing states in implementing the work requirements. Topics to be addressed include: program and caseload priorities, design options, fiscal implications, change from the current system, long-term capacity building, and design implications of sanctions and time limits.

Food Stamps

Moderator: Larry Goolsby, Senior Policy Analyst, APWA

Julie Osnes, South Dakota Food Stamp Administrator

~~Bonnie O'Neill~~, Associate Deputy Administrator, Food and Consumer Service, U.S. Department of Agriculture

Yvette Jackson

The administration of the Food Stamp program will change dramatically with new time limits on assistance and work requirements mandated by the new welfare reform law. In addition, The session will include presentations on the new simplified food stamp program, changes to the standard and other deductions, new waiver authority, cash out and immigrant eligibility changes.

Fiscal Issues

Moderator: Susan Golonka, title, NGA

Ron Haskins, Staff Director, Subcommittee on Human Resources of the Committee on Ways and Means, U.S. House of Representatives

Mark Greenberg, Senior Staff Attorney, Center for Law and Social Policy

Todd Bland, Fiscal and Policy Analyst, California Legislative Analyst's Office

Add Norm Thompson of ACE

An interactive discussion on the fiscal issues and decisions states face in implementing the Personal responsibility and Work Opportunity Reconciliation Act of 1996. This session will focus on the restrictions and options states face in managing the TANF and Child Care block grants, as well as issues to consider regarding state assistance for the newly ineligible recipient population.

Getting Started Strategically

Moderator: Andrea Kane

Sue Christy

Helene Stebbins,

FL,MI, 1 legisl possibly from MD

S.O.

This session will review the key strategic issues facing states as they implement HR 3734. Topics include: implementation decisions and time frames, state options and how to exercise them, penalties and bonuses, state plan time frames and requirements, and areas of federal authority

Anticipating Legal Challenges

Moderator: John Dunlop

Barry Brumer, Indiana Legislative Services Agency

Becky Lennahan, Colorado Legislative Counsel

Lucy Hadi, Florida Senate Ways and Means Committee

Sara McCarthy, California Senate Health and Human Services Committee

Paul Lesch, Texas Office of General Counsel

S.O.

A number of options that PL 104-193 gives the states may contradict standing court interpretations of both the federal constitution and state constitutions. Furthermore, the federal welfare law contains mandates which may potentially put states at risk of litigation. A panel will identify possible contradictions between the new law and standing court decisions, review provisions in the law that require state actions that may create legal liabilities for states, and explore who may have standing to bring a welfare lawsuit against a state.

Child Support Enforcement

Moderator and Presenter: Kelly Thompson, Senior Policy Associate, APWA

Judge Ross

Paul Legler

Sheri Steisel, title, APWA

A major component of federal welfare reform was improving the child support collections and enforcement system. The new federal child support statute expands the authority of state IV-D agencies, requires the passage of numerous state laws and mandates new automated systems and interstate cooperation. This session will examine the federal requirements on states, deadlines and administrative requirements.

DRAFT

12:30 P.M.-2:00 P.M. Luncheon

Moderator: Bill Pound, Executive Director, National Conference of State Legislatures

Leon Panetta (invited) —
Representative Clay Shaw

2:00-2:15 Break

2:15-4:00

American Public Welfare Association Meeting
National Conference of State Legislatures
National Governors' Association

*We say he can't do it Tuesday — they
will put a WH official TBH
on Monday lunch*

meeting closed to the press

meeting room available to participants for private meetings, press interviews etc. Contact
Debbie Woods at registration to schedule the room
message board

must wear credentials

September 3, 1996

TO: CHR

CC: Fortuna

RE: Attendee's for 9/4 1:00p / Welfare Reform Sept. 9-10 conference meeting

NGA:

Evelyn Ganzglass

Susan Golanka

NCSL:

Sheri Steisel

Michael Bird

APWA:

Elaine Ryan

Syd Johnson

WH DPC:

CHR

Bruce Reed

Diana Fortuna

WH Intergovernmental Affairs:

Emily Bromberg

HHS:

John Monahan

Ann Rosewater

INS:

Bob Bach

WH Counsel:

Elana Kagan

SSA:

Brian Coyne

Carolyn Colvin

OMB:

Keith Fontenot

USDA: * WILL CALL IN TO RM 180 (fyi: RM 180 phone # 6-6572)

