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Welfare-State Plans [2]

CALIFORNIA

March 10, 1997 Monday 07:07 a.m. Eastern Time

Immigrant Health Care Proposed

(SACRAMENTO) -- Under a proposal to be considered this week by the Sacramento County Board of Supervisors, undocumented immigrants would continue to receive care at Sacramento County's public health clinics. That's if they abide by a requirement to reveal their immigration status. County officials are proposing that the measures to comply with a federal welfare reform law that bans undocumented immigrants from receiving publicly funded non-emergency health care. Under the proposals, the county's eight-health clinics would continue caring for undocumented immigrants through private funding and volunteer workers.

Welfare Reform Package

(SACRAMENTO) -- Governor Pete Wilson has released more details of a legislative package to implement his welfare reform proposal unveiled in January. The package includes 12-pieces of legislation, including a bill to replace Aid to Families With Dependent Children, with a program called CalTAP or the California Temporary Assistance Program. A-F- D-C is the state's largest welfare program.

USA TODAY 3/10 -- California

Los Angeles -- About 1,000 people marched through downtown to protest welfare laws they said will harm thousands of elderly immigrants. The march was sponsored by about 50 civil rights and immigrant help groups.

3/5 -- Welfare Lottery Bill Introduced

(SACRAMENTO) -- Legislation has been introduced to require welfare recipients who hit the lottery to use part of the money to repay their benefit checks. The bill by Republican State Senator Tim Leslie would apply to all prizes more than 600-dollars. Leslie says he expects his legislation to enjoy bipartisan support, adding New York and New Jersey have already passed similar laws.

2/14 -- Welfare Reform Made Tougher

(SACRAMENTO) -- Anyone convicted of a drug offense or willful fraudulent conduct could be prohibited from receiving welfare benefits. Republican Assemblyman Rico Oller of San Andreas who sponsored the bill, says his bill is "one strike" measure. Current law calls for permanent loss of benefits only after a third offense involving fraud.

1/29 -- Overtime Bill In Danger

(SACRAMENTO) -- Democrats in the California Assembly say they will do everything they can to kill a proposal before the State Industrial Welfare Commission. The proposal calls for the elimination of overtime pay after working eight- hours in one day. The chairman of the Assembly Labor Committee, Chairman Dick Floyd, says if necessary... the issue will be taken directly to the people in an initiative. Floyd said if that happens, Governor Pete Wilson will lose. Supporters of the proposal say it will give employers the ability to give employers more "flex time" to take care of personal needs.

1/22 -- Call for Jobs

(SACRAMENTO) -- Democratic Assemblyman Don Perata of Oakland is calling on California's top 100 employers for help. He wants to develop a strategy that will move an estimated 800-thousand welfare recipients to job seekers. In a letter, Perata says it's clear to him that the business community holds the key to the successful welfare reform. Perata adds that he will meet personally with any C-E-O to discuss the issue.

1/21 -- Wilson Wants His Welfare Reform

(SACRAMENTO) -- If Governor Pete Wilson has his way in his new welfare reform plan, responsible parenting will become a condition of receiving welfare benefits. Under his proposal, parents would have to establish paternity for their children, prove their children have been immunized and have them attend school regularly in order for parents to receive welfare checks. The Child Welfare League and other advocates are pleased that the well-being of children is coming into the debate over welfare reform. Other professionals say

for truly troubled families on welfare, there are NO easy solutions.

MLK's 'Dream' Is Threatened (JANUARY 20, 1997)

(SAN FRANCISCO) -- The Reverend Cecil Williams, of San Francisco's Glide Memorial Church, is sharply critical of President Clinton on this Martin Luther King Day. Williams says Clinton was wrong to sign the welfare reform bill last year. He says that action is threatening King's "dream" because of the detrimental affect it will have on poor black Americans.

January 17, 1997 Friday 07:06 a.m. Eastern Time

Angry Democrats Speak Out

(SACRAMENTO) -- Democratic state lawmakers are speaking out against Governor Pete Wilson's proposals for welfare reform. The governor wants to drastically cut benefits for most recipients. Democrats call the proposal "inflammatory."

January 10, 1997 07:10 a.m. Eastern Time

Welfare Reform Clouds Budget

(SACRAMENTO) -- Governor Pete Wilson's new budget is being heralded as one of the most controversial in recent history because of major welfare reform cutbacks. Among other things, the governor is proposing welfare benefits be limited to one year. Also, there is a proposal that every healthy adult on welfare perform some type of work. Under the new reforms, anyone involved in fraud would lose their welfare benefits permanently.

Democrat Reaction

(SACRAMENTO) -- The leaders of the Democratic-controlled state legislature appeared ready to give a fair examination of the governor's new budget. Democratic Assembly Speaker Cruz Bustamante says two things the Democrats and the governor agree on welfare reform is that all welfare cheaters should be penalized and every able-bodied person on welfare should work.

January 8, 1997 Wednesday 07:02 a.m. Eastern Time

Wilson Outlines Goals

(SACRAMENTO) -- In his annual State of the State Address, Governor Pete Wilson signaled the urgent need for welfare reform, corporation tax breaks to spur job growth, and several new education initiatives. Specifically, Wilson called for the passage of a ten-percent bank and corporation tax cut spread out over two years. On the welfare front, the governor called for a requirement that when a child is born out of wedlock, the child's father be identified before the mother can collect welfare. On the subject of education, Wilson called for expanding a program begun last year to reduce class size in the lower grades.

Wilson To Unveil New Budget

(SACRAMENTO) -- Governor Pete Wilson will unveil a new state budget tomorrow. The budget is expected to spell out the details of his welfare reform proposals as well as numerous other programs the governor mentioned in his State of the State message. The legislature will begin hearings on the budget on Friday. Under terms of the state constitution, the legislature is to submit the budget to the governor by June 15th for his signature by July first. Those deadlines are rarely met.

1/7 -- Wilson To Give State Of The State

(SACRAMENTO) -- Governor Pete Wilson will present his annual "State of the State" message this afternoon before a joint session of the state legislature. Wilson is expected to give some idea of his approach to welfare reform in the coming year. The governor is also expected to unveil a 500- Million-dollar, four-year program to get more computers into high schools around the state.

Selected Articles (attached):

- *Los Angeles Times* March 9, 1997, Sunday, Home Edition **HOW FAIR IS WORKFARE?; Welfare: Rapid Expansion Of Programs Raises New Questions About The Rights Of Participants. Critics Fear Displacement Of Regular Workers And Downward Pull On Wages.** *BYLINE: BETTINA BOXALL, TIMES STAFF WRITER*
- *The Fresno Bee* March 6, 1997 Thursday, HOME EDITION Wilson to seek delay on aid cut *BYLINE: Los Angeles Times DATELINE: SACRAMENTO*
- *Los Angeles Times* March 6, 1997 **WILSON AGREES TO SEEK FOOD STAMP REPRIEVE; Aid: All Counties Will Be Eligible, Not Just Those With High Joblessness. Officials Say Time Is Needed To Create Workfare.** *BYLINE: VIRGINIA ELLIS, TIMES STAFF WRITER DATELINE: SACRAMENTO*
- *Los Angeles Times* March 3, 1997, Monday, Home Edition **TINY COUNTIES TAKE WELFARE REFORM LEAD; Aid: Experiment Poses Risks For Two Rural Areas That Said No To Food Stamps.** *BYLINE: MARIA L. La GANGA, TIMES STAFF WRITER DATELINE: QUINCY, Calif.*
- The Associated Press (February 18, 1997, Tuesday,) **Model welfare training program preaches 'Get a job, any job'** *BYLINE: By DAVID FOSTER, Associated Press Writer DATELINE: RIVERSIDE, Calif.*

Copyright 1997 Times Mirror Company
Los Angeles Times
March 9, 1997, Sunday, Home Edition

HOW FAIR IS WORKFARE?;

Welfare: Rapid Expansion Of Programs Raises New Questions About The Rights Of Participants. Critics Fear Displacement Of Regular Workers And Downward Pull On Wages.

BYLINE: BETTINA BOXALL, TIMES STAFF WRITER

One man heads for the rose bed with a hoe. Another starts emptying trash cans. A woman pushes a broom across the sidewalk. It is 7 a.m. and the crew that keeps this corner of Griffith Park neat and tidy is at work.

But they aren't city workers. They are among the poorest of the region, come to labor in the morning chill in exchange for their \$ 212 monthly General Relief check from Los Angeles County.

This bargain of toil for welfare benefit is an old one in general assistance programs, stretching back nearly five decades locally and involving a small army that sweeps parks, files government forms and plucks litter from the beaches.

As workfare ranks threaten to explode beyond these traditional boundaries under the spark of federal welfare reform, labor unions and community organizations are snapping to attention.

Already in Los Angeles, a national low-income advocacy group is attempting to rouse General Relief workers, orchestrating small protests and circulating petitions.

Worried that expanding welfare-to-work programs may depress wages and cost public employees their jobs, big labor is laying the groundwork for national organizing drives and raising another set of questions in the welfare debate.

Will it not be irresistibly tempting, the unions suggest, for cash-strapped governments to use this "free labor" to perform menial tasks instead of full-time workers paid \$ 9 an hour plus benefits?

Is this a subclass in the making, a group of people required to work but not accorded the rights of workers?

For those eagerly greeting the new welfare era, such concerns are premature and ill-founded. "I think it's a new excuse for advocates who would prefer the current system of entitlement," said Bakersfield Republican Assemblyman Roy Ashburn, the author of Gov. Pete Wilson's welfare reform bill.

"We expect the best, that new opportunities will come out of this, rather than the displacement of a finite number of jobs," he added.

For labor, the equation is a simple one.

"A worker is a worker is a worker," Gerald W. McEntee, president of the American Federation of State, County and Municipal Employees, declared last month during a Los Angeles conference at which he and other national labor leaders announced their intention to recruit workfare participants into unions and to demand they be granted wage and workplace protections.

"It is quite clear that those who represent public employees see this as a threat," said Peter Rider of the AFL-CIO's national organizing department. "It's essentially setting up a two-tier work force and borders on being a form of slavery--in the sense that they're told to do work and have no rights and are paid less."

In an era of slashed budgets and hiring freezes, others say workfare is not eliminating public jobs. Rather,

welfare workers are performing tasks that government can no longer afford, and in the process, getting useful experience.

"We're providing services to the community that otherwise wouldn't have been provided or if they had been, would have forced a trade-off for other valuable services," said Frank Mecca, executive director of the County Welfare Directors Assn., a statewide group in California.

"If there's work valuable to the community and society at large and you can have people do it in exchange for the receipt of aid, I think it makes sense to do that," he added. Turn workfare participants into full-fledged employees, Mecca reasons, and the cost becomes prohibitive, curtailing an arrangement worthwhile for both sides.

Moreover, the notion of a union for those on welfare strikes some as inherently absurd.

"To me it seems an effort in futility," observed Vera Davis, executive director of a Los Angeles social service agency that uses county General Relief workers. "How would it help them in any way when they're dependent on the county to give them the General Relief. . . . I believe in unions and strikes. But you gotta have a base. Can you tell me what the base is here?"

There are, in any event, legal questions of whether workfare participants can qualify for collective bargaining, not to mention major hurdles in organizing people who may be homeless or frequently move, may not possess either telephone or car, have erratic work histories and no spare money for union dues.

That is doubtless one reason why the idea of unionizing General Relief workers just now seems to be seriously surfacing locally, nearly half a century after the work requirement was imposed in the county.

Also known as General Assistance, General Relief operates under a long-standing state requirement that counties provide welfare benefits to the indigent not eligible for other forms of government aid--mostly single adults. The grants vary from county to county, and the majority of counties make employable recipients "repay" the benefit by working for public or nonprofit agencies at the minimum wage rate. In Los Angeles County, where about 60% of the state's General Assistance recipients live, the monthly benefit has been cut several times to the current \$ 212--and with it, the work requirement, to five days a month.

Of the roughly 89,000 people on the county General Relief rolls last November, 61% were deemed employable. But only about 25% were actually working. Thousands had been exempted because of illness or because they had enrolled in some sort of training program on their own. Thousands more were being suspended or discontinued, including about 2,500 for work-related reasons.

Still, that left more than 22,000 men and women reporting to county, city--and to a lesser extent, private nonprofit--agencies. They clean up animal shelters, parks and schools, file forms in welfare and county assessor offices, and pull weeds in the national cemetery in Westwood.

Departments contracting with the county to use General Relief workers agree that they will not displace regular employees with workfare. Nor, argues county General Relief program deputy Margaret Quinn, is workfare suited to replacing permanent positions.

"I don't think that kind of temporary help, which is not as reliable as employees showing up every day, or consistently trained, is going to replace the work force," she said.

After years of budget crises and staff reductions, it is nonetheless clear that public agencies have come to rely more and more on General Relief ranks to carry out unskilled tasks.

There is only one full-time city gardener assigned to the section of Griffith Park where Mark Taylor and a handful of others reported one recent morning. That means most of the watering, weeding, planting and general

cleanup next to the pony ride and miniature train depot is performed by General Relief workers.

"Two days without us--this place would be knee-deep in litter," Taylor said, a note of pride in his voice.

Julie Butcher, acting general manager of Local 347 of the Service Employees International Union, estimates that about 1,500 General Relief workers are helping maintain city parks, "doing work that otherwise would be done by our members--by gardeners who earn \$ 10 an hour plus health, dental benefits and a modest retirement."

At the union's Local 660, which represents county workers, Bart Diener says there hasn't been "a real erosion of the permanent work force" because of workfare. "But certainly it has allowed the county departments to avoid additional hiring."

On a recent morning, Taylor, 28, voiced no objections to his assignment. "I think it's a real nice deal," he said, glancing around at the park's rich winter green.

With his headphones supplying a background of rock 'n' roll, he quickly slipped into his routine after arriving on a public bus from nearby Hollywood. He pulled a cart from a work shed and made the rounds of the parking lot trash cans, changing the plastic bags. Then he moved onto the lawns, picking up scattered pieces of trash.

"A union?" he wondered, cocking his head in response to a question, unsure of how one would operate in General Relief. "I think unions are kind of a thing of the past."

Up the park road, near the ranger station on Crystal Springs Drive, Dianne Bolton, 47, was scooping up small broken tree limbs, her fingers tipped in pink nail polish. She too did not mind the work requirement. But she liked the idea of a union to push for a higher benefit and permanent jobs.

"We want real jobs," emphasized Bolton, who for 16 years had one at Hughes Aircraft Co. She was an electronics technician earning nearly \$ 16 an hour when she was laid off in 1992. "I looked for a job for three years after that. Nothing."

Now she spends most of her county check on a Skid Row hotel room, relying on food stamps and church charity to eat.

Bolton's job lament reflects the tenor of complaints about the county's workfare program--not so much that people have to work, but that the work leads nowhere and teaches few marketable skills.

"I never knew anyone on General Relief who objected to it in principal," said UCLA law professor Gary Blasi, a former Legal Aid lawyer who represented General Relief recipients. "They objected to it in practice. . . They knew it was work but they also knew it was completely dead-end."

The program contains no formal training component. "It's an area we're working on. But the cost is always the issue," Quinn said.

General Relief workers who've impressed their supervisors are sometimes hired full-time, but those success stories are comparatively few.

As Blasi sees it, the General Relief work requirement was never intended as a jobs program. It was a deterrent. "It was just something we made people do and institutionally we made people do it in the hope that they would fail," and thus stay off the welfare rolls, he said.

The work demand--made in many General Assistance programs around the country--has pretty much been taken for granted until now, as welfare reform popularizes workfare on a scale heretofore unknown.

Included in the massive overhaul of federal welfare is a stipulation that adult recipients find work within two years of signing up for benefits. The details have yet to be settled by the states, which are assuming control of the anti-poverty programs. But those who don't get regular private sector jobs could well wind up in some form of work-for-welfare situation, whether it be community service, or subsidized public or private employment.

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Under the welfare reform law passed last year, agencies can't lay off employees to replace them with welfare participants. But vacant positions can be filled with welfare slots.

The law is silent on other issues, such as whether welfare workers can organize into unions, or whether they are protected by minimum wage and other labor laws. Those questions will have to be resolved by a variety of quarters: the Clinton Administration, collective bargaining boards and state government.

In New York City, where a long-standing local welfare program has rapidly expanded under Mayor Rudolph W. Giuliani, a board ruled in the 1980s that welfare workers were not city employees for collective bargaining purposes.

Likewise, Los Angeles County does not consider General Relief workers to be employees, a view that Mecca said is shared by other California counties. "This is not employment," said assistant Los Angeles County counsel Donovan Main. "This is a condition of a program in our view."

That has not stopped informal organizing in either location.

In New York, where about 35,000 city welfare recipients do cleaning and clerical work for municipal agencies and nonprofit groups, labor leaders are pressuring management to move welfare participants onto the city payroll. Various low-income advocacy groups are also attempting to galvanize welfare ranks, including ACORN, the Assn. of Community Organizations for Reform Now, the organization that has launched similar efforts in Los Angeles.

So far, more than 700 local General Relief workers have signed up with ACORN, agreeing to let the group represent them.

"We believe people should get a living wage if they are performing work that is vital to society," organizer Amy Schur explained.

Leonard Schneiderman, professor emeritus of the UCLA School of Public Policy and Social Research, sees such arguments as the logical extension of the nation's decision that all should work, including those on welfare.

"The public has to face the consequences of the public policy it's demanding," he said. "You can't say, 'I insist people work,' and then not call it work."

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The Fresno Bee
March 6, 1997 Thursday, HOME EDITION*

Wilson to seek delay on aid cut

*BYLINE: Los Angeles Times
DATELINE: SACRAMENTO*

Responding to a plea from California counties, Gov. Wilson agreed late Wednesday to seek federal permission for a six-month freeze on food stamp cuts that would have begun this month for thousands of single adults.

A spokesman for Wilson confirmed that the governor was alerting lawmakers of his decision to intercede on behalf of counties that were being forced to cut from the food stamps rolls all able-bodied single adults, without children, who had failed to find jobs within three months.

The food stamp cuts were mandated by a federal welfare reform legislation signed into law last August.

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**WILSON AGREES TO SEEK FOOD STAMP REPRIEVE;
AID: ALL COUNTIES WILL BE ELIGIBLE, NOT JUST THOSE WITH HIGH JOBLESSNESS.
OFFICIALS SAY TIME IS NEEDED TO CREATE WORKFARE.**

BYLINE: VIRGINIA ELLIS, TIMES STAFF WRITER

DATELINE: SACRAMENTO

Responding to a plea from California counties, Gov. Pete Wilson reversed an earlier position and agreed Wednesday to seek federal permission to save food stamp benefits for thousands of single adults who would lose them this month.

The extensions sought by Wilson would last six months and would affect only those counties that choose to accept a waiver. The governor also is seeking waivers for Indian reservations with high unemployment.

The decision represented a softening of an earlier, hard-line position taken by Wilson, who initially agreed only to exempt from the cuts 26 counties that had high unemployment. The governor's concession came as the executive branch and the Legislature began what is expected to be months of fractious debate over the final shape of the state's welfare reform plan.

A spokesman for Wilson confirmed that the governor was alerting lawmakers of his decision to intercede on behalf of hard-pressed counties that were being forced to cut from the food-stamp rolls all childless, able-bodied single adults who had failed to find jobs within three months. Up to 43,000 recipients could be affected by Wilson's action.

In Orange County, 1,110 adults with no children had been barred from receiving food stamps--the first group to lose benefits under federal welfare reform, county officials said.

And over a three- to four-month period beginning in April, an estimated 14,000 legal immigrants would lose food stamp benefits.

Counties throughout the state had complained that they were being required to cut people off food stamps before officials had time to create community service jobs that would have allowed the recipients to go to work and continue receiving food assistance.

"The governor has heard the concerns of the counties," said Wilson Press Secretary Sean Walsh, "and has agreed to submit an application for a waiver on their behalf."

The food stamp cuts were mandated by federal welfare reform legislation signed into law in August. The new law allowed recipients to continue receiving stamps either if they worked at least 20 hours a week in private sector jobs or if they participated in workfare, a program sponsored by local governments that provides low-skill jobs for people on welfare.

The new federal law also allowed governors to apply for exemptions for any areas in their state where unemployment exceeded 10% or where there was a shortage of jobs.

Unlike governors in 31 other states, Wilson chose to interpret that provision of the new law conservatively and sought exemptions only for counties with high unemployment.

Walsh said Wilson will now seek the six-month waiver for any county requesting it.

"We feel that request is reasonable," he said.

At the same time, he said the governor also would seek waivers for Indian reservations that have high unemployment and are geographically isolated.

A lobbyist for several tribes said unemployment on many reservations is above 30% and transportation off the reservation is virtually nonexistent.

The governor's decision came only a few days before lawmakers planned to consider a resolution that formally urged him to expand the waiver requests beyond the initial 26 counties.

The resolution, written by Assembly Human Services Committee Chairwoman Dion Aroner (D-Berkeley) and Sen. Cathie Wright (R-Simi Valley), said Wilson had failed to consider the fact that in many counties there was a severe shortage of private sector jobs.

"We're very pleased that the governor responded to the resolution in the way that he did," Aroner said Wednesday. "This will ensure that food stamp recipients can continue to receive assistance while counties work toward establishing workfare positions."

In Los Angeles, county Welfare Director Lynn Bayer said the governor's change in position could have "a significant impact on many counties" that do not have a workfare program and would have been cutting off food stamps, starting this month.

She said Los Angeles had planned to avoid the cuts by expanding its current workfare program to include about 10,000 food stamp recipients. "In L.A. County, no one was going to lose food stamps," she said.

Bayer said a number of counties want to start a workfare program modeled after Los Angeles County's, and the six-month extension would give them time to develop such a program.

Margaret Pena, a lobbyist for the California State Assn. of Counties, said the governor's decision would ease concerns that the counties which initially received exemptions would become magnets for poor people from counties which did not receive a waiver.

She said she expected that most counties would seek the exemptions, particularly those where seasonal employment is common and jobs are scarce.

Bruce Wagstaff, deputy director of the state Department of Social Services, said the governor had been swayed by the counties' complaints that they needed more time to tell people what to do to avoid the cuts and more time to develop community service jobs.

He said he had not talked yet to federal officials about the decision to expand the exemption request but added that "we are hopeful that they will respond positively."

Also contributing to this report were Times staff writers Lisa Richardson and Jeffrey L. Rabin.

TINY COUNTIES TAKE WELFARE REFORM LEAD;

Aid: Experiment Poses Risks For Two Rural Areas That Said No To Food Stamps.

BYLINE: MARIA L. La GANGA, TIMES STAFF WRITER

DATELINE: QUINCY, Calif.

There they are, at the forefront of American welfare reform, two little California counties that just said no to food stamps for some of their neediest citizens.

Their very littleness may make us look at them and say, "So what?" Here in Plumas County on the eastern side of the Sierra Nevada, 80 to 100 nonworking single adults soon will be without food assistance. In agricultural San Benito County, the number is about 200.

It is that very littleness that also makes these two regions great laboratories for welfare experiments--and places them in dire need should such efforts go awry.

Less than 100 mouths to feed here at the heart of hard-hit lumber country? Good luck. Unlike urban California, there is no mission, no homeless shelter, no hot food program, no safety net. There's nothing in the way of public transportation to move these strapped citizens on to greener pastures.

Paul Carter, director of social services for Plumas County, is alternately thrilled and scared to death when he looks at his hometown of Quincy and what he hopes to accomplish by turning his back on continued food stamps for his 80 or so clients.

Here in the 10th smallest county in California, Carter banks on a new job-training center and improving weather to bring work for the men and women who will lose their food stamps to the first wave of welfare reform. The state gave him a chance to continue the assistance, but he decided against it.

On the one hand, he says, "The story here is the indomitable spirit you will find in small rural counties," the so-called "frontier counties," which earn that designation by being home to fewer than 50,000 residents. With only 21,000 people--many living in towns where elevation exceeds population--Plumas County averages about eight people per square mile.

On the other hand, if Carter has misjudged his ability to find paying jobs or community service for his soon-to-be-former food stamp clients, everyone is sunk. "There is no margin," he says. "There is no fat in the budget. We're scraping for every penny. . . . We're barely able to keep up with what we have now to help those people."

So why try, when the hometown paper advertises more pickup trucks for sale (34) than jobs (21) open in Quincy, population 6,000?

"We've just got to give it a chance," he says. "I'm disappointed that so many of the counties took the defeatist attitude, that this the beginning of welfare reform is preposterous and won't work. We might get there too. But we'd like to try first."

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Plumas and San Benito stepped to the forefront a week ago when the Wilson administration agreed to exempt 28 California counties with high unemployment from federal welfare reform provisions requiring them to cut nonworking single adults from the food stamp rolls. Without the yearlong exemption, the counties would have begun cutting off the recipients now.

Almost immediately after the governor made the offer, Plumas, San Benito and Del Norte County, all largely rural with unemployment at 10% or more, decided to go without the waiver. Six days later, officials of Del

Norte County, near the Oregon border, changed their minds.

Initially, Del Norte social services chief Stephen Brohmer took an informal poll of the County Board of Supervisors, which figured that hard luck cases from other counties could move to the area if they accepted the waiver. But on Tuesday the supervisors voted to keep food stamps coming for their 400 recipients.

"The risk was migration from other counties if we chose to exercise the option," Brohmer said. "But it isn't worth the cost of the harm we'd cause these people."

Migration is also a major concern in agricultural San Benito County, where supervisors voted to turn down the food stamp waiver. Farm work increases as the weather improves, and local government there is banking on the fields taking care of the needy.

Leland Collins, San Benito County's director of health and human services, is well aware of the risks and counseled the supervisors to accept the waiver.

"On an average day," he said, "if someone showed up on our doorstep and said; 'I have no food and I am not eligible for your programs. Where do I go?' I'd have to say we have nowhere."

Plumas County, larger in size than Delaware, is more than 75% national forest, which makes for beautiful scenery but minimal industry. Snow clings to the hillsides and snarls radio reception.

No major highway bisects the county's 2,600 square miles. The nearest city of any size is 80 miles away from Quincy--Reno to the east and Oroville to the south. Skies are clear. Doors are left unlocked. The county's first stoplight is less than two years old. There has not been a second.

For a county where the No. 1 employer is government and the No. 2 employer is the lumber industry, the shrinkage of federal, state and county jobs--coupled with federal restrictions on logging--has crippled the area economy.

The annual unemployment rate has surpassed the 10% mark 13 of the past 14 years. Although employment improves with the weather, largely because of tourism jobs, February unemployment rates above 20% are not uncommon.

"A lot of people have moved up here," says Phyllis Payne, manager of the Bargain Boutique thrift store, which is run by volunteers to benefit hospitals in the region. "It's beautiful. They figure they'll find jobs. There aren't jobs. . . . There are a lot of empty stores. . . . We miss them. It was nice to have a dime store."

Between 1988 and 1993, Plumas County lost a third of its high-paying lumber jobs. Much of the remaining employment here is part time and low salaried. The median household income in Quincy is less than \$ 23,000--far below the corresponding California figure of nearly \$ 36,000.

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Sandee Renault, a physician's assistant who lives in Portola, the county's second-largest town, might be considered one of the lucky ones here--sort of. She works. A lot. And drives. A lot.

"As a health professional living in the county, at one point I had four jobs," Renault says. "I was juggling. I want to work full time, but there aren't jobs. . . . Now I have three jobs" in two counties.

Callie Saenz, 25, a mother of two, hopes that the business courses she is taking at Feather River College will help her get a better job than the last one. Four years ago she worked nearly full time as a legal secretary at the county courthouse. Budget cuts shrank the job to 10 hours a week. Without formal training, she made \$ 7 an hour.

Now, she receives federal Aid to Families with Dependent Children, goes to school full time and hopes for more. But she is realistic about the county she calls home. "If you don't work for the lumber mill or Plumas County, you're low income."

At a recent orientation for temporary jobs to repair damage from the January floods, more than 400 job seekers showed up for less than 100 positions. In 1995, when California's seven-year drought ended, federally funded cleanup and repair jobs were a boon.

"Thank goodness we've had natural disasters over the past four years," says Michele Piller, executive director of Plumas Rural Services, which administers a variety of social service programs. "What are we going to do if we don't have a disaster in the next two years?"

Piller and other social service providers fear disaster of a different kind, particularly when full-scale welfare reform is finally rolled out here.

When that happens, the 80 to 100 people affected by food stamps will be joined by the county's 400 recipients of Aid to Families with Dependent Children. Under the new federal law, AFDC will be restricted to two years.

Agencies like Plumas Rural Services and the countywide crisis line, which fields calls that range from homelessness to domestic violence, are already strapped for funding. Burnout, they say, is just around the corner.

In the last year, in this county without an emergency shelter, the Crisis Line saw its homelessness calls double. "We're already experiencing an increase in calls where there's nothing we can do," says hotline director Kathy Davidson. "It's a nightmare. . . . You have to hang up the phone and say, 'Sorry.' "

It is 9 a.m. inside the pride of Plumas County, the sparkling one-stop government-funded Employment and Training Center. Just 10 months old, it screams of newness and whispers of hope. The furniture matches. The paint is clean. The workshops are full, and the counselors are cheerful.

Barbara Vineland surveys the nine men and women who have shown up on this slate-gray morning to sign up for job training and hear about the help they need.

Vineland talks about financial help for people who have lost their jobs when plants closed. She talks about the federal, state and even local assistance for those who have been unemployed for 15 of the last 36 weeks. Heads nod.

Burnell Compton, 34, and Jennifer Hampton, 39, want to go to truck driving school, and they want to go now. "I hear they have a big success ratio, so everybody's going for it," says Compton. "I'm ready."

"Me too," says Hampton. "I need to find a skill and make it my whole career."

Compton used to work at Nugget Motors in downtown Quincy, detailing cars. He has four children ages 3 to 12 and had volunteered to have his wages attached to help pay for back child support.

But he lost his driver's license Jan. 1, when a new California law went into effect taking the privilege of driving away from so-called deadbeat dads. As a result, he lost his job. Now he lives with his mother and his 12-year-old son. He looks for work and dreams of leaving.

"My son is on AFDC," Compton says. "I just get food stamps. If you come down to crunch time you go out and cut firewood and sell it, do all the odd jobs you can. . . . I figure the people unemployed in the city just don't want to work. There's lots of jobs. Here, it's different. You either have to be way overqualified or know someone."

*

Paul Carter pins his county's hopes for managing at least the first rumbles of welfare reform in part on the Employment and Training Center, which houses nearly every service a job-seeking Plumas County resident could need.

For now, Carter thinks he can find 80 minimum wage jobs--anything from cashiering to housekeeping--or arrange for part-time volunteer work for people like Compton and Hampton, who will need such employment to keep getting food stamps.

Down the road is another story, and Carter wants Gov. Pete Wilson to know that a welfare reform plan tailored for Los Angeles cannot fit the people of Quincy.

When it comes to helping your neighbors, small is good. "We can put a face to the name here, which you can't do in a larger area," says Fran Roudebush, a Plumas County supervisor. "So we're more apt to find a solution--even if it's only a quick fix."

Plumas County will begin a round of meetings this month to try to figure out where to go from here with welfare reform.

Roudebush, however, is not as optimistic as Carter, and plans to have the Board of Supervisors discuss Tuesday what to do about the end of food stamps for the able-bodied.

She is not so sure that struggling Plumas can take the blow. After all, she says, "if we had 80 jobs to spare, we wouldn't be in double-digit unemployment."

The Associated Press
February 18, 1997, Tuesday, BC cycle

Model welfare training program preaches 'Get a job, any job'

BYLINE: By DAVID FOSTER, Associated Press Writer

DATELINE: RIVERSIDE, Calif.

They arrive by bus and battered car, filing into the welfare-office lobby with the glum look of people who would rather be anywhere else.

Summoned here to a Riverside County program called Greater Avenues for Independence, these reluctant pioneers of welfare reform have been given a simple choice: Look for work or lose welfare benefits.

For many of the men and women - mostly women - sitting in the GAIN lobby, it's as if they had been commanded to sprout wings and fly.

"They tell us to get a job, but there ain't no jobs to get," says Jennifer Bryant, 28, a mother of two who has been on welfare since 1989.

President Clinton and Congress have decreed that welfare recipients must go to work, but helping hundreds of thousands of chronically unemployed Americans develop the skills needed to find jobs will strain the ingenuity and budgets of welfare administrators nationwide.

It's not that training and welfare-to-work programs don't exist. There are hundreds of them: West Virginia

subsidizes jobs in private industry. Tennessee helps welfare recipients turn home-grown enterprises, such as baby-sitting and cooking, into full-time businesses. Wisconsin pays those on welfare to work in community service.

Riverside County's GAIN program is considered one of the best, pioneering a widely copied "work first" approach.

But even the most successful programs have yet to prove themselves on the scale envisioned by the new welfare-reform law. Last year, job-training programs served just 650,000 people, or 16 percent of the 4 million adults receiving federal Aid to Families with Dependent Children.

The new law says 25 percent of each state's welfare caseload must work or participate in job-training programs this year, and that figure rises to 50 percent by 2002.

Any welfare program can find jobs for a few people. But what about the half of all welfare recipients who are high-school dropouts? What about the estimated one-quarter to one-third who have never held a regular job?

"It's going to be a tough few years," says Dennis Boyle, director of Riverside County's Department of Public Social Services. "We're entering uncharted territory."

It's the first day of Job Club, a support group attended by nearly all those who go through the county's GAIN program. Twenty women and two men - a mix of whites, blacks, Hispanics and Asians - sit around tables in a small classroom, offering reasons why employment has eluded them.

"I think I've been turned down because of my tattoos," says Mercedes Vera, 31, holding up blue-stained hands.

"It's been 20 years since I worked. All I did was raise kids," says Audrey Shannon, 42. Classmates nod in sympathy.

Employment counselor Su Catron nods, too, and then pounces on a teaching moment. So Audrey is a homemaker, Catron says. Are there any work skills she may have gained from that?

Child care, someone suggests. Housecleaning, another says. Catron writes down each answer, then adds her own: "You're all on aid. You know how to manage a tight budget."

"You got that right," one woman says, to more nods all around.

Such scenes, program managers say, are a big part of what makes GAIN work. There are no bolts of lightning - just a gradual erosion of barriers. In Job Club, in supervised job searches, in follow-up sessions after a client has been fired from a job, employment counselors push people to accept the notion that they choose to be on welfare and so can choose instead to work.

"We always tell people any job is better than no job," says program manager Marilyn Kuhlman. "You're gaining learning skills, self-respect and the ability to hold yourself out in the community as a working person. That's more important than the money."

Along with attitude adjustments, GAIN offers practical help. Young kids at home? GAIN will subsidize child care for a year. No high school diploma? About 15 percent of GAIN participants go into basic education.