Yvette Jackson

Stacey Dean

**SSI CHILDHOOD DISABILITY CASES
REQUIRING REEVALUATION**

STATE	TOTAL
ALABAMA	7,684
ALASKA	255
ARIZONA	3,044
ARKANSAS	5,810
CALIFORNIA	16,224
COLORADO	2,179
CONNECTICUT	1,446
DELAWARE	674
DISTRICT OF COLUMBIA	673
FLORIDA	16,386
GEORGIA	5,741
GUAM	1
HAWAII	109
IDAHO	1,361
ILLINOIS	14,386
INDIANA	5,768
IOWA	2,084
KANSAS	2,886
KENTUCKY	8,061
LOUISIANA	12,599
MAINE	601
MARYLAND	3,551
MASSACHUSETTS	5,044
MICHIGAN	14,934
MINNESOTA	3,512
MISSISSIPPI	6,421
MISSOURI	6,712
MONTANA	584
NEBRASKA	974
NEVADA	648
NEW HAMPSHIRE	346
NEW JERSEY	5,815
NEW MEXICO	1,688
NEW YORK	27,495
NORTH CAROLINA	11,957
NORTH DAKOTA	311
OHIO	16,603
OKLAHOMA	2,002
OREGON	1,568
PENNSYLVANIA	14,346
PUERTO RICO	38
RHODE ISLAND	881
SOUTH CAROLINA	4,256
SOUTH DAKOTA	637
TENNESSEE	6,468
TEXAS	13,374

**SSI CHILDHOOD DISABILITY CASES
REQUIRING REEVALUATION**

STATE	TOTAL
UTAH	1,102
VERMONT	430
VIRGINIA	8,916
WASHINGTON	3,461
WEST VIRGINIA	2,518
WISCONSIN	6,883
WYOMING	392
UNKNOWN	904
TOTAL	282,743*

*Includes approximately 60,000 cases that will be screened to determine if a medical redetermination is required.

PREPARED BY: SOCIAL SECURITY ADMINISTRATION
DATE PREPARED: AUGUST 1996 (data through 07/30/96)

Number and percentage of aliens* receiving
SSI payments by State, July 1996

State	Aliens	
	Number	Percent
Total	817,890	100.00
Alabama	640	0.08
Alaska	810	0.10
Arizona	7,850	0.96
Arkansas	380	0.05
California	332,800	40.69
Colorado	5,620	0.69
Connecticut	4,840	0.59
Delaware	440	0.05
District of Columbia	950	0.12
Florida	81,400	9.95
Georgia	4,790	0.59
Hawaii	4,490	0.55
Idaho	410	0.05
Illinois	27,140	3.32
Indiana	1,190	0.15
Iowa	1,210	0.15
Kansas	1,610	0.20
Kentucky	760	0.09
Louisiana	2,890	0.35
Maine	570	0.07
Maryland	9,300	1.14
Massachusetts	25,280	3.09
Michigan	8,250	1.01
Minnesota	7,150	0.87
Mississippi	500	0.06
Missouri	1,950	0.24
Montana	160	0.02
Nebraska	750	0.09
Nevada	2,720	0.33
New Hampshire	360	0.04
New Jersey	25,560	3.13
New Mexico	3,550	0.43
New York	129,720	15.86
North Carolina	2,580	0.32
North Dakota	140	0.02
Ohio	6,050	0.74
Oklahoma	1,360	0.17
Oregon	4,620	0.56
Pennsylvania	12,680	1.55
Rhode Island	3,740	0.46
South Carolina	620	0.08
South Dakota	230	0.03
Tennessee	1,400	0.17
Texas	59,190	7.24
Utah	1,520	0.19
Vermont	180	0.02
Virginia	8,050	0.98
Washington	14,270	1.74
West Virginia	210	0.03
Wisconsin	4,950	0.61
Wyoming	60	0.01

*Alien status
as of date of
application

**APWA, NCSL, NGA Welfare Reform Briefing
September 9-10, 1996**

Federal Agency Handouts for the Conference as of September 3, 1996

Materials Received

HHS letter and summary of child care
HHS TANF estimates
HHS child care reporting matrix

USDA implementation memo
USDA extension of certification periods

AG order on definition of community programs

Materials Needed

{ SSA estimates
SSA timing of events } Carolyn passed this out

INS package on Save
INS definition of lawfully present } Bob

ACF will bring:

- guidance
- list of effective dates

NGA/NCSL/APWA CONFERENCE
ON WELFARE REFORM

Carol H. Rasco
Assistant to the President for Domestic Policy
September 9, 1996

Thank you, Ray. I thank NGA, NCSL, and APWA for inviting the Administration to be a part of this conference and for working with us as you prepared for this meeting.