"Clients know we're going to keep coming after them," employment counselor Susan Rowan says. "Pretty soon, there are just no more excuses."

GAIN has operated since 1988 as California's version of the federal JOBS program. While most California counties staked their GAIN programs on long-term training and basic education, Riverside County emphasized job placement from the start.

That "work first" approach has produced impressive results, according to a study by Manpower Demonstration Research Corp., a New York-based nonprofit research group.

Riverside's GAIN participants improved their earnings by an average of 42 percent over five years, or about \$ 1,000 a year, compared to a control group of welfare recipients, researcher James Riccio says. For every dollar invested in GAIN, the government saved \$ 2.84.

But even successful programs like GAIN have limitations, he notes.

"We have good evidence these programs can make a difference, but we have to recognize they don't produce miracles," he says.

As impatient officials nationwide look for quick ways to reduce welfare caseloads, Riverside's "work first" approach has gained a wide following.

States will be able to continue such programs by tapping the federal welfare block grants replacing AFDC. But President Clinton, saying even more is needed to ease the transition off welfare rolls, also has proposed spending an additional \$ 3 billion on welfare job-training programs, tax credits for businesses that hire people off welfare and incentives for job creation.

In his State of the Union address, Clinton urged businesses to do their part as well, mentioning five corporations - Sprint, Monsanto, UPS, Burger King and United Airlines - that have started programs to hire and train workers off the welfare rolls.

At least at first, most states won't be hard-pressed to meet the work requirements of welfare reform, thanks to falling caseloads, the strong economy and the block grants' relatively high funding levels.

"I think most states feel that the initial years are doable," says Andrea Kane, a welfare policy analyst for the National Governors' Association. "The out years are more of a challenge."

As welfare-to-work programs expand, those left behind - some of them illiterate, mentally ill or addicted to drugs or alcohol - will be harder to move into the labor force. Some economists worry that flushing as many as a million new workers into the job market will depress wages and increase competition for low-wage workers already employed.

Experts also caution that all bets are off if the economy turns sour, reversing the job growth of recent years.

But Riverside's Dennis Boyle says the value of welfare-to-work programs goes beyond teaching someone how to weld or fill out a job application.

Helping welfare recipients land a job can be a first step toward giving a sense of worth to people who have been told repeatedly they are worthless, he says.

"Our job is to believe in people," Boyle says. "We believe in people who don't believe in themselves."

CRice —
Here's the info I'm
interested in. Let's discuss.

—BR

(3/14/97)

CALIFORNIA

FUNDING UNDER NEW WELFARE LAW

Family Assistance Grant

US FY 1997: \$16.489 billion
US FY 1996: \$14.931 billion
US change 1996-1997: +\$1.558 billion
CA FY 1997: \$3,622,756,184
CA FY 1996: \$3,733,817,784
CA change 1996-1997: +\$111,061,600

Child Care Funding

US FY 1997: \$1.923 billion (mandatory and matching)
US FY 1996: \$1.355 billion (Title IV-A child care grants)
US change 1996-1997: +\$568 million
CA FY 1997: \$189,109,830 (mandatory and matching)
CA FY 1996: \$81,595,011 (Title IV-A child care grants)
CA change 1996-1997: +\$107,514,819
CA discretionary funds available October 1, 1997: \$120,466,746

STATISTICS RELATED TO WELFARE REFORM

AFDC Recipients

US January 1993: 14.115 million
US December 1996: 11.496 million
US percent change: -19 percent
CA January 1993: 2,415,121
CA December 1996: 2,488,308
CA percent change: +3 percent

Unemployment Rate

US 1993: 6.9 percent
US 1996: 5.4 percent
US percent change: -21.7 percent
CA 1993: 9.4 percent
CA 1996: 7.3 percent
CA percent change: -22.3 percent

Teen Birth Rate

per 1000 women aged 15 to 19
US 1992: 60.7

~~Handwritten signature~~

WR - state profiles

I. CASELOAD

- Current caseload (state)
- Caseload drop, Jan 93-Jan 97 (state), in absolute terms
- Caseload drop, Jan 93-97 (state), in % terms, and where the state ranks nationally in terms of % drop in caseload.
- Nat. caseload drop in % terms

II. CHILD SUPPORT COLLECTIONS

- % increase in collections (not cases) in state since 92, and where state ranks nationally in % increase
- % increase in collections nationally

III. PATERNITY ESTAB.

- # + % increase since 92, + nat. rank
- % increase nationally
- States paternity estab. rate + nat. rank

IV. ILLEGITIMACY

- %, #, and rate of birth-outside-marriage, ad nat. rank
- Teen birth rate, state vs US
- Decline in teen birth rate since 92, + rank

V. WORK

- % of recipients working, + rank
- Unemployment rate, state vs US, + rank

VI. CHILD CARE

- Funding; 96-97 increase; ^{estimated} # of slots

VII. STATE FINANCING

- TANF grant vs. 96 spending
[Later, we'll want to know MOE %]

- adjusted partic. rate [Rate minus caseload drop]
- projected # of recip ~~who~~ needed to work to meet partic. rate. - 98, 99, 2000 - and rank
- # of businesses in the state
- # of non-profits
- # of churches

~~VIII~~ WAIVERS

- When + description (brief)

- Any pending

~~IX~~ BENEFIT LEVEL, + RANK

- TANF

- TANF + F.S.

see p. 2

→ ...

US 1994: 58.9
US percent change: -3.0 percent
CA 1992: 74
CA 1994: 71.3
CA percent change: -3.7 percent

Paternity Establishment

US FY 1992: 511,862 children
US FY 1996: 986,089 children
US percent change: +92.7 percent
CA FY 1992: 65,062 children
CA FY 1996: 203,916 children
CA percent change 1992-1996: +213.4 percent

Cases with Child Support Collections

US FY 1992: 2,840,634
US FY 1996: 3,956,171
US percent change: +39 percent
CA FY 1992: 213,715
CA FY 1996: 425,061
CA percent change 1992-1996: 98.9 percent

Distributed Child Support Collections

US FY 1992: \$7,964,141,000
US FY 1996: \$12,017,840,000
US percent change: +50.9 percent
CA FY 1992: \$653,680,903
CA FY 1996: \$1,034,409,497
CA percent change: +58.2 percent

Adoptions from Foster Care

US Children in foster care as of 12/31/94: 469,073 (estimate)
CA Children in foster care as of 12/31/94: 87,310
CA Foster care children reunified with parent in FY 1995: 14,412
CA Foster care children placed with relative in FY 1995: 598
CA Foster care children adopted in FY 1995: 2,446

Additional national information is not available because the Adoption and Foster Care Analysis and Reporting System (AFCARS) has not been fully implemented.

Cynthia -
This is the weakest part of
what they've done.

* do they do
wage subsidy.

MEDICAID IMPLICATIONS OF WELFARE REFORM

California has not submitted a Medicaid plan amendment as of March 11, 1997. Therefore, the Health Care Financing Administration (HCFA -- HHS) is assuming that the state will continue to provide Medicaid coverage to legal immigrants.

TANF STATE PLAN

SUBMITTED: October 9, 1996
CERTIFIED COMPLETE: December 7, 1996
EFFECTIVE DATE: November 26, 1996

- X. DESCRIPTION OF STATE WELF. PROGRAM
- Work rights, exemptions, sanctions, transit. Medicaid p.c. care availability, disregard
- Time Limit
- Personal respons: Family cap, Minor moms, 2nd chance hr. other illegit. measures, etc. IDAs, etc.
- Other: Anything else interesting.
- Immigrant policy, ES waiver of 18-50.
- Legislative outlook

DESCRIPTION: The state will continue to operate its existing Aid to Families with Dependent Children program, its welfare-to-work program called Greater Avenues for Independence (GAIN) and California Work Pays Demonstration Project, and others of the state's welfare reform demonstrations. California also has launched "Partnership for Responsible Parenting," an major effort to reduce out-of-wedlock and teen births. *Items marked with asterisks (**) include provisions of waivers approved under the Clinton Administration. All are statewide, unless otherwise noted.*

1. **Make Work Pay**

- o Work activities include: Job search; Unsubsidized employment; Education; On-the-job training; Subsidized employment; or Work experience **
- o Failure to cooperate, without good cause, will result in financial penalties **
- o A one-time exemption from the work requirements to GAIN participation exists for parents with a child under the age of 3. **
- o Under GAIN, recipients who have received aid for 22 of the last 24 months are required to participate in at least 100 hours per month in work preparation or work experience activities. **

2. **Benefit Levels**

- o Family Cap: Cash grants will not be increased for additional children born to families who have received aid for 10 months prior to the child's birth. **

3. **Eligibility**

- o Earned income disregard of \$30 and 1/3 of the remainder, without time limit. **
- o Individual Development Accounts: Up to \$5,000 is allowed for starting a business, buying a home, or for the post-secondary education or employment training of a child. **

- o New Residents: For the first 12 months of California residence, the grant amount will be the lesser of: 1) California's actual computed grant amount for the family; or 2) the maximum amount a family of that size could receive in the former state. **
- o Pregnant or parenting teens who have not obtained a high school diploma or its equivalent are required to participate in the Cal-Learn program. **
- o Pregnant or parenting teens will be required to live at home. Under the state's welfare reform demonstrations, several financial limitations are loosened to provide incentives for parents to move to work. **

4. Time Limit

- o Not specified. Based on discussions with federal officials, California has provided assurances that federal funds will not be used to provide assistance for more than 60 months.

5. Continuation of Waiver Demonstration

The state's TANF program will include existing section 1115 demonstration projects.

STATE LEGISLATIVE INFORMATION/ADDITIONAL BACKGROUND

Governor's Proposal

On January 7, 1997, Governor Pete Wilson delivered his State of the State address and referred to welfare reform as "the opportunity and challenge to recast our very culture...so that taxpayers no longer subsidize idleness or promiscuity and no longer suffer when illegitimacy hatches into social pathology." Two days later, the Governor released details of his welfare reform proposal called California Temporary Assistance Program (CalTAP) as he submitted his 1997-98 budget to the state legislature.

Other Welfare Redesign Proposals

Subsequently, a number of other welfare reform redesign proposals have been crafted and circulated for discussion. In addition to the Governor's proposal, the California County Welfare Directors Association (CWDA) joined with the California State Association of Counties (CSAC) in submitting a joint CWDA/CSAC proposal which represents a welfare reform plan to both foster self-sufficiency and provide for county flexibility.

Additionally, Elizabeth Hill, Director of the California Legislative Analysts Office (LAO), prepared a proposal as an alternative to the Governor's plan. The LAO plan, which is intended to stimulate legislative discussions on welfare, features less stringent time limits, a different set of work requirements and higher initial costs. The various provisions of the three major proposals are outlined in the chart included as an attachment.

Legislative Special Committee on Welfare Reform

Senate President Pro Tem Bill Lockyer (D-Hayward) and Assembly Speaker Cruz Bustamante (D-Fresno) announced plans to establish a Legislative Special Committee on Welfare Reform. This 18-member committee is comprised of six Senate Democrats, six Assembly Democrats, three Senate Republicans and three Assembly Republicans. The Committee Co-chairs and Members are:

CO-CHAIRS: Senate Budget Committee Chair Michael Thompson (D-Santa Rosa)
Senate Health & Human Services Chair Diane Watson (D-Los Angeles)
Assembly Budget Committee Chair Denise Ducheny (D-National City)
Assembly Human Services Chair Dion Aroner (D-Berkeley)

OTHER MEMBERS: Senators Jim Brulte (R-Los Angeles); Pat Johnston (D-Stockton); Barbara Lee (D-Oakland); Ken Maddy (R-Fresno); Hilda Solis (D-El Monte); John Vasconcellos (D-San Jose); and Cathie Wright (R-Simi Valley)

Assemblymembers Roy Ashburn (R-Bakersfield); Tom Bordonaro (R-San Luis Obispo); Valerie Brown (D-Santa Rosa); Bill Campbell (R-Orange); Carole Migden (D-San Francisco); Antonio Villaraigosa (D-Los Angeles); and Roderick Wright (D-Los Angeles).

The first meeting of the Legislative Special Committee on Welfare Reform was held on February 13, 1997. The goal of the Committee is to complete an implementation plan prior to the release of the Governor's May Revision to his 1996-97 budget proposal. It will meet most Thursdays and has established working groups (see attachment) that will focus more specifically on critical issues and is committed to a broad, public process that will ensure protection for children, the disabled, and elderly while also treating recipients and local governments fairly.

Additionally, the key principles for the Special Committee were stated to be: the need to provide assistance to the elderly, blind, and disabled (particularly those who will have difficulty completing the naturalization process) and the need to provide maximum flexibility to counties to administer programs under the new system. The Special Committee plans to complete the first phase of its work by early May at which time it will have developed an implementation plan of the federal welfare reform law, and which would then be modified, if necessary, to accommodate changes in revenues and caseloads reflected in the annual May Revision of the Governor's proposed budget.

Proposed Legislation

Various bills have been introduced in both the State Senate and the Assembly. Most recently, State Senate Mike Thompson introduced SB 933 which would implement the framework of the CSAC/CWDA Welfare Reform Redesign Proposal. Senator Patrick Johnston had introduced SB 505 earlier which would implement the Welfare-to Work component of the CSAC/CWDA plan. It is generally anticipated that most Bills will become incorporated into the Legislative Special Committee's plan.

TALKING POINTS FOR MR. BOWLES REGARDING SECURITIES LITIGATION LEGISLATION

Background

John Doerr: He is a partner of the Menlo Park venture capital firm Kleiner Perkins Caufield & Byers. He was a leader of Silicon Valley's opposition to Proposition 211 last year.

The President's Remark About Federal Preemption: Last year, at a dinner in California last year, the President indicated that federal preemption of state securities litigation rules might be in order to overcome the balkanization of securities litigation. Various attendees at last year's dinner took away different impressions about how aggressive the President intended to be on this subject, and some understood him to say that state laws should be preempted regardless of what happened to Prop 211. The most reliable accounts of what he said suggest that his remarks were made against the backdrop of Prop 211 and that it is overbroad to conclude that he had decided that there should be federal preemption regardless of the outcome.

In discussions with Mr. Doerr and his Silicon Valley allies since then, the approach has been to say that the proponents of federal preemption would have to make the case that the threat persists despite the decisive defeat of Prop 211, and that we would listen carefully to that case.

Congressional Democrats' Letter: On March 14, sixty-one Democratic members of Congress signed a letter to the President (copy attached), urging that the Administration work with Congress to enact uniform standards legislation. They want uniform standards for private class action lawsuits (but would not require uniformity for state regulators' suits or suits brought by private parties that are not class actions). Only "nationally marketed" securities would be covered. The gist of their argument is that the benefits of last year's federal securities legislation (enacted over the President's veto) are being lost because litigation that could not go forward in federal court under the new law is shifting to state courts, and that this is occurring even without Prop 211.

Likely Purpose of Mr. Doerr's Call: Mr. Doerr is likely to ask you whether the Administration will take up the request contained in the letter. He is likely to offer to be helpful in developing the specifics of the bill. He is likely to ask what process we will undertake to decide whether to offer or support legislation.

Suggested Talking Points:

- We will look carefully at everything you've got on why this continues to be a problem despite the defeat of Proposition 211, and why the right solution would be to preempt the states. We've operated for a long time sharing responsibility with the states, and we'd need to be sure that this was the right thing to do.
- We also need to be mindful that preemption debates generate unusual alliances, and any decision to go forward would have to take into account the possibility for unintended outcomes.

- Nevertheless, we ought to engage on this, and we will have a thorough and thoughtful process on this, led by the NEC working with the Counsel's Office. We will want to be in close touch with you as we work on this. We will want your ideas about how to address the issues that your studies and data indicate are problems.

Note: At Tim Newell's (OSTP) suggestion, Kathy Wallman will be having regular conference calls with Mr. Doerr on this issue and others he may wish to raise. The first one is scheduled for Wednesday, March 26.

Prepared by Wallman 3/21/97

Congress of the United States

House of Representatives

Washington, DC 20515

March 14, 1997

The Honorable William J. Clinton
President of the United States
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

We are writing on an issue that is of vital concern to our constituents in the high tech and emerging company sectors, and that significantly affects America's economic growth.

In 1995, Congress passed the Private Securities Litigation Reform Act with bipartisan support to end abuses in federal securities class actions. Now there is evidence that the reforms we enacted are being circumvented. Although plaintiffs traditionally have brought securities class actions in federal court under federal law, claims now are being filed at record rates in state courts. In effect, the standards in the federal securities laws, as amended by the Reform Act, are being bypassed.

Last year, you recognized the potential dangers of bypassing this new law and the national character of our securities litigation system when you opposed California Proposition 211. Observing that Proposition 211 had "national implications", you noted that it would "invite the filing of lawsuits in California that otherwise could not be brought under federal law." Leon Panetta reiterated that "[the President] does not believe states should do this on a hit-and-miss basis...[W]hen it comes to securities law, Congress should set the rules." We, too, believe that the remedies available to purchasers and sellers of nationally-traded securities should not vary depending upon the state in which the purchaser or seller resides, but should be uniform for all similarly-situated persons.

To uphold this principle, we would like to work with you to enact legislation establishing uniform standards for private securities class action litigation, based upon the reforms embodied within the PSLRA, to cover nationally marketed securities. This would ensure that the reforms passed in 1995 are not subverted. We emphasize that we do not seek to affect the power of state regulatory agencies to bring enforcement actions, or to limit non-class action lawsuits brought under state law. Instead, we want only to ensure that private

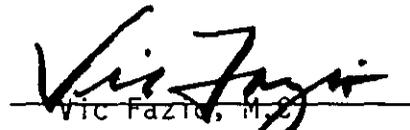
securities class actions are governed by fair and consistent rules that will ensure stability in the legal environment.

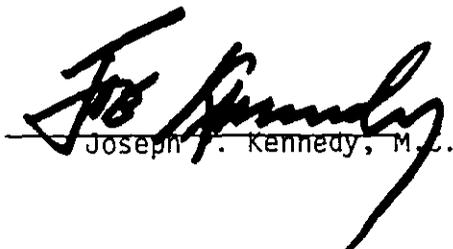
This legislation is essential to the vitality of the new venture and high-growth sectors of our economy, which are responsible for a substantial portion of the growth in the country's gross domestic product in recent years.

On behalf of our constituents, and in the interest of promoting economic growth and job creation, we urge you to support uniform standards legislation and work with us to enact this bill this year.

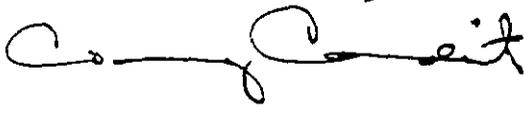
Sincerely,


Anna G. Eshoo, M.C.


Vic Fazio, M.C.


Joseph P. Kennedy, M.C.

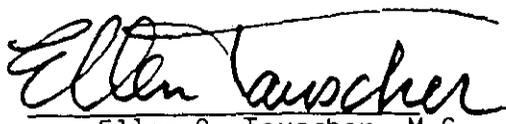

Calvin Dooley, M.C.


Gary Condit, M.C.


James P. Moran, M.C.


Tim Koemer, M.C.


Sherrod Brown, M.C.

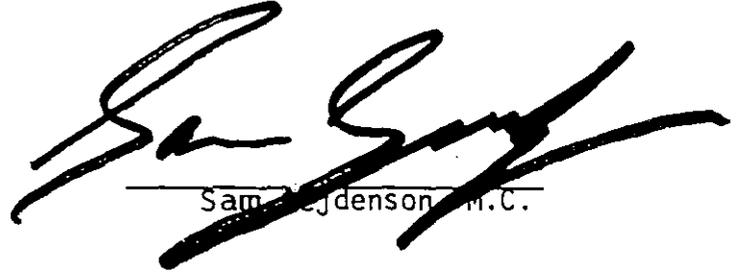

Ellen O. Tauscher, M.C.


Barbara Kennelly, M.C.


Zoe Lofgren, M.C.


Peter Deutsch, M.C.

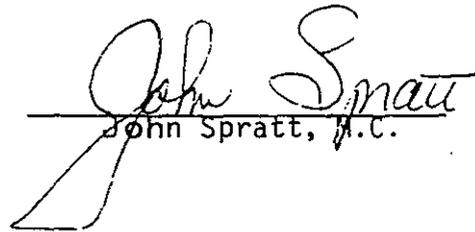

Elizabeth Furse, M.C.

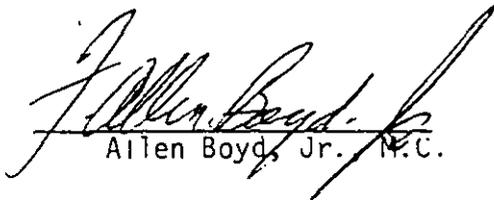

Sam Reidson, M.C.

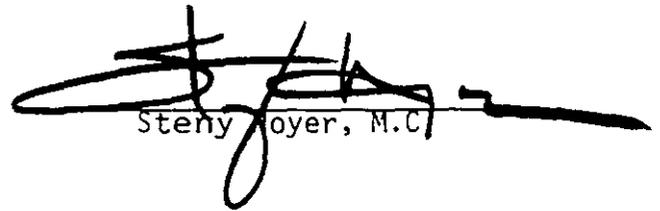

Tom Sawyer, M.C.

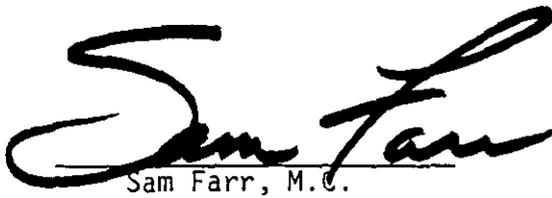

Tim Holden, M.C.


Deborah Stabenow, M.C.

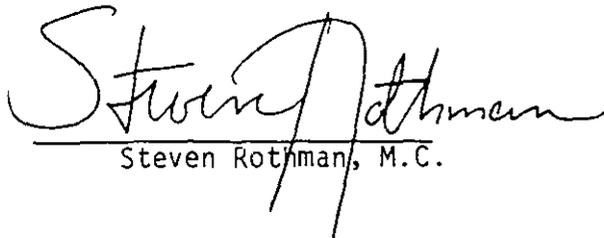

John Spratt, M.C.


Allen Boyd, Jr., M.C.


Steny Hoyer, M.C.

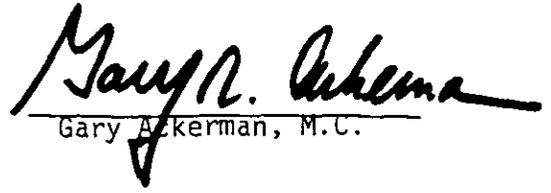

Sam Farr, M.C.


Darlene Hooley, M.C.


Steven Rothman, M.C.

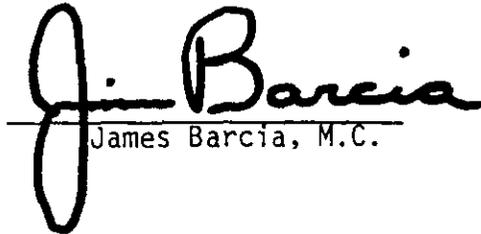

Barney Frank, M.C.

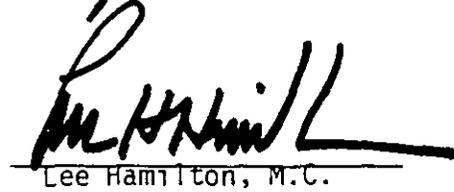

Edolphus Towns, M.C.

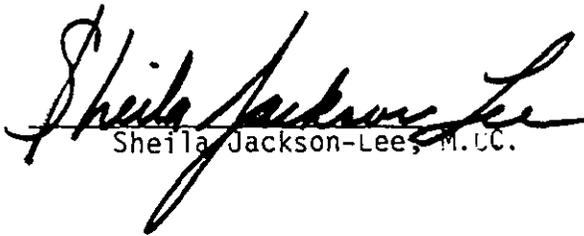

Gary Ackerman, M.C.


Robert Andrews, M.C.


Martin I. Meehan, M.C.


James Barcia, M.C.


Lee Hamilton, M.C.

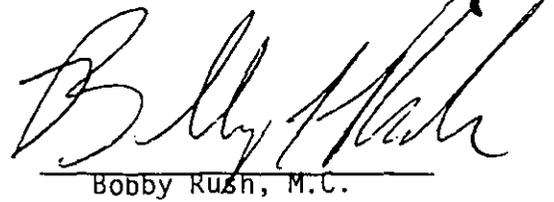

Sheila Jackson-Lee, M.C.C.

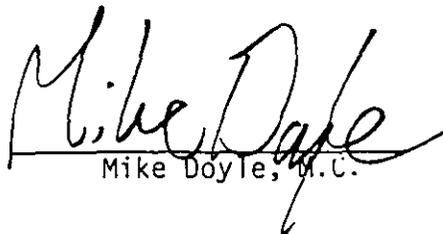

Collin Peterson, M.C.


Paul McHale, M.C.


Patrick Kennedy, M.C.


Ken Bentsen, M.C.


Bobby Rush, M.C.


Mike Doyle, M.C.


Jane Harman, M.C.

Diana DeGette
Diana DeGette, M.C.

Louise M. Slaughter
Louise M. Slaughter, M.C.

Chet Edwards
Chet Edwards, M.C.

Ron Kind
Ron Kind, M.C.

Martin Frost
Martin Frost, M.C.

Tom Allen
Tom Allen, M.C.

Nancy Pelosi
Nancy Pelosi, M.C.

John S. Tanner
John S. Tanner, M.C.

Virgil Goode, Jr.
Virgil Goode, Jr., M.C.

Bruce Vento
Bruce Vento, M.C.

Rosa L. DeLauro
Rosa DeLauro, M.C.

Gerald Kleczka
Gerald Kleczka, M.C.

Solomon P. Ortiz
Solomon P. Ortiz, M.C.

Charles Stenholm
Charles Stenholm, M.C.

Owen Pickett

Owen Pickett, M.C.

Scotty Baesler

Scotty Baesler, M.C.

Robert Clement

Robert Clement, M.C.

Sanford Bishop, Jr.

Sanford Bishop, Jr., M.C.

Carolyn B. Maloney

Carolyn B. Maloney, M.C.

Peter J. Visclosky

Peter J. Visclosky, M.C.

William (Bill) Luther

William (Bill) Luther, M.C.

Bob Etheridge

Bob Etheridge, M.C.

Bud CRAMER

Robert (Bud) Cramer, M.C.

U.S. Coalition Letter Signatories

March 14, 1997

Tom Allen (ME)	Steny Hoyer (MD)
Gary Ackerman (NY)	Sheila Jackson-Lee (TX)
Robert Andrews (NJ)	Joe Kennedy (MA)
Scotty Baesler (KY)	Patrick Kennedy (RI)
Jim Barcia (MI)	Barbara Kennelly (CT)
Ken Bentsen (TX)	Ron Kind (WI)
Sanford Bishop (GA)	Gerald Kleczka (WI)
Allen Boyd (FL)	William Luther (MN)
Sherrod Brown (OH)	Zoe Lofgren (CA)
Bob Clement (TN)	Carolyn Maloney (NY)
Gary Condit (CA)	Paul McHale (PA)
Robert Cramer (AL)	Marty Meehan (MA)
Diana DeGette (CO)	Jim Moran (VA)
Rosa DeLauro (CT)	Solomon Ortiz (TX)
Peter Deutsch (FL)	Nancy Pelosi (CA)
Calvin Dooley (CA)	Collin Peterson (MN)
Mike Doyle (PA)	Owen Pickett (VA)
Chet Edwards (TX)	Tim Roemer (IN)
Anna Eshoo (CA)	Steve Rothman (NJ)
Bob Etheridge (NC)	Bobby Rush (IL)
Sam Farr (CA)	Tom Sawyer (OH)
Vic Fazio (CA)	Louise Slaughter (NY)
Barney Frank (MA)	John Spratt (SC)
Martin Frost (TX)	Deborah Stabenow (MI)
Elizabeth Furse (OR)	Charlie Stenholm (TX)
Sam Gejdenson (CT)	John S. Tanner (TN)
Virgil Goode (VA)	Ellen Tauscher (CA)
Lee Hamilton (IN)	Ed Towns (NY)
Jane Harman (CA)	Bruce Vento (MN)
Tim Holden (PA)	Pete Visclosky (IN)
Darlene Hooley (OR)	

Total: 61

MEMORANDUM FOR BRUCE REED

FROM: Cynthia Rice
CC: Elena Kagan, Diana Fortuna, Lyn Hogan
DATE: March 13, 1997
SUBJECT: STATE PROFILES FROM HHS

I need your input on three issues:

Content: Does the attached description of Michigan include all the data we want HHS to track for each state? There are two things attached: 1) A matrix which now has only Michigan but will become a side-by-side comparing all states (supplying the data with which we could make U.S. maps for key issues); and 2) A list of key data and written description of welfare reform in the state. I'm still not satisfied with the write-up or the look of these documents, but I think they are now providing the right facts. What do you think?

Which States: We now have Michigan, North Carolina, and Florida in hand and have been promised Virginia, South Carolina, Kentucky, Tennessee, Alabama, Mississippi, Missouri, Colorado, California, Oregon, and Washington by today or first thing Monday. Which states do you want next? Separately, John Monahan is sending you a memo proposing certain states with Republican governors -- California, Iowa, Connecticut, Ohio, Minnesota, Maine, Massachusetts, and Indiana -- that the President should visit. Are those the next states for which we should get state profiles?

Format: My intention is to have the revised profiles put in a three ring binder. The first tab will be an overview, showing the maps and the matrix comparing all states. Then there will be a tab for each state with the key data and the description of their welfare reform program. Does that sound useful?

Talk w/ Bruce/Cynthia

- All aspects of factual analysis difficult to read - not user-friendly
- Still not textured or analytical enough.
Successes? Problems? Anecdotes?
Politics?

Get press clips if nothing else.

9456/028 P. 02

TU

State	Time Limit (Months)	Time Frame for Work (Months)	Sanctions for Not Complying with Work Requirements	Major Work Activities (List)	Employment Subsidy Component	Individual Development Accounts (Amount)	Transitional Medicaid Available (Months)	Transitional Child Care Available (Months)	FY 1997 Benefit Level, Family of 3 No Income (2 kids)	FY 1996 Benefit Level, Family of 3 No Income (2 kids)
Michigan Received: 08/27/96 Effective: 09/30/96	Intend to use State-only funds for those complying and are not self-sufficient after 60 months.	60 days	Reduction or Termination	High School Completion, GED, Basic/Remedial Education, English Proficiency, Job Skills Training, OJT, CWEP, Job Search, Job Readiness Activities, Job Development Placement	No	No	Yes 12 mos.	Yes 24 mos.	\$459 (Detroit) Varies for different areas of the State.	\$459 (Detroit) Varies for different areas of the State.

?

6

MAR-06-1997 18:12 FROM

54567028 P. 03

IU

State	Eliminated Eligibility for Some Groups at State Option	Benefits to Legal Immigrants	Family Cap	Benefits to Drug Felons	Drug Testing of Recipients	Screen for Domestic Violence	Establish Two-Tier Welfare System (Federally-funded vs. State-only)	Revoke Licenses for Not Paying Child Support	New Hire Reporting System in Place for Child Support Enforcement	In-Hospital Paternity Establishment
Michigan	No	Yes	No	No	Recipients with substance abuse problems that are not complying must participate in treatment and submit to any drug testing required by treatment program.	Decide Later	Intend to use State-only funds for those that complied and are not self-sufficient after 60 months.	Yes	No	Yes

need more detail

MAR-06-1997 18:12 FROM

State	Percent Change in Number of AFDC Recipients (1/93-11/96)	Percent Change in Unemployment (1993-1996)	Percent Change in Teen Birth Rate (1992-1994)	Percent Change in Child Support Collections (FY92-FY96)	Percent Change in Number of Cases With Collections (FY92-FY96)	Percent Change in Paternity Establishment (FY92-FY96)	Percent Change in Number of Adoptions of Children in Foster Care (FY92-FY96)
Michigan	-30	-33.8 (7.1 to 4.7)	-7.79	21.2	22.2	109.1	

MICHIGAN

Michigan Family Independence Program (FIP)

FUNDING UNDER NEW WELFARE LAW

Family Assistance Grant

US FY 1997: \$16.489 billion
US FY 1996: \$14.931 billion
US change 1996-1997: \$1.558 billion
MI FY 1997: \$775,352,858
MI FY 1996: \$632,231,649
MI change 1996-1997: \$143,121,209

Child Care Funding

US FY 1997: \$1.923 billion (mandatory and matching)
US FY 1996: \$1.355 billion (Title IV-A child care grants)
US change 1996-1997: \$568 million
MI FY 1997: \$58,298,700 (mandatory and matching)
MI FY 1996: \$41,192,695 (Title IV-A child care grants)
MI change 1996-1997: \$17,106,005
MI discretionary funds available October 1, 1997: \$29 million

STATISTICS RELATED TO WELFARE REFORM

AFDC Recipients

US January 1993: 14.115 million
US November 1996: 11.631 million
US percent change: 18 percent
MI January 1993: 686,356
MI November 1996: 478,082
MI percent change: 30 percent

Unemployment Rate

US 1993: 6.8 percent
US November 1996: 5.0 percent
MI 1993: 7.0 percent
MI November 1996: 4.2 percent

Teen Birth Rate

per 1000 women aged 15 to 19
US 1992: 60.7
US 1994: 58.9
US percentage change 1992-1994: 3.0 percent
MI 1992: 56.5
MI 1994: 52.1
MI percentage change 1992-1994: 7.8 percent

Child Support Collections

MI FY 1992: \$782,804,209
MI FY 1996: \$948,557,600
MI percentage change 1992-1996: 21.2 percent

Paternity Establishment

MI FY 1992: 29,087 children

MI FY 1996: 60,827 children

MI percentage change 1992-1996: 109.1 percent

MEDICAID IMPLICATIONS OF WELFARE REFORM

Michigan has indicated to HCFA staff that it does intend to continue coverage to legal immigrants, but as of February 25, 1997, the State had not submitted to the Health Care Financing Administration (HCFA) any of these welfare-related plan amendments.

which
immigrant
will
this cover?

TANF STATE PLAN

Plan submitted: August 27, 1996
 Certified complete: September 30, 1996.
 Proposed effective date: August 26, 1996

Michigan's Family Independence Program (FIP) continues the welfare reform activities begun by the state under two waivers approved by the Clinton Administration, and implements state legislation which was signed by the Governor in December, 1995.