As I prepared to come here, I could not help but think back eight years ago to the signing of the Family Support Act....then Governors Clinton and Castle represented the NGA in the Rose Garden as President Reagan signed that version of welfare reform.... as part of my reflection I also wondered how I could come here today and not convey the message of, "I'm a Fed and I'm here to help you"....some of the most dreaded words to state officials -- I know, I've been in your seat.

In those years in the statehouse, I also experienced major systems changes at this point in the state legislative calendar. But I don't think I ever faced a system change as far reaching as found in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and I can only imagine the anxiety you feel, with many of your states' budgets prepared, pre-session hearings now being held and an early 1997 legislative session start date facing you. You probably feel like many of us here in Washington as we read and re-read this law: Stop the World -- at least for a few moments -- I need to get off!

But time, legislative schedules, deadlines set in law and, most importantly, the lives of our clients march on, and so must we. Less than three weeks ago, President Clinton -- again in the Rose Garden with, by the way, Congressman Castle and several of your governors present -- signed legislation with strong bipartisan support that makes the most dramatic changes in the country's social welfare system in thirty years. Welfare as we knew it is no more.

But, as President Clinton said on signing the bill, while the legislation may have marked the end of "welfare as we know it", it is really only the beginning of welfare reform. We now have an historic opportunity to create a new program that provides those who need it with a hand up and out of poverty. But the challenging work now begins.

As many of you know from Governor Clinton's tenure in the NGA, the President has a profound understanding of the state perspective on welfare reform. And it is certainly fitting that the law relies so heavily on the states. Clearly, states have long been ahead of the curve on welfare reform. You have demonstrated a record of innovation reflected in the nearly 80

state waiver programs approved to date. States have known for some time that federal welfare laws were not working, and the push for waivers was a manifestation of that. This legislation recognizes that states are in the best position to accomplish the goals we all want to reach.

Now you have the opportunity you have long sought. Each of us has an awesome responsibility to fulfill in making this law work to improve the lives of people now on welfare. We in the federal government will be working with you, but we will play a very different role than we have in the past. We will be prescribing processes a lot less than we used to, and **instead** working with you on outcomes and goals. You will have many other partners, as well -- the business community, the non-profit sector, the religious community, state agencies who have not worked on this issue previously, and welfare recipients themselves. And we must all work to ensure that everyone does their part. But in so many ways, it will be up to you.

Vision

What does truly successful welfare reform look like to the President and his Administration?

The President has 3 primary goals for welfare reform:

- (1) to create a **genuine** transitional system of support for families in need;
- (2) to make work pay; and
- (3) to do everything we can to achieve those two goals while protecting children during this difficult transition period.

(1) The fundamental problem with the old welfare system was its answer to the question, "What does a poor family need?" The answer was a check. Plain and simple. The less income you brought into the household the larger your check. The system contained all the wrong incentives and was out of step with our values and culture.

I think it is fair to say that a new consensus has emerged in this country that the right answer to the question of what a family in poverty needs is work. Work gives shape and meaning and dignity to all of our lives. It **has** to be the centerpiece of our social compact. All those who can work, should. All those who work full time should not have to raise their children in poverty.

So the first goal of welfare reform is to transform welfare offices and programs from check-writing operations to work preparation, placement, and support. Welfare offices should be places where people who need help temporarily -- because of family crisis, unemployment, or for whatever reason -- can go to get it. And the help they get will be help in preparing for, finding, **and** holding a job.

(2) The second goal of welfare reform is to ensure that work pays. I'm sure I don't need to tell all of you that for many years it simply made rational sense for a mother in many states

to choose to stay on welfare rather than to work.

The decision was based on simple economics: A mother leaving welfare to go to work would often bring home less cash while facing increased expenses for child care, transportation and work clothes, and of course putting her family's health care and other benefits at risk.

It was no wonder so many people chose welfare over work. The only real surprise is how many people chose to leave welfare for work despite the economics.

Let me tell you a bit about what's been accomplished so far to change these economics.

First, we've taken two critical steps to increase the incomes of the working poor -- the expansion of the Earned Income Tax Credit and the increase in the minimum wage. When both of these changes are fully phased in, a person working a full-time minimum wage job will have over \$14,000 in annual income after taxes, excluding other benefits. That is a major improvement over four years ago.