Work Requirements

The state requires 20 hours per week of work activities by all adult recipients; reduces benefits for noncompliance; and closes the cases of recipients who do not comply with work requirements during the first 60 days of assistance, and of minor parents who do not attend school for more than 60 days. FIP's stated goal is to "support eligible families engaged in efforts to overcome the barriers preventing them from achieving total financial independence." As long as adults comply with the requirements of the program they will be provided assistance, even if state-only funds are necessary to do so.

Benefit Level

- o For a family of three, the payment standard ranges from \$424 to \$489 per month, depending on the area of the State in which the family resides.

Eligibility Rules

- o The State is retaining the same basic eligibility as was under the former AFDC/JOBS.
- o The asset limit is raised to \$3,000. Only assets such as cash, savings accounts, currency, uncashed checks, etc., are counted in determining eligibility.
- o The state disregards the first \$200 of earned income and 20 percent of the remainder. These disregards are not time-limited.

- o The application is revised from 30 pages to 6 pages through policy simplification (e.g., treatment of income and assets) and program changes.

Immigrant Provisions in the MI State Plan:

General Provisions (relating to immigrants/Qualified Aliens):

(8) Michigan will provide FIP assistance to individuals who are not citizens of the United States after 12/31/96 as mandated by Michigan Public Act 223; all permanent resident aliens and refugees will be eligible.

(19) Michigan will provide assistance to aliens as allowed in Title IV of the Act.

not clear what this means

WELFARE REFORM DEMONSTRATIONS APPROVED BY THE CLINTON ADMINISTRATION

Michigan's Family Independence Program (FIP) continues the welfare reform activities begun by the state under two waivers approved by the Clinton Administration, and implements state legislation which was signed by the Governor in December, 1995.

Michigan's two waivers were approved on October 5, 1994, and June 26, 1996.

PENDING AND ANTICIPATED WAIVER REQUESTS

No action has been taken on welfare waiver requests submitted prior to enactment of the welfare reform legislation on August 22, 1996.

Most states with waivers still legally pending have not pushed for acceptance because most of these requests have either become irrelevant or are now covered under the new welfare law.

Michigan on the other hand continues to pursue waivers which the state believes would make their TANF population eligible for Medicaid. We are working with HCFA to clarify other parts of Section 1915 (d) which would allow the state to achieve the same purpose without waivers.

STATE LEGISLATIVE INFORMATION/ADDITIONAL BACKGROUND

Project Zero, the Governor's welfare plan (began in April 1996), continues to assist greater numbers of welfare recipients to join the labor market. January, 1997 data show 54 percent of targeted welfare cases in the six project sites have earned income, up from 52 percent in December, 1996.

On February 14, 1997, the Michigan State Senate began debate of a bill to increase the minimum wage in the State immediately to \$4.75/hour to \$5.15/hour. The State Assembly had already approved a similar bill. It is expected to pass and be signed by the Governor.

PRESS BACKGROUND:

Jan 22, 1997

Welfare Caseload Decreases Again

For the 34th consecutive month... Michigan has recorded a drop in welfare cases... this time by nearly 26-hundred. That brings the overall welfare roll to its lowest level since 1972. The current level of 159-thousand cases represents a 30-percent fall-off since March of 1994.

Michigan's Welfare Reform Changes ~ A Chronology

October 1992 Implementation of To Strengthen Michigan Families begins under waivers to federal policies including:

- encouraging parents to remain together by eliminating "marriage penalties"
- disregarding earned income of \$200 plus 20 percent.
- providing transitional child care and medical coverage when cash assistance ends due to earnings
- enhancing child support enforcement tools

Implementation of Block Grant Reform

April 1995 New Policy Implemented:

- Clients who do not cooperate with employment and training expectations have their grants and food stamps reduced by 25 percent. After 12 months of noncooperation, their cases will be closed

May 1996 New Policy Implemented:

- Cashing out food stamps for working recipients

October 1996 New Policies Implemented:

- AFDC changes to Family Independence Program
- Joint orientation conducted by the FIA and Michigan Works! Agency becomes a condition of eligibility for benefits
- Minor parents are required to live in approved adult-supervised settings and attend school as conditions of eligibility
- Mothers with newborn children are excused from Work First only if children are less than 12 weeks of age (previously 12 months)
- Most legal aliens are eligible for cash assistance from the state but not eligible for federal food stamps or SSI
- In two-parent families, one parent is required to work at least 35 hours per week
- Probation/parole violators and fugitive felons are ineligible for benefits

November 1996 New Policies Implemented:

- The application for the Family Independence Program is shortened to six pages

- Persons applying for assistance and claiming medical problems are sent to the Social Security Administration for medical determination. They are deferred from participation in Work First until SSA makes the initial disability determination
- Day care is no longer treated as an expense of employment, but is paid directly to the provider

December 1996 Policy Change:

- A three-month limit on food stamp eligibility will be imposed on 18-50 year old able-bodied individuals without children unless they are working or participating in work training programs an average of 20 hours per week. In addition, Michigan and Illinois have received federal approval to implement a 25-hour community service component that will allow participants who volunteer to continue receiving food stamps.

February 1997 Proposed Policy Change:

- A child support cooperation requirement will be implemented for the food stamp program

April 1997 Proposed Policy Changes:

- Most eligibility workers and all employment/ training and day care workers will become Family Independence Specialists
- Another new classification, the Eligibility Specialist, will be created to handle non- family cases
- New clients who do not cooperate with employment and training expectations will not be eligible for cash grants or food stamps beyond an initial 60-day eligibility period
- Clients who initially cooperate with employment and training expectations and subsequently fail to cooperate will have their grant and food stamps reduced by 25 percent. If they are still not cooperating after four months, their case will be closed

July 1997 Proposed Policy Changes:

- The monthly reporting requirement will be eliminated
- Household composition policy will mandate the inclusion of stepparents and step-siblings
- Prospective budgeting will be implemented
- Only cash assets will be counted
- Child support payments will go directly to FIP clients, rather than to the state, and be budgeted as income
- Persons convicted of drug possession will be disqualified

Project Zero

- Introduction
 - Purpose
 - Background
 - Sample Design
 - Pilot Sites
-

- Current Statistics ~ All Project Zero Sites
 - Current Statistics ~ Total for All Project Zero Sites
 - Current Statistics for ALL Counties:
 - Using Project Zero methodology
 - Reporting on cases without earned income using Project Zero methodology
-



MFLA Home Page

Introduction

Project Zero is part of the Family Independence Agency's (FIA) To Strengthen Michigan Families (TSMF) initiatives. These initiatives assist clients in moving away from the need for public assistance and towards self-sufficiency.

The first phase of Project Zero sampled AFDC recipients in six representative areas of the state. Personal characteristics, demographics data, clients strengths and barriers to employment were identified. The selection of the sites was based on demographics, geographic location, urban/rural characteristics and volunteerism. While each site has unique aspects, the clients have common problems such as access to child care and transportation, low self-esteem and fear of losing health care coverage.

The project sites are:

- Alpena - northern rural
- Menominee - rural upper peninsula
- Midland - mix of urban and rural
- Ottawa - mix of urban and rural
- Romulus-Wayne - mix of urban and suburban
- Tireman-Wayne - urban and residential

The goal of Project Zero is to reduce the number of included AFDC households without earned income. The second phase of the project, which began July 1, 1996, focuses on achieving 100% employment for those clients in the included group in the six project sites. To help clients obtain employment, FIA staff will be working with them to eliminate barriers to employment and promote independence.

Additional resources are being developed within the agency as well as efforts to coordinate with other departments such as Transportation and the Michigan Jobs Commission. Community agencies are also being asked for their assistance in providing resources for the project effort. Training in Strength Based/ Solution Focused programs is underway for staff involved in the project.

Purpose

Project Zero is a small research project in six areas of the state designed to identify certain personal characteristics, demographic information, client strengths, and barriers to employment - real and perceived - of AFDC recipients.

Three groups of AFDC recipients are included in our study:

- Those without earned income;
- Those with earned income from less than 20 hours of work per week; and
- Those with earned income from 20 hours of work or more.

The purpose of project zero is twofold. First, it is to identify, through a survey, barriers to employment that are unique to recipients without earned income; and secondly, to utilize the data findings to assist state agencies and community organizations to develop programs and services in the six sites aimed at increasing the number of clients with earned income.

Background

This project is a part of the Family Independence Agency's continuing welfare reform initiative, *To Strengthen Michigan Families (TSMF)*, which assists clients making the transition from dependency to self-sufficiency. The results of Project Zero will also help develop policy for the Family Independence Agency to ensure that appropriate measures are taken to foster this transition. Because these sites were not selected at random, it should be noted that this study reflects a range of problems and barriers to employment for each specific site and the data should not be interpreted or projected to the state as a whole.

The second phase of Project Zero began April 1, 1996 with community kickoffs in each site. Community plans will be in place by July 1996 and will end in July 1997. The results of these pilots will be reviewed to determine the applicability of this community approach to the remainder of the state.

The six sites were chosen based on the following factors:

- Demographic representation
- Geographic representation
- Urban/Rural characteristics
- Volunteerism

The population for this study was derived from AFDC caseload data from each of the six sites for each of the three groups mentioned previously. The recipients to be interviewed were notified by mail and appointments were set to complete the survey questionnaire at their convenience either in the local office or in their home. In most situations, the responses to the questionnaire reflect the client's experiences during the week prior to survey completion.

Sample Design

These factors had to be considered in designing the sample:

- The six local offices had already been selected;
- A comparison of the three groups based on how many hours the client had worked in the previous week (zero, 1-19, and 20 or more);
- The sample selection, interviews, processing, and analysis needed to be completed by January 31, 1996 to allow for timely implementation.

The intended sample size was 120 in each office, consisting of a random sample of 40 in each of the three groups. This was determined by calculating how many cases were needed in each group in order for differences of 15 percent to be considered statistically significant (as opposed to sampling fluctuation).

When selecting the samples, the number of hours worked was not available, so the amount of earned income was used as an approximation. There were 40 cases selected from those with no earned income, 40 from those with \$1 to \$399 earned income, and 40 from those with \$400 or more earned income.

Many clients selected in the \$1 to \$399 earned income group have inconsistent work hours, and worked either no hours or 20-plus hours in the week for which we collected data. As a result, the sample sizes in the 1-19 hours group were under 20 cases in most counties, and the sample sizes in the zero hours group and in the 20-plus hours group were 45 or more in most counties.

WR - state profiles

February 27, 1997

NOTE TO BRUCE REED AND ELENA KAGAN

Attached are the first three welfare reform state profiles for Michigan, Florida, and North Carolina. Please let me know if you have any comments on either the format or the information included, as soon as possible. In the meantime, we are continuing to work on the next ten priority states.

Thank you.

John Monahan

Presentation -
More of an overview stuff.

state page

Missing

- state contributions -?
what does it have to put up?
how much did they?
- child support - more like states?
new laws?
- who's eligible.
- what counts as work?
- have they cut months, just?
- waivers - in respect of state?

DRAFT

MICHIGAN

FUNDING UNDER NEW WELFARE LAW

Family Assistance Grant: The new welfare law provides \$16.489 billion to all states in FY 1997, an increase of \$1.486 billion over FY 1996 combined grants for AFDC, EA, and JOBS. Michigan will receive \$775,352,858 in FY 1997, an increase of \$143,121,209 over its FY 1996 grants.

Child Care: Under the new welfare law, up to \$1.922 billion of mandatory and matching child care funds is available to all states in FY 1997, up \$568 million over the Title IV-A child care grants they received in FY 1996. Michigan could receive up to \$58,298,700 in mandatory and matching child care funds in FY 1997, up \$17,106,005 over FY 1996. Later this year, Michigan will receive approximately \$29 million in discretionary child care funds.

STATISTICS RELATED TO WELFARE REFORM

AFDC: Nationally, the total number of AFDC recipients has declined 18 percent, from 14.115 million in January 1993 to 11.631 million in November 1996. The total number of AFDC recipients in Michigan has decreased 30 percent, from 686,356 in January 1993, to 478,082 in November 1996.

Unemployment Rate: The national unemployment rate was 5.0 percent for November 1996, down from 6.8 percent for 1993. The unemployment rate in Michigan for November 1996 was 4.2 percent, down from 7.0 percent for 1993.

Teen Pregnancy: According to the CDC, the teen birth rate dropped nationally by 3.0 percent between 1992 and 1994, from 60.7 to 58.9 per 1,000 women aged 15-19. In Michigan, the teen birth rate fell by 7.8 percent over this period, from 56.5 to 52.1 per 1,000 women aged 15-19. The most recent teen pregnancy rate statistics available by state are from 1992. Nationally, pregnancy rates for teens aged 15-19 declined 3 percent from 1991 to 1992. In Michigan, teen pregnancy rates dropped by 3.8 percent over this period.

Child Support Enforcement: In FY 1996, Michigan distributed \$948,557,600 in child support collections, up from \$782,804,209 in FY 1992 (a 21.2 percent increase). In addition, the number of cases in which families received child support services rose 34.2 percent, from 1,163,067 in FY 1992 to 1,561,364 in FY 1996. The state also increased paternity establishment by \$109.1, from 29,087 in 1992 to 60,827 in 1996.

MEDICAID IMPLICATIONS OF WELFARE REFORM

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) preserved the Medicaid program as an individual entitlement. However, under the new law, States have the option to: (1) Discontinue Medicaid coverage for legal immigrants who were in the U.S. before August 22, 1996; (2) lower income and resource standards to the levels in effect on May 1, 1988; (3) increase the standards in keeping with increases in the consumer price index; and (4) use less restrictive income and resource methodologies. A State must amend its Medicaid plan in order to exercise these options.

As of February 25, 1997, Michigan has not submitted to the Health Care Financing Administration (HCFA) any of these welfare-related plan amendments. Michigan has indicated to HCFA staff that it does intend to continue coverage to legal immigrants.

TANF PLAN SUBMISSION STATUS

Plan submitted August 27, 1996. Certified complete September 30, 1996.

Michigan's Family Independence Program (FIP) continues the welfare reform activities begun by the state under two waivers approved by the Clinton Administration, and implements state legislation which was signed by the Governor in December, 1995. The state requires 20 hours per week of work activities by all adult recipients; reduces benefits for noncompliance; and closes the cases of recipients who do not comply with work requirements during the first 60 days of assistance, and of minor parents who do not attend school for more than 60 days. FIP's stated goal is to "support eligible families engaged in efforts to overcome the barriers preventing them from achieving total financial independence." As long as adults comply with the requirements of the program they will be provided assistance, even if state-only funds are necessary to do so.

Michigan's two waivers were approved on October 5, 1994, and June 26, 1996.

WELFARE REFORM DEMONSTRATIONS APPROVED BY THE CLINTON ADMINISTRATION

Michigan has received approval for two welfare demonstrations under the Clinton Administration:

1. An expansion of Michigan's "To Strengthen Michigan Families" welfare demonstration requires AFDC recipients to participate in either the Job Opportunities and Basic Skills Training Program (JOBS) or Michigan's "Social Contract" activities that encourage work and self-sufficiency. An individual's failure without good cause to comply with the requirements of the JOBS program will result in a sanction of 25 percent of the family's AFDC grant for

12 months or until the individual complies. If the individual does not participate during the 12 months after non-compliance, the entire family's AFDC case will be closed until the individual complies. Michigan is also requiring AFDC applicants to actively seek employment while eligibility for AFDC is being determined.

The demonstration also requires that pre-school-age children be immunized and disregards the value of one vehicle in determining eligibility. Additionally, in two counties, Michigan will evaluate mediation services to determine if this increases compliance with child support. The demonstration will extend previously approved waivers until October 1999.

Michigan's request was received March 8, 1994, and granted October 5, 1994. Michigan implemented the amendments in October 1994.

2. A second approved application expanded "To Strengthen Michigan Families" to require minor parents to live with their parents, relatives, or legal guardian, or in an adult-supervised living arrangement, as a condition of eligibility for AFDC. Minor parents will receive assistance from the state to find an appropriate adult-supervised household, if necessary. Minor parents also will be required to attend school. Failure to comply will result in denial of AFDC benefits for the minor parent and her children. Under both provisions, parents and children who lose cash benefits will retain Medicaid coverage.

[Note: Michigan had also requested in its second application that waivers be granted to extend the minor parent living and school attendance requirements to food stamps as well as AFDC. Because the Food Stamp program's waiver authority prohibits USDA from granting waivers that reduce benefits, USDA did not have the legal authority to grant the food stamp waivers. This request also prevented the waiver from being granted under the fast-track process.]

Michigan's second request was received April 26, 1996, and granted June 26, 1996.

PENDING AND ANTICIPATED WAIVER REQUESTS

No action has been taken on welfare waiver requests submitted prior to enactment of the welfare reform legislation on August 22, 1996.

Most states with waivers still legally pending have not pushed for acceptance because most of these requests have either become irrelevant or are now covered under the new welfare law.

Michigan on the other hand continues to pursue waivers which the state believes would make their TANF population eligible for Medicaid. We are working with HCFA to clarify other parts of

Section 1915 (d) which would allow the state to achieve the same purpose without waivers.

STATE LEGISLATIVE INFORMATION/ADDITIONAL BACKGROUND [will be updated]

Project Zero, the Governor's welfare plan (begun in April 1996) continues to assist greater numbers of welfare recipients to join the labor market. January, 1997 data show 54 percent of targeted welfare cases in the six project sites have earned income, up from 52 percent in December, 1996.

On February 14, 1997, the Michigan State Senate began debate of a bill to increase the minimum wage in the State immediately to \$4.75/hour to \$5.15/hour. The State Assembly had already approved a similar bill. It is expected to pass and be signed by the Governor.

TANF PLAN SUMMARY -- MICHIGAN

STATE: Michigan

PROGRAM TITLE: Michigan Family Independence Program (FIP)

DATE SUBMITTED: August 27, 1996

DATE FOUND COMPLETE: September 30, 1996

PROPOSED EFFECTIVE DATE: August 26, 1996

SCOPE: statewide

CONTINUE DEMONSTRATION PROVISIONS: Yes

MAJOR PROVISIONS:

1. Make Work Pay:

- o requires 20 hours per week of work, training, community service or self-improvement activities by all adult recipients. Non-compliance results in benefit reductions or case closure.

2. Time Limit

- o as long as adults meet their responsibilities, assistance and self-support services will be provided (even if this requires the use of State-only funds to do so)

3. Minor Parents

- o requires minor parent to live in adult supervised setting, unless good cause exists.
- o failure of minor parent to attend school results in denial of benefits; 60 days to comply, if continues beyond 60 days case is closed

3. Other Major Provisions

- o Immunization: reduce grant by \$25 for failure to immunize children
- o Child Support Requirements: A wide variety improvements in child support enforcement, including: require child support agencies to establish mechanisms to identify persons with access to health insurance coverage; require non-custodial parents to disclose their child support obligations to employers for mandatory withholding; and require hospitals

to accept and record paternity acknowledgments as part of birth registration.

WAIVER PROVISIONS RETAINED

- o The State intends to continue both of its previously approved, statewide waivers. Its TANF plan is based on State legislation signed by the Governor in December 1995. The State had another waiver package pending at the time that PRWORA was signed that it intends to implement over the next year.
- o Issue raised in TANF completeness letter - Policy regarding adverse actions. The waiver request submitted in June 1996 and incorporated into the State's plan notes that the State intends to immediately impose any negative actions.

DRAFT

FLORIDA

FUNDING UNDER NEW WELFARE LAW

Family Assistance Grant: The new welfare law provides \$16.489 billion to all states in FY 1997, an increase of \$1.486 billion over FY 1996 combined grants for AFDC, EA, and JOBS. Florida will receive \$562,340,120 in FY 1997, an increase of \$64,801,082 over its FY 1996 grants.

Child Care: Under the new welfare law, up to \$1.922 billion of mandatory and matching child care funds is available to all states in FY 1997, up \$630 million over the Title IV-A child care grants they received in FY 1996. Florida could receive up to \$78,991,515 in mandatory and matching child care funds in FY 1997, up \$37,197,036 over FY 1996. Later this year, Florida will receive approximately \$50 million in discretionary child care funds.

STATISTICS RELATED TO WELFARE REFORM

AFDC: Nationally, the total number of AFDC recipients has declined 18 percent, from 14.115 million in January 1993 to 11.631 million in November 1996. The total number of AFDC recipients in Florida has decreased 28 percent, from 701,842 in January 1993, to 507,263 in November 1996.

Unemployment Rate: The national unemployment rate was 5.0 percent for November 1996, down from 6.8 percent for 1993. The unemployment rate in Florida for November 1996 was 5.0 percent, down from 7.0 percent for 1993.

Teen Pregnancy: According to the CDC, the teen birth rate dropped nationally by 3.0 percent between 1992 and 1994, from 60.7 to 58.9 per 1,000 women aged 15-19. In Florida, the teen birth rate fell by 2.9 percent over this period, from 66.3 to 64.4 per 1,000 women aged 15-19. The most recent teen pregnancy rate statistics available by state are from 1992. Nationally, pregnancy rates for teens aged 15-19 declined 3 percent from 1991 to 1992. In Florida, teen pregnancy rates were not reported for this period.

Child Support Enforcement: In FY 1996, Florida distributed \$411,799,338 in child support collections, up from \$252,472,760 in FY 1992 (a 63.1 percent increase). In addition, the number of cases in which families received child support services rose 44.1 percent, from 705,395 in FY 1992 to 1,016,299 in FY 1995. The state also increased paternity establishment by 201.3 percent, from 16,119 in FY 1992 to 48,562 in FY 1995.

TANF PLAN SUBMISSION STATUS

TANF plan submitted on 9/20/96 and certified complete on 10/8/96.

Florida's WAGES or Work and Gain Economic Self-Sufficiency program transforms welfare to require work, promote self-sufficiency and parental responsibility, and protect children. The state builds on the principles of its welfare reform waiver demonstration projects, approved by the Clinton Administration, in time limiting assistance, strengthening work requirements and insuring parents are responsible for their children. Florida is developing a community-wide approach to move families successfully to work. The state will set up local WAGES coalitions of business and community leaders to promote opportunity for welfare families. All applicants for support will enter WAGES through one-stop centers to be assessed and required to move into an unsubsidized or subsidized job or activity directly related to work. Assistance is limited to most recipients for 24 months within a lifetime limit of 48 months. Parents are required to cooperate with child support orders, ensure their children are immunized and attend school regularly. Also, parents will receive less assistance for children conceived on welfare. Teen parents must attend school and live under the supervision of a responsible adult. Florida also will build on its comprehensive activities to reduce teen pregnancies and out of wedlock births. To support families that leave welfare into work, the state will offer transitional child care, medical assistance and training for a successful transition to self-sufficiency.

MEDICAID IMPLICATIONS OF WELFARE REFORM

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) preserved the Medicaid program as an individual entitlement. However, under the new law, States have the option to: (1) Discontinue Medicaid coverage for legal immigrants who were in the U.S. before August 22, 1996; (2) lower income and resource standards to the levels in effect on May 1, 1988; (3) increase the standards in keeping with increases in the consumer price index; and (4) use less restrictive income and resource methodologies. A State must amend its Medicaid plan in order to exercise these options. As of February 25, 1997, Florida has not submitted to the Health Care Financing Administration any of these welfare-related plan amendments. The State has indicated that it will only continue to provide Medicaid coverage to those legal immigrants for whom they can claim Federal funds.

WELFARE REFORM DEMONSTRATIONS APPROVED BY THE CLINTON ADMINISTRATION

The Clinton Administration has approved three welfare waivers for Florida.

1. Florida is implementing the "Family Transition Program" for AFDC recipients in two counties: Escambia and Alachua. Under the plan, most non-exempt AFDC families would be limited to collecting benefits for a maximum of 24 months in any five-year period.

Individuals who exhaust their transitional AFDC benefits but are unable to find employment will be guaranteed the opportunity to work at a job paying more than their AFDC grant. The demonstration also provides a longer period of eligibility -- 36 months in any six-year period -- for families at a high-risk of becoming welfare dependent.

Medicaid and child care benefits are available in the demonstration. Local community boards will play a large role in overseeing the program.

Other elements of the demonstration include an increase in the earnings disregard formula and asset ceilings, as well as a statewide requirement that AFDC parents must ensure that their children have been immunized.

Florida's first waiver request was received on Sept. 21, 1993, and granted on Jan. 27, 1994. The demonstration was implemented February 1994.

2. HHS approved the "Family Transition Program Expansion," which extends Florida's original project to seven additional counties, under the "fast track" 30-day period. Counties eligible for participation are Lee, Duval, Pinellas, St. Lucie, Orange, Palm Beach, and Volusia Counties. It will operate for eight years.

Florida's second waiver request was received on August 2, 1995, and granted on September 6, 1995. The expansion was implemented in October 1995.

3. Under Florida's third waiver, the Family Responsibility Act (FRA), families receiving Aid to Families with Dependent Children (AFDC) who have additional children conceived while on AFDC will be eligible for just half of the additional benefit for a first child and no additional AFDC benefits for subsequent children. The additional children will, however, be eligible for Medicaid, and the family's Food Stamp allotment will increase.

FRA also requires minor parents and minor dependent children to attend school. Failure to comply can result in the removal of the non-attending individual from the AFDC grant.

Florida's third waiver request was received on October 4, 1995, and granted on June 26, 1996.

STATE LEGISLATIVE INFORMATION/ADDITIONAL BACKGROUND

Florida's legislative session convenes March 4 and ends on May 2.

In December of 1996, as required by law, Governor Chiles submitted sections of his budget to legislative committees with oversight of welfare departmental funding and programs. Through these submissions, the Governor clearly spelled out the need for increased funding for welfare to work based programs -- with the understanding that restraints in state funding must be upheld.

These outcome-based budget submissions propose increases in funding based on previous expenditures per recipient, projected population and program growth, and projected need.

The Governor has committed to guaranteeing the emergency and prenatal health needs of all individuals regardless of legal status.

One area that will be a particular problem for the state is the language in the Federal Welfare Law which requires states to tighten child support enforcement activities. Currently the state Office of Child Support Enforcement has difficulty with enforcement due to its large volume of case. Under the new law, Florida's ability to provide legal determination for welfare recipients will further the backlog of cases in the state.

Child Support: In September, 1996, Governor Chiles announced a program with the Miami Dolphins, the Tampa Bay Buccaneers and the Jacksonville Jaguars called "Don't Drop the Ball" that enlists athletes to send the message that fathers must pay child support. The President highlighted this program and one of the football players involved, Brian DeMarco, during a speech in Daytona Beach, FL, on October 23, 1996.

TANF PLAN SUMMARY -- FLORIDA

STATE: Florida

PROGRAM TITLE: WAGES (Work and Gain Economic Self-Sufficiency)

DATE SUBMITTED: September 20, 1996

DATE FOUND COMPLETE: October 8, 1996

PROPOSED EFFECTIVE DATE: October 1, 1996

MAJOR PROVISIONS OF TANF:**1. Make Work Pay**

- o requires adults to work
- o limited exemptions, such as elderly or disabled and mothers with a child under 3 months of age
- o people who don't comply will face immediate sanctions
- o first \$200 plus one-half of the remainder is disregarded from earned income. Participants can accrue savings to assist in the transition to work and reduce returns to welfare. Also provide employer incentives to encourage job creation and retention.

2. Time Limit

- o lifetime limit of 48 months. For most there is a 24 month time limit out of any 60 consecutive months. For long term recipients with poor job skills or limited education the time limit is 36 months out of 72 months, but not more than 48 months overall.
- o hardship exemptions are limited to 10% of caseload in first year; 15% in second year; and 20% for third and future years.

3. Minor Parents

- o teen parents must live at home under supervision of responsible adult and must stay in school

4. Other Major Provisions

- o Family cap: 50 percent of the benefit amount for an individual is paid for the first child conceived by a TANF case, and no incremental benefit is paid for a second or subsequent child conceived by a TANF case.

- o Transitional Child Care: available for up to 2 years after participants earn their way off temporary cash assistance
- o Child Support: requires cooperation with child support as condition of WAGES program eligibility; toughens garnishment and paternity testing laws; creates commission to promote strategies that encourage responsible fatherhood

WAIVER PROVISIONS RETAINED:

- o According to the Florida's TANF plan, the State's plan is based on State legislation (the WAGES Act) passed in spring 1996 and its 3 waiver packages which it plans to continue at this time. The State is exercising the option to make the decision regarding the waivers until after its next legislative session.
- o We do not see any inconsistencies between the waiver provisions and the TANF.

DRAFT

NORTH CAROLINA

FUNDING UNDER NEW WELFARE LAW

Family Assistance Grant: The new welfare law provides \$16.489 billion to all states in FY 1997, an increase of \$1.486 billion over FY 1996 combined grants for AFDC, EA, and JOBS. North Carolina will receive \$302,239,599 in FY 1997, a decrease of \$10,390,258 from its FY 1996 grants.

Child Care: Under the new welfare law, up to \$1.922 billion of mandatory and matching child care funds is available to all states in FY 1997, up \$568 million over the Title IV-A child care grants they received in FY 1996. North Carolina could receive up to \$88,590,381 in mandatory and matching child care funds in FY 1997, up \$21,707,564 over FY 1996. Later this year North Carolina will receive approximately \$28 million in discretionary child care funds.

STATISTICS RELATED TO WELFARE REFORM

AFDC: Nationally, the total number of AFDC recipients has declined 18 percent, from 14.115 million in January 1993 to 11.631 million in November 1996. The total number of AFDC recipients in North Carolina has decreased 23 percent, from 331,633 in January 1993, to 255,799 in November 1996.

Unemployment Rate: The national unemployment rate was 5.0 percent for November 1996, down from 6.8 percent for 1993. The unemployment rate in North Carolina for November 1996 was 3.9 percent, down from 4.9 percent for 1993.

Teen Pregnancy: According to the CDC, the teen birth rate dropped nationally by 3.0 percent between 1992 and 1994, from 60.7 to 58.9 per 1,000 women aged 15-19. In North Carolina, the teen birth rate fell by 4.6 percent over this period, from 69.5 to 66.3 per 1,000 women aged 15-19. The most recent teen pregnancy rate statistics available by state are from 1992. Nationally, pregnancy rates for teens aged 15-19 declined 3 percent from 1991 to 1992. In North Carolina, teen pregnancy rates dropped by 3.8 percent over this period.

Child Support Enforcement: In FY 1996, North Carolina distributed \$261,672,261 in child support collections, up from \$167,894,174 in FY 1992 (a 55.9 percent increase). In addition, the number of cases in which families received child support services rose 25.4 percent, from 369,287 in FY 1992 to 463,252 in FY 1996. The state also increased paternity establishment by 133.5 percent, from 19,308 in FY 1992 to 45,082 in FY 1996.

TANF PLAN SUBMISSION STATUS

TANF Plan submitted 10/18/96, and certified complete on 1/10/97.

North Carolina is continuing its "Work First" plan that was initiated with waivers granted by the Clinton Administration in February 1996. To help keep families off welfare in the first place, North Carolina is providing short-term diversion grants, child care, medical and nutritional support. Focusing on moving people from welfare to work, parents are required to engage in work or work activities immediately, for a minimum of 30 hours per week. Assistance is limited to 24 months with a five year lifetime limit, however after 24 months families cannot reapply for assistance for 3 years. The state is also making work pay by increasing limits on savings and offering more subsidized child care. Parents must be engaged in work or work activities for a minimum of 30 hours per week. North Carolina's waivers were approved on February 5, 1996.

Medicaid Implications of Welfare Reform -- North Carolina

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) preserved the Medicaid program as an individual entitlement. However, under the new law, States have the option to: (1) Discontinue Medicaid coverage for legal immigrants who were in the U.S. before August 22, 1996; (2) lower income and resource standards to the levels in effect on May 1, 1988; (3) increase the standards in keeping with increases in the consumer price index; and (4) use less restrictive income and resource methodologies. A State must amend its Medicaid plan in order to exercise these options. As of February 25, 1997, North Carolina has not submitted to the Health Care Financing Administration any of these welfare-related plan amendments. The State has indicated to HCFA staff that it will continue to cover legal immigrants to the extent possible.

WELFARE REFORM DEMONSTRATIONS APPROVED BY THE CLINTON ADMINISTRATION

HHS has approved two waivers for North Carolina:

1. North Carolina's Work First demonstration project requires AFDC applicants to sign a Personal Responsibility Contract before their applications can be considered. Once approved, they must work a minimum of 30 hours per week, unless exempted, and are limited to 24 months of benefits, with extensions on a case-by-case basis.

To help those not on welfare to stay off welfare, the state can pay a one-time lump sum equal to 3 months of AFDC benefits. Such payments must be repaid if the person later applies for regular AFDC benefits. In most cases, there will be no additional benefits for additional children, and minor parents must live

with their parents or guardians. Parents must see to it that their children attend school regularly and receive immunizations and regular medical exams. Custodial parents must cooperate with child support enforcement efforts.

North Carolina's application was received on September 20, 1995 and approved February 5, 1996. Work First is a signature initiative of Governor Hunt. After the 1995 session of the state legislature failed to enact welfare reform, Governor Hunt prepared the Work First proposal, which was approved prior to the start of the 1996 legislative session. The state legislature recently enacted the major elements of Work First.

2. In Cabarrus County, "Work Over Welfare" (WOW) requires Aid to Families with Dependent Children (AFDC) applicants and recipients with children between the ages of one and five to develop an "Opportunity Agreement" outlining employment and training responsibilities. When the youngest child in a family reaches age five, the adult will become subject to North Carolina's statewide demonstration, "Work First," which has separate work and training requirements.

Under WOW, recipients are required to take part in up to 40 hours of employment and training activities a week, including JOBS activities, job search, and subsidized employment. The state will deny benefits to adult applicants who refuse to sign an agreement, and there are progressive sanctions for failure to comply with the agreement.

To help recipients make the transition from welfare to work, AFDC and food stamp benefits will be "cashed out" to provide wage subsidies to employers. Recipient wages will never be less than they would have received in AFDC and/or food stamp benefits.

North Carolina's second waiver was received on Oct. 5, 1995 and approved on March 18, 1996. WOW was initiated by the Republican-controlled Cabarrus County Board of Commissioners with substantial support from conservative state legislators.

STATE LEGISLATIVE INFORMATION/ADDITIONAL BACKGROUND

The North Carolina State Legislature has been in session since January 15 and will remain in session probably through mid-July.

To date, legislation effecting the implementation of welfare reform has not been introduced to the state legislature. Governor Hunt's office of Social Services is reported to have prepared a package which is under consideration by the Governor's welfare staff. The package is reported to include strong child support enforcement provisions which may include a proposal to create a centralized child support collection unit, new hire employee screening requirements, and loss of licensure requirements for delinquent parents. We do not know if or when the Governor will introduce this package.