The second critical element is child care. The new law increases federal funding for child care over the next six years by \$4 billion. The President is also proposing to expand Head Start to over 1 million children in the next six years, and is leading a national challenge to support efforts to keep schools open late, so that parents have a safe, secure place for their children while they are still at work.

A final piece of the puzzle is health care. The welfare bill guarantees a year of Medicaid for those leaving welfare for work and severs the link between Medicaid and welfare. Several states have developed plans to extend coverage to more working poor families, and the Kassebaum-Kennedy law will help families keep their insurance if they have to switch jobs, which so often happens at entry levels. Of course, there is more to be done to expand health care coverage so that all working Americans and their children have it, and the President is committed to moving **step by step** toward that goal.

The bottom line is that welfare must never again pay better than work.

(3) Our third goal is to ensure that children are protected. Families and their children will be better off in the long run with a system that substitutes paychecks for welfare checks and ensures that those who do take a job, any job, can raise their kids out of poverty.

The bill also includes the child support enforcement measures the President proposed two years ago. These sweeping changes could increase child support collections by \$24 billion over 10 years. They will make it easier to establish paternity, track delinquent parents across state lines, and streamline procedures for withholding child support from wages. As a result, children will get **more** of the support they need and deserve.

Problems with the Bill

The President signed this legislation because it presented a historic opportunity to reform welfare. However, as you all know, he did so with strong objections to certain provisions

that are not related to welfare reform.

He has vowed to correct the deep cuts in Food Stamps for working families with high shelter costs. He is also committed to changing provisions that are so unfair to legal immigrant families who have followed the rules, worked hard, and paid taxes, and who have suffered a calamity that has forced them to seek assistance. In addition to placing an undue hardship on these individuals, this will shift costs to states, local governments, and communities that serve large immigrant populations. The President is committed to working with Congress to fix these parts of the bill in the legislative process.

In implementing the bill, the Administration has already taken actions to treat legal immigrants fairly. We have offered states a waiver of food stamp recertification requirements, so that many states will have more time to develop the procedures needed to make accurate determinations about eligibility. We are continuing to reduce the bureaucratic delays in the citizenship process, so that legal immigrants who are eligible to become citizens can do so as quickly as possible. The Attorney General has issued a memorandum pursuant to the new law listing non-cash services that may not be denied to immigrants because they are necessary for the protection of life and safety.

Finally, we are widely disseminating information on naturalization. I hope you will include the issue of naturalization in your discussions with the ever-widening circle of stakeholders with whom you will be working -- public and private.

Implementation Issues

Let me now touch briefly on some of the steps we will be taking over the coming months to ensure that our goals for welfare reform are fulfilled.

The central issue in a reformed welfare system that requires work is, "Where are the jobs?" The President understands this, and that's why he unveiled a new \$3.4 billion job creation and placement initiative -- called the Welfare to Work Jobs Challenge. This fund will provide money to support job creation and placement initiatives, targeted to the hardest-to-place welfare recipients. This three-part initiative includes a targeted welfare-to-work tax credit, tax incentives to increase investment in distressed areas, and a major welfare-to-work jobs initiative. We have provided information on this challenge for your notebooks and we invite your feedback.

In addition to this proposal, we are eager to know from you if there are steps we in the federal government can take to assist you, as you work to create an atmosphere where state programs and departments -- that might never have done so in the past -- come to view jobs for welfare clients as part of their mission.

This will be a critical step in your planning. I was pleased to see reported in my home state this weekend that the DHS Director acknowledged to a legislative committee last week that sure, while Arkansas will be initially receiving more money, the major outcome has to do with jobs, and it will be necessary for us to look at the current jobs and economic development programs in Arkansas that can be re-focused to make certain we can meet the

work requirements.

How can -- or perhaps more appropriately -- CAN the federal government assist in that effort in your state?

The President is committed to an active, but appropriate, role for the Federal government in the implementation of this welfare reform law -- our role will be modified to reflect more of a partnership, and less of the traditional bureaucratic approach. The White House is bringing together on a regular basis the agencies with the major responsibility for implementing this bill, including the Department of Health and Human Services, the Department of Agriculture, the Social Security Administration, and the Immigration and Naturalization Service, to ensure that all of us are working together in a coordinated fashion across agencies to implement this law smoothly and effectively.