Food Stamps: Governor Hunt decided on February 21 to ask for federal permission to continue offering food stamps to hundreds of single, jobless adults whose benefits otherwise would be cut off at the end of the month. But Hunt said he would limit that request to only seven of the 37 counties that appeared to qualify for the extra federal help. The waiver is still pending.

Welfare to Work Jobs Challenge: In a speech on Feb. 20, First Union CEO and President, Malcolm E. "Mac" Everett III, urged business leaders to support the Work First welfare reform initiative by training, mentoring and hiring welfare recipients.

TANF PLAN SUMMARY -- NORTH CAROLINA

STATE: North Carolina

TITLE: The Work First Program

DATE SUBMITTED: October 18, 1996

DATE FOUND COMPLETE: January 10, 1997

EFFECTIVE DATE: January 1, 1997

MAJOR PROVISIONS OF TANF:**1. Make Work Pay**

- o resource limit will be raised to \$3,000 and the value of an automobile (to be disregarded) will be raised to \$5,000
- o requires a minimum of 30 hours/week in employment and training activities -- including community work experience for those who do not find employment within 3 months
- o exemptions: single parents with children under 6 will be phased-in as child care becomes available

2. Time Limit

- o families cannot receive assistance longer than 60 months
- o benefit receipt limited to 24 cumulative months once the family moves into the phased-in work requirement. Families reaching the limit cannot reapply for 3 years.

3. Minor Parents

- o teen parents under 18 must stay in school and must live at home or another approved adult-supervised setting in order to receive benefits

4. Other Major Provisions

- o Upfront Diversion: applicants for assistance may opt for a one-time diversionary grant, equaling 3 months of cash assistance, child care, food stamps, and Medicaid, if they meet all other eligibility criteria and accept this benefit in lieu of on-going assistance. Families who later apply for on-going monthly benefits may be required to repay the diversionary grant.
- o Social Contract: Personal Responsibility Contract requires parents to agree to: immunization and regular health check-ups for children, and school age children to attend school. If a parent refuses to sign the contract, the family

receives no cash assistance under Work First. Failure to comply with provisions will result in incremental benefit reductions.

- o Family Cap: Children born to families receiving assistance for at least 10 months will not cause the grant to increase, i.e., the family's benefits will be capped. These children will be covered by Medicaid.
- o Non-Custodial Parent: Non-supportive parents under age 18 may be required to perform community work and attend parenting or money management classes after school.

Strengthen Child Support: Refusal to cooperate in establishing paternity or enforcing support order will result in sanctions or may have all cash assistance denied.

5. Continuation of Waiver Demonstration

- o The state intends to continue to implement both its statewide waivers and the demonstration in Cabarrus County.

**National Governors' Association
Summary of Selected Elements of State Plans for
Temporary Assistance for Needy Families (TANF)
As of January 30, 1997**

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Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) requires that each state submit a plan in order to receive a Temporary Assistance for Needy Families (TANF) block grant. The law specifies what states must address in their plan, including how they choose to exercise various options. The secretary of the Department of Health and Human Services (HHS) is authorized to certify each plan as complete if it contains the required elements. States may amend their plans at any time.

National Governors' Association (NGA) staff have compiled the attached summary of selected elements in state plans based on a review of the plans submitted to HHS and verification by each state. The categories of information selected do not represent all of the program and policy decisions confronting states. They reflect basic information that could be readily gleaned from state plans and summarized in a simple, concise manner. The matrix does not capture the complexities of some of these categories. Other resource materials can provide additional detail on topics such as time limits, immigrant provisions, and individual development accounts (refer to the welfare reform information site on NGA's Internet home page at www.nga.org for more information).

The information reflected in the matrix is accurate as of January 30, 1997. Some information was not available from certain states or, in some states, decisions had not yet been made (as indicated by the notation "N/I"). The information included in this matrix is subject to change based on further policy decisions by Governors and state legislative action. The matrix will be updated periodically to reflect these changes and information from additional state plans as they are submitted.

Prior to the enactment of P.L. 104-193, many states received waivers to implement some of the elements identified on the matrix, such as time limits on assistance, work requirements within a specified period, extended transitional child care and Medicaid assistance for longer than twelve months, family caps, and diversion payments. Consequently, the decisions identified in the TANF state plans may reflect the continuation of ongoing policies authorized under waivers and may be inconsistent with provisions of the new law.

Summary

Number of plans. As of January 30, 1997, forty states, the territory of Guam, and the District of Columbia had submitted TANF plans to HHS, and thirty-five of these plans have been certified as complete. States that have not yet submitted a plan to HHS are not included in the matrix. In addition, although Guam recently submitted its plan, the information could not be incorporated into the matrix. Throughout this document, the District of Columbia is included in the count as a "state."

Administering agency. Each state must designate in its TANF plan the primary agency responsible for administering the program. In some cases, states have identified multiple agencies.

Effective date. The effective dates shown on the matrix reflect the dates that the

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state, as indicated by the notation "N/I," either has not yet made a decision on the continuation of existing waivers, or did not address this issue in its plan.

Time limit shorter than 60 months? The law prohibits states from using their federal TANF funds to provide assistance to a family that includes an adult who has received assistance for sixty months, regardless of whether assistance is provided consecutively. A state may exempt up to 20 percent of its average monthly caseload from this time limit on assistance. A number of states have shorter time limits, but most of these states also have extensions and exemptions that are not detailed in the matrix. Eighteen states indicate that they will have time limits shorter than sixty months, while twenty-three states report that they will have a sixty-month time limit.

Community service after 2 months? By August 22, 1997, states must require parents or caretakers who are not working after two months of receiving benefits to participate in community service employment unless the Governor opts out of this requirement. At this time, four states intend to implement the community service requirement after two months, twenty-two states intend to opt out of the community service requirement, and five states will make a decision by August 22, 1997. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on the community service requirement, or did not address this issue in their plan.

Work requirement shorter than 24 months? The law requires that parents or caretakers engage in work, as defined by the state, within twenty-four months of receiving assistance or when they are ready, whichever comes earlier. As with the sixty-month time limit, states may require recipients to engage in work before the maximum time limit specified in the law. Some states with shorter work requirements also have exemptions or extensions that are not detailed in the matrix. Sixteen states indicate that they will require recipients to work prior to twenty-four months, while twenty-five states intend to use the twenty-four-month period in the federal law.

Different treatment for out-of-state families (i.e., interstate immigrants)? States have the option to treat families from out of state differently than state residents with respect to eligibility rules and benefit levels. At this time, thirty states indicate that they will treat interstate immigrants in the same manner as they treat state residents, while ten states report that they will treat interstate immigrants differently than state residents. The remaining state, as indicated by the notation "N/I," either has not yet made a decision on the treatment of interstate immigrants, or did not address this issue in its plan.

Provide TANF to legal noncitizens (i.e., qualified aliens)? The new law requires states to specify whether or not they will provide TANF to legal noncitizens (i.e., qualified aliens) who were in the United States as of August 22, 1996 and to provide a description of such assistance if they intend to do so. Thirty-seven states indicate that they will provide TANF to noncitizens as the federal law allows, while three states will not provide benefits to noncitizens. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on the provision of TANF to legal noncitizens, or did not address this issue in their plan.

Deny TANF to drug felons? Under the new law, individuals convicted of a drug-related felony are ineligible to receive TANF or food stamp assistance unless a state enacts legislation to opt out of this provision. At this time, twenty states plan to deny TANF to drug felons, while three states plan to opt out of this provision. This count could change

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missing

states that have submitted TANF plans indicate that they will provide such assistance for longer than twelve months, though a waiver is no longer required, and twenty states indicate that they will not provide such assistance. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on extending transitional child care assistance for longer than twelve months, or did not address this issue in their plan.

Transitional Medicaid longer than 12 months? The law continues transitional Medicaid for twelve months for families that would lose eligibility because of increased earnings and for four months when eligibility is lost because of increased child support payments. Prior to the enactment of P.L. 104-193, twenty-one states had received waivers to extend transitional Medicaid for longer than twelve months. Nine of the states that have submitted TANF plans indicate that they will continue their waiver authority to provide Medicaid assistance for longer than twelve months and twenty-nine states report that they will provide it for twelve months. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on extending transitional Medicaid assistance for longer than twelve months, or did not address this issue in their plan.

Drug testing? The new law allows states to test TANF applicants for drug use. Two states indicate that they will test applicants, while thirty states report that they will not require such testing. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on drug testing, or did not address this issue in their plan.

Allow Individual Development Accounts (IDAs)? States have the option to allow TANF recipients to establish IDAs for the purpose of accumulating funds to pursue postsecondary education, purchase a home, or start a business. Funds in such accounts will not be counted in determining eligibility for federal assistance. At this time, twelve states indicate that they will allow recipients to establish IDAs, while nineteen states will not allow recipients to establish IDAs. Some states have also established an account limit. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on IDAs, or did not address this issue in their plan.

Family cap? Although the federal law is silent on the issue of family caps on benefits, a number of states have already established a cap on benefits to recipients who have additional children while receiving welfare. Nineteen states indicate that they have a family cap, while seventeen states report that they do not have a family cap. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on a family cap, or did not address this issue in their plan.

Diversion payments? States may provide diversion assistance to enable families to avoid the receipt of welfare assistance. Diversion assistance may be provided in different ways, including a one-time lump sum payment, as well as health care, child care, and other services. At this time, eighteen states intend to provide diversion assistance, while thirteen states will not provide such assistance. The remaining states, as indicated by the notation "N/I," either have not yet made a decision on diversion payments, or did not address this issue in their plan.

Subsidized employment? The law allows states to subsidize private and/or public sector employment for recipients. Typically, subsidized employment refers to "cashing out" TANF and/or food stamp assistance and providing funds to employers who in turn pay wages to recipients. Twenty-seven states intend to subsidize private and/or public sector employment, while eight states do not plan to subsidize employment. The remaining

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- creating industry partnerships and customized employment projects (Alabama, Kansas, and Kentucky);
- developing interagency task forces or linkages, typically among welfare, workforce and economic development systems, for job creation, job development, or employer marketing (Georgia, Iowa, and New Hampshire);
- using workforce investment boards or councils (Michigan, New Jersey, South Dakota, Texas, and Vermont);
- supporting entrepreneurial programs or small business loans (Montana, South Dakota, and Tennessee);
- convening a statewide employer job summit (Vermont);
- using one-stop career centers (Florida, Missouri, Utah, and Wisconsin), and
- designating groups and positions responsible for soliciting employers to hire welfare recipients (Missouri—self-sufficiency teams, South Dakota—employer relations specialists, and Virginia—chambers of commerce).

1 State Plans for Temporary Assistance for Needy Families

TANF effective date	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversions payments?	Subsidized employment?
01/96	11/15/96	yes	no	no	no	no	no	yes	no	no	no	no	yes	no	N/I
01/96	11/1/96	yes	no	no	no	no	yes	no	yes-2 yrs.	yes-2 yrs.	no	yes	yes	yes	yes
01/96	12/7/96	yes	no	N/I	yes-22 mos.	yes	yes	N/I	N/I ¹	N/I ²	N/I	yes-up to \$5,000	yes	N/I	N/I
01/96	1/22/97	yes	yes-21 mos.	no	yes-21 mos.; 6 mos. extension	no	yes	N/I	yes ¹	yes-24 mos.	no	no	yes	no	no
2/3/96	pending	N/I	no	no	no	yes	yes	yes	no	no	no	no	N/I	N/I	N/I

ing transitional child care to twenty-four months.
 ing transitional Medicaid to twenty-four months.
 ic will be provided as long as income does not exceed 75 percent of median family income.

vernors' Association, January 30, 1997.

NOTE: N/I means that information is not included in the state plan or that decisions have not yet been made.

TANF Effective date	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversion payments?	Subsidized employment?
1/10/97	pending	yes-partial	yes ⁴	no	no	no	yes	yes	yes-24 mos.	yes-24 mos.	no	no	yes	no	yes
0/1/96	10/8/96	to be determined	yes-lifetime total of 48 mos.	to be determined	yes-immediately	yes	yes	pending legislation	yes-24 mos.	no	no	no	yes	yes-2 mos.	yes
1/1/97	1/21/97	yes ³	yes-4 yrs.	to be determined by 8/22/97	no	yes	yes-for 12 mos.	yes	no	no	no	no	yes	to be determined	yes-up to 9 mos. for public/private sectors
1/15/96	1/21/97	yes ⁶	no	no	yes-immediately	no	yes ⁷	to be determined	yes-24 mos.	no	no	yes ⁸	no	no- but under consideration	no-but under consideration
0/1/96	11/1/96	yes	yes-2 yrs.	to be determined by 8/22/97	no	yes	yes ⁹	to be determined	no	no	to be determined	to be determined	yes	to be determined	yes
0/1/96	11/27/96	yes	no	not at this time	no	no	yes	no	no	no	no	yes	no	not at this time	not at this time

months of assistance followed by twenty-four months of workfare and a one-month extension; there is no time limit for incapacitated recipients.
 are consistent with TANF provisions; others will be decided by July 1, 1997.
 ers prior to July 1997.
 itizens if a federal match is available.
 im and non-TANF funds.
 itizens to the degree allowed under the federal law.

vernors' Association, January 30, 1997.

NOTE: N/I means that information is not included in the state plan or that decisions have not yet been made.

TANF Effective	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversion payments?	Subsidized employment?
1/18/96	11/18/96	no waiver	no	no	no	no	yes ¹⁰	yes	no	no	not at this time	no	no	yes	to be determined
to be determined	1/10/97	no waiver	yes-24 mos. within 60 mos.	N/A	no	no	yes	N/A	no	no	no	N/A	no	no	no
3/30/96	1/28/97	yes	yes-24 mos. within 60 mos. ¹¹	yes	yes-60 days for non-exempt recipients	not at this time	yes	yes	no	no	not at this time	not at this time	yes	N/A	yes-public/private sectors
1/9/96	1/10/97	no	no	yes	no	yes	yes	yes	no	no	not at this time	no	yes	yes-3 mos.	to be determined
1/1/96	12/24/96	yes	no	will determine by 8/22/97	no	no	yes	N/A	no	no	no	no	no	yes	yes
1/1/96	9/30/96	yes ¹²	no	yes	yes-immediately	no	yes	yes	no	no-only in 6 project sites until 1998	not at this time	not at this time	no	no	some areas
1/1/96	11/27/96	no	no	to be determined	no	no	yes	yes	no	no	no	no	yes	yes	yes
1/1/96	12/23/96	yes	yes-48 mos.	no	no	no	yes	yes	yes	no	no	yes	no	yes	yes

ent to provide to optional alien group.
 recipients.
 rs, but is still deciding whether to continue others.

'ernors' Association, January 30, 1997.

NOTE: N/A means that information is not included in the state plan or that decisions have not yet been made.

Effective date	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversion payments?	Subsidized employment?
1/1/96	pending	yes	yes-24 mos.; 36 mos. with Community Service Program	no	yes-immediately	no	yes	yes	no	no	no	yes	no	yes	yes
1/1/96	12/7/96	yes	yes-24 mos. without earned income ¹³	no	no	no	yes	yes	yes	yes	N/I	N/I	yes	N/I	no
10/96	12/24/96	no waiver	no	N/I	no	N/I	yes	yes	N/I	N/I	N/I	N/I	N/I	N/I	N/I
1/1/96	11/12/96	yes	no	no	yes-26 wks.	yes	yes	pending legislation to opt out	yes-up to 170% of poverty level	no	no	no	no	no	yes-on-the-job training
1/15/96	1/29/97	no	no	N/I	no	no	yes	yes	yes-2 yrs.	yes-24 mos.	N/I	N/I	yes	N/I	yes-public/private sectors
10/96	12/13/96	N/I	no	yes	no	yes	yes	yes	N/I	no	yes	N/I	yes	N/I	yes
1/97	1/10/97	yes	yes-24 mos.	to be determined by 8/21/97	yes-12 wks.	no	yes	N/I	yes	no	no	no	yes	yes-3 mos.	yes-public/private sectors
1/1/96	11/1/96	yes	yes-36 mos. in 60 mos.	to be determined by 10/1/97	no	no	yes	yes	to be determined by 7/1/97	no	yes	no	no	yes	yes

assistance will be provided, regardless of the source of income.

Workers' Association, January 30, 1997.

NOTE: N/I means that information is not included in the state plan or that decisions have not yet been made.

TANF Effective date	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversions payments?	Subsidized employment?
01/96	11/1/96	yes- Learnfare only	no	no	yes- immediately ¹⁴	no	yes	pending legislation	yes ¹³	no	no	under consideration	no	no	yes-private sector
01/96	11/1/96	yes	yes-24 mos. within 64 mos.	no	yes- immediately	no	yes	no	no	no	no	yes	no	yes	yes
01/97	pending	N/I	no	N/I	no	yes	yes	N/I	no	no	no	yes	no	yes	yes
01/96	1/3/97	yes	yes-24 mos. out of 120 mos.	N/I	no	no	no	N/I	yes-2 yrs.	yes-24 mos.	no	yes-up to \$10,000	yes	N/I	yes-public/private sectors
2/1/96	12/7/96	yes-partial	no	to be determined by 8/22/97	no	no	yes	N/I	N/I	N/I	N/I	N/I	N/I	yes	yes-public/private sectors
3/1/96	12/20/96	yes	yes-18 mos.; lifetime of 60 mos.	no	yes- immediately	no	yes	N/I	yes-18 mos.	yes-18 mos.	no	yes	yes	no	no
3/1/96	11/26/96	yes	yes-12, 24, and 36 mos.; lifetime of 60 mos.	no	yes- immediately	no	yes	N/I	no	no	N/I	yes	N/I	yes	yes-public and/or private sectors
3/0/96	12/13/96	yes	yes-36 mos.	no	yes- immediately	no	yes	pending legislation	yes-based on income; no time limit	yes-24 mos.	no	to be determined	pending legislation	yes	no

older than one year.
 provided to working families based on income with no time limit.

ernors' Association, January 30, 1997.