It is with this group of four agencies and several White House departments that your three organizations met as planning proceeded for this conference. The White House has committed to convening this group regularly for a reporting and sharing session in order to better ensure that we act in partnership with you, the states. We will meet next week for a debriefing process from this conference.

A larger group of 11 federal agencies and departments is meeting bi-weekly at the White House to discuss the implications of the law more broadly. Included in this group are the Departments of Labor, Commerce, Justice, Housing, and Education, the Small Business Administration, and the EPA due to the brownfields initiative and its relation to jobs creation.

We are all here these two days to learn from one another. All of us have questions about how to interpret the statute and how programs will work on the ground level. The Administration officials who are here today and tomorrow will do their best to discuss these questions with you and to listen. But it would be misleading to suggest that we have all the answers at this point. In fact, one benefit of this conference coming so soon after the enactment of the law is that we can all take advantage of this opportunity to learn from one another.

On the other hand, from the perspective of state officials, I know that the law's effective dates must seem very near indeed. There is so much to do: developing work programs; changing the culture of welfare offices; writing new state plans; implementing a new child support enforcement system and a new child care block grant; managing major changes to food stamps and other nutrition programs; delinking Medicaid from welfare and other systems; and getting a handle on performance bonuses and contingency funds.

Conclusion

Working together, I know we can bring all these strands together and make this law a success. But the success of welfare reform will depend on the work that goes on each and every day in each and every state -- and, quite frankly, most importantly the work that occurs every day in the communities, large and small across this country.

I have already heard or read that this law has numerous analogies to various processes in our lives. There are those who have said we will move from chaos and confusion, to a state of change, on to competence. There are even those who have said the law is like the eye of the fiercest storm, and we must work to keep the devastation and churning off-shore, out of the lives of the clients.

However, if you look at the list of programs where you will be trying to bring about major change -- the new TANF block grant, Food Stamps, WIC, Medicaid in all its variations, SSI, child care, child support, education and training, employment...and the list goes on -- then perhaps the best image to keep before us throughout the process of implementation is the life of the current welfare recipient. She or he and the children involved have been trying for years to make sense out of these programs, and more often than not have been their own case managers, trying desperately to create a life, a support system for making the family whole.

We now have the framework through this law to build on the lessons we in government -- whatever the level -- have learned from one another AND from the clients. Over the last 18 months, I have traveled to 27 of your states and the District, visiting programs at various levels of government, private and public. Always, I have tried to learn something about how you are approaching welfare in your state or community. On each visit, I always heard how you are seeking to learn the best ways to coordinate, collaborate, and achieve results for the families trapped in this system -- and make changes that are long-term and focused on jobs... and how difficult the job is.

I doubt anyone in this room has escaped countless hours in the last 5-7 years in workshops, conferences, academies, etc., exploring just how we get to these long-lasting, systemic changes. We must apply those hours of lessons to our work in the days ahead as we seize this opportunity.

In closing, I would like to share with you the three groups of persons that I believe we must keep before us at all times as we proceed. I challenge you to pause often in your work and picture beside you a real person from your state in each of these categories. I certainly pledge to keep in my sight some of the people I've met in your states. And then we must all listen as the person standing by us asks his or her questions.

1. First, the front line worker.

- a. Will you listen to me while I tell you about the tools I genuinely need to assist my clients who really want to be self-sufficient?
- b. Will you take a half day, or a couple of hours, and sit with me while I do an intake or a home visit or fill out my required forms?
- c. Do you really respect and value my work and worth, or am I simply a regulation enforcer who is there to meet your stated numerical goals and avoid penalties?

2. Second, the welfare mother, or the welfare dad.

- a. What kind of system are you creating for my family that I care about so much?
- b. Can you help me figure out how I can get a REAL job?
- c. Would you mind sitting down and talking to me about how I put my life back together?

3. And finally, and in my mind, most importantly, the third group is the children. You have an eight year old standing by you in the months ahead...an eight year old from a welfare family, an eight year old whose eyes still light up as she enters the classroom each morning:

- a. Mister, what are you doing to my life?
- b. If I get sick, can my mama take me to a doctor?
- c. Will my little brother be safe at day care?
- d. Do I have a **chance** when I grow up?

I firmly believe children whose chances were dimmer in the past DO now have a better chance and we all together hold that chance before us. The outcome will depend on the creativity and dedication of all of us in making the most of this opportunity. Let us work together so that all our nation's children can soar!

Thank you very much.