NOTE: N/I means that information is not included in the state plan or that decisions have not yet been made.

ANF effective date	Date plan certified complete	Continue waivers?	Time limit shorter than 60 mos.?	Comm. service after 2 mos.?	Work requirement shorter than 24 mos.?	Different treatment for families from other states?	Provide TANF to legal non-citizens?	Deny TANF to drug felons?	Transitional child care longer than 12 mos.?	Transitional Medicaid longer than 12 mos.?	Drug testing?	Allow Individual Development Accounts?	Family cap?	Diversion payments?	Subsidized employment?
2/96	11/18/96	yes	no	no	no-30 mos. for AFDC, 15 mos. for Un-employed parent cases	no ¹⁶	yes	pending legislation ¹⁷	yes	yes-36 mos. for waiver demonstration members	no	N/I	no	no	yes ¹⁸
1/97	pending	yes	yes-24 mos. within 60 mos.	no	yes-90 days	no	yes	N/I	no	no	N/I	yes-up to \$5,000	yes	yes-4 mos.	yes
10/97	1/14/97	yes	no ¹⁹	no	no	no	yes	yes	no	no	no	no	no	no	no
11/97	pending	no	no	no	no	no	N/I	yes	no	no	no	no	no	yes-3 mos.	yes-public/private sectors
3/96	9/30/96	yes	no	assigned to work immediately	yes-assigned to work immediately	yes	yes	yes	yes	no	pending legislation	no	yes	yes-job access loans	yes-public/private sectors
1/97	12/23/96	no	no	no	no	no	no	yes	no ²⁰	no	no	no	no	no	yes-private sector

ng legislative approval.
 late will provide assistance on a trial basis for at least one year.
 es work supplementation and public and nonprofit community service employment.
 10 percent after forty-eight months within sixty months.
 ualify for child care assistance according to an income-based, sliding-fee scale, to the extent funds are available.

ernors' Association, January 30, 1997.

NOTE: N/I means that information is not included in the state plan or that decisions have not yet been made.

TO: Elena Kagan
Chris Jennings
Lyn Hogan

FROM: Diana Fortuna *DF*

RE: Information for NGA

DATE: January 30, 1997

FYI, HHS sent me a copy of a fairly extensive briefing book for the NGA conference. Attached is the cover letter which gives you a sense of what it includes. Let me know if you want to see the briefing book itself.

Diana -

*Could you get someone
to make me a copy
of the "chart indicating
major elements of state
TANF plans"?*

Thanks

Elena

DRAFT-D
Selected Provisions of

--DRAFT
TANF Programs 1/

For Internal
Use Only

Total # of TANF plans submitted as of January 28, 1997: 42
 States: 41
 Territories: 1

Total # of TANF plans certified complete as of January 28, 1997: 34
 States: 34
 Territories: 0

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions For Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
ALABAMA Received: 10/01/96 Subject to TANF: 11/15/96	All (in 3 counties)	Consistent with 407	Immediate	As defined in 407	Reduction or Termination	Not specified	Yes	Not specified	No	Yes	No	Participation by Noncustodial Parent (ASSETS)
ARIZONA Received: 09/30/96 Subject to TANF: 10/01/96	All	24 out of 60 for adult household members	Individual	As defined in 407	Reduction	Yes	Yes	Yes	No	Not specified	Yes	Individual Development Accounts
CALIFORNIA Received: 10/09/96 Subject to TANF: 11/26/96	All	Not specified	24 if received aid in 22 of the last 24 months	Job Search, Unsubsidized or Subsidized Employment, Education, OJT or Work Experience	Reduction	Not specified	Yes	Yes	Yes	Yes	Yes	Individual Development Accounts; Learnsfare
CONNECTICUT Received: 10/01/96 Subject to TANF:	All	21	Immediate for job search; Upon entering the time-linked program, all recipients must participate in work activities	Work is defined by the State as employment or any other required activity which seeks to either place recipients into employment or prepare them for employment as rapidly as possible. Activities include those defined in 407.	Reduction or Termination	Not specified	Yes (Employment Plan)	Yes	No	Not specified	Yes	Learnsfare; Individual Development Accounts

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
DELAWARE Received: 01/22/97	All	24 for adults; if not able to locate job, 24 additional months pay-after-performance	Immediate	Work Readiness/ Life Skills, Job Search/Job Placement, Job Retention, Work Experience/OJT, Vocational Skills Training, Retention/Basic Skills Training	Reduction	Not specified	Yes	Yes	No	Yes (certified)	Yes	Learnfare; Participation by Noncustodial Parents; Convicted Drug Felons are Not Eligible; Individual Development Accounts
DISTRICT OF COLUMBIA Received: 12/05/96	Not specified	60	Not specified	In accordance with 407	Reduction	Not specified	Yes	Not specified	Yes	Not specified	Yes	
FLORIDA Received: 09/30/96 Subject to TANE: 10/01/96	All	(1) 24 out of 60 with lifetime of 48; (2) 36 out of 72 with lifetime of 48	Immediate	As defined in 407	Termination, Protective Payee for Child(ren) Under 12 Years Old	Yes	Yes	Yes	Yes 3/	Yes (certified)	Yes	Upfront Diversion; Participation by Noncustodial Parents; Require Immunizations; Community Service After 2 Months
GEORGIA Received: 11/15/96 Subject to TANE: 01/01/97	All (determine within 90 days)	48	When determined able to engage in work or 24 months, whichever comes first	As defined in 407	Reduction or Termination	Not specified	Yes	Yes	Yes	Yes (certified)	Yes	Require Immunizations; Learnfare; Require Minor Noncustodial Parents to Participate; Convicted Drug Felons are Not Eligible
GUAM Received: 01/09/97	Not applicable	60	Immediate	In accordance with 407	Reduction	Not specified	Yes (sema)	Not specified	No	Yes (certified)	No	Community Service After 2 Months
INDIANA Received: 10/01/96 Subject to TANE: 10/01/96	All	24	24	Job Search, Schedules Work, and Community Work Experience (Public Service)	Reduction	Not specified	Yes	Yes	Yes	Yes	Yes	

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
IOWA Received: 11/15/96 Subject to TANF: 01/01/97	All	Individual Not to Exceed 60	When determined able to engage in work or 24 months, whichever comes first	As defined in 407	Reduction or Termination	Not specified	Yes	Not specified	No	Yes (certified)	Yes	Individual Development Accounts
KANSAS Received: 10/01/96 Subject to TANF: 10/01/96	Not specified	60	Immediate	As defined in 407	Not specified	Not specified	Yes	Not specified	No	Not specified	Yes	
KENTUCKY Received: 09/30/96 Subject to TANF: 10/18/96	Not applicable	60	6	Unsubsidized Work, Subsidized Private Sector, Community Service, Workfare, Recreation Assistance, Family Health Care Providers, and Regulated Child Care Providers	Reduction, Remaining Grant Paid to Protective Payee	Yes (Tax credits to employers)	Yes	Not specified	No	Yes	No	Upfront Diversion; Individuals Convicted of Drug Felony are Not Eligible; Learners; Require Immunizations; Participation by Noncustodial Parents
LOUISIANA Received: 10/01/96 Subject to TANF: 01/01/97	Terminate	24 out of 60	Not Specified	Unsubsidized Employment, Subsidized Private Sector, Subsidized Public Sector, CIFT, Job Search and Job Readiness Assistance, Community Service, Vocational Education, Job Skills Training Directly Related to Employment, Provision of Child Care Services to an Individual who is Participating in a Community Service Program	Termination	Not specified	Not specified	Not specified	No	Yes	Yes	

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
MAINE Received: 10/01/96 Subject to TANF: 11/01/96	Unclear	60	When determined able to engage in work or 24 months, whichever comes first	OJT, Apprenticeships, Self-Employment, Other Non-Traditional Employment, and Full-Time Work	Reduction or Third-Party Payments	Yes	Yes	Not specified	No	Not specified	Yes	
MARYLAND Received: 09/27/96 Subject to TANF: 12/09/96	Terminate FPI; Retain FIP except cash component	60	Not specified	Job Search and Other Unspecified Activities	Reduction or Termination	Not specified	Yes	Yes	Yes	Yes (certified)	Yes	Learners
MASSACHUSETTS Received: 09/23/96 Subject to TANF: 09/30/96	All	24 out of 60 continuous months	60 days	Job search, Job Readiness, Job Skills Training, Education, the Full Employment Program (FEP), Supported Work, Community Service, Subsidized or Unsubsidized Job, Two-Year Community College Programs, Vocational Education, Satisfactory Attendance at Secondary School, Child Care Services to Other Participants in Work Activities	Reduction, Termination, or Mandated Participation in Community Service	Yes	Yes	Yes	No	Yes	Yes	Learners; Require Immunization
MICHIGAN Received: 08/17/96 Subject to TANF: 09/01/96	All	60	60 days	High School Completion, GED, Basic/Remedial Education, English Proficiency, Job Skills Training, Job Readiness Activities, Job Development Placement	Reduction	Yes	Yes	Not specified	No	Decide Later	Yes	Learners

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
MISSISSIPPI Received: 10/01/96 Subject to TANF: 10/01/96	All	60	14	As defined in 407	Full Family Sanction or Termination	Yes	Yes	Yes	No	Yes	Yes	Learnsfare; Require Immunizations; Community Service After 2 Months; Individual Development Accounts
MISSOURI Received: 10/01/96 Subject to TANF: 12/01/96	All	24/48	24	As defined in 407	Reduction	Yes	Yes	Not specified	No	Yes	Yes	
MONTANA Received: 11/01/96	All	18 two parents; 24 single parent	Not specified	State sets parameters but communities have been given flexibility to determine appropriate work activities. These activities are based on Montana's JOBS program, waiver authority, and local community operating plans.	Reduction	Not specified	Yes	Not specified	No	Yes (certified)	Yes	Learnsfare; Community service for individuals who have used Pathways benefits but not achieved self-sufficiency
NEBRASKA Received: 10/01/96 Subject to TANF: 12/01/96	All (in 5 counties)	24 out of 48	Immediate	Job Search, Education, Job Skills Training, Job Readiness, Microbusiness Enterprise, Work Experience, QJT, Employment, and CVET	Full Family Sanction or Termination	Not specified	Yes	Yes	No	Yes (certified)	Yes	Learnsfare
NEVADA Received: 10/18/96 Subject to TANF: 12/01/96	Not applicable	60 (will submit change to 24)	When determined able to engage in work or 24 months, whichever comes first	Unsubsidized/ Subsidized Private or Public Sector Employment, Work Experience, QJT, Job Search, Job Readiness, Community Service, Vocational Education, and Child Care Services	Reduction	Not specified	Yes	Not specified	No	Yes	Yes	

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanction Noncomph. With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
NEW HAMPSHIRE Received: 10/01/96 Subject to TANF: 10/01/96	All	60	When determined able to engage in work or 24 months, whichever comes first	OJT, Alternate Work Experience, Job Search, Job Skills Training, Education	Reduction or Termination	Not specified	Yes	Not specified	No	Yes	Yes	
NEW JERSEY Received: 10/15/96	Terminate	60	When determined able to engage in work or 24 months, whichever comes first	As defined in 407	Reduction	Yes	Yes	Yes	No	Not specified	Yes	Convicted Drug Felons are Not Eligible
NEW YORK Received: 10/17/96 Subject to TANF: 12/02/96	Not specified	Not specified	When determined able to engage in work or 24 months, whichever comes first	As defined in JOBS State Plan	Reduction or Termination	Not specified	Not specified	Not specified	Not specified	Not specified	Yes	2 Month Community Service
NORTH CAROLINA Received: 10/22/96 Subject to TANF: 01/01/97	All	24/60	Immediate	As defined in 407	Reduction or Denial	Yes (Cabarrus County)	Yes	Yes	No	Will Develop Standards	Yes	Require Immunizations, Learners, Upfront Diversion
OHIO Received: 09/19/96 Subject to TANF: 10/01/96	All	36 and 60	24 months	Alternative Work Experience, Community Work Experience, Work Supplementation, OJT, and Postsecondary Education	Reduction or Termination	Yes	Yes	Not specified	No	Yes	Yes	2 Month Community Service; Learners

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
OKLAHOMA Received: 09/30/96 Subject to TANF: 10/01/96	Terminate MAAPS Continue Learnfare	60	Immediate	Activities designed to assist in becoming employable or in obtaining employment; Alternative Work Experience, Job Search, Job Readiness Training, Job Skills Training, Job Corps, OJT	Not specified	Not specified	Not specified	Not specified	No	Yes	Yes	Learnfare
OREGON Received: 09/27/96 Subject to TANF: 10/01/96	All	24 out of 84	Immediate	As defined in 407	Reduction, or Termination	Yes	Not specified	Not specified	No	Yes	Yes	Individual Development Accounts
PENNSYLVANIA Received: 01/23/97		60	Immediate	Job Search, Job Readiness/Preparation, Subsidized Employment, Work Experience, OJT, Workfare, Community Service, Vocational Education, General Education, ESL, Job Skills Training, Any Employment or Training Funded/Approved by Department	Ineligible	Not specified	Yes	Not specified	Yes	Yes (certified)	Yes	Require Immunizations; Individual Development Accounts; Convicted Drug Felons are Not Eligible; Learnfare
SOUTH CAROLINA Received: 10/12/96 Subject to TANF: 10/12/96	Some	24 60 lifetime	Applicants Immediate (2 weeks job search) Recipients: When determined able to engage in work or 24 months, whichever comes first	Work Experience, OJT, Vocational Training, Technical Schools, Literacy Classes, Adult Education, GER, Family Life Skills, and Job Club Activities	Termination	Not specified	Yes	Yes	No	No	No	Learnfare; Individual Development Accounts

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanctions Noncompliance With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence ?/	Benefits to Aliens	Other Selected Options
SOUTH DAKOTA Received: 10/01/96 Subject to TANF: 12/01/96	Some	60	24	As defined in 407; additionally, Pre-Employment Training, Secondary Education, Vocational Education and College Education	Terminate Individual, Protective Payes for Remaining Grant	Not specified	Yes	Not specified	No	Yes	Yes	Upfront Diversion; Learners; Require Immunizations
TENNESSEE Received: 09/30/96 Subject to TANF: 10/01/96	All	18/24/60	Immediate	Unsubsidized Employment, OJT, Community Service, Job Search, GED	Termination	Not specified	Yes	Yes	No	Yes (certified)	Yes	Individual Development Accounts
TEXAS Received: 10/01/96 Subject to TANF: 11/05/96	All	12/24/36 for individual	Immediate	Education or Literacy Training, Employment Skills Training, Vocational Training, Life Skills Training, Parent Skills Training, Community Work Program or Other Work Program Approved by the State, A Business Internship, Subsidized Employment, Self-Employment Assistance	Reduction	Not specified	Yes	No	No	Not specified	Yes	Upfront Diversion; Learners; Require Immunizations; Individual Development Accounts
UTAH Received: 09/30/96 Subject to TANF: 10/01/96	All	36	24	Employment, Job Search, Mental Health Treatment, Training	Reduction or Termination	No	Yes	No	No	Yes (certified)	Yes	Upfront Diversion
VERMONT Received: 09/20/96 Subject to TANF: 09/20/96	All	60	Immediate	Unsubsidized Employment, Job Search, Community Service Jobs, Grant Diversion	Vendor Payments	Yes	Yes	No	No	Not specified	Yes	

State	Retain Waivers	Time Limit (Months)	Time Frame For Work (Months)	Major Work Activities	Sanction Nonecomph. With Work Requirements	Employment Subsidy Component	Individual Responsibility Plan	Family Cap	2 Tier	Screen for Domestic Violence 2/	Benefits to Aliens	Other Selected Options
VIRGINIA Received: 12/06/96	All	24 out of 60	32 for CWEP	Unsubsidized, Subsidized Private/Public, Work Experience, OJT, Job Search, Job Skills Training, Job Development	Full Family Sanction	Yes	Yes	Yes	No	No	Yes	Upfront Diversion; Learnfare; Individual Development Accounts; Require Immunization
WASHINGTON Received: 12/12/96 Subject to TANF: 01/19/97	All	48 out of 60 (benefits reduced)	24	As defined under JOBS	Reduction	Not specified	Yes (adults); Employment Plan (adults)	Not specified	No	Yes (certified)	Yes	
WEST VIRGINIA Received: 11/26/96	Not specified	60	24	Unsubsidized Employment, Job Search, CWEP, Vocational Skills, Training, Secondary Education (for teen parents)	Reduction or Termination	Yes	Yes	No	No	Yes (certified)	U	Upfront Diversion
WISCONSIN Received: 08/22/96 Subject to TANF: 09/30/96	All	60	Immediate	As defined in 407	Reduction	Yes	Not specified	Yes	Yes	Not specified	Yes	Learnfare; Individual Development Accounts
WYOMING Received: 10/17/96 Subject to TANF: 01/01/97	Terminate	60	Immediate Under Pay After Performance	Work Experience, Community Service, Educational/Vocational Training	Termination	Not specified	Yes	Not specified	No	No	No	Participation by Noncustodial Parent

Footnotes:

1/ Shading indicates plan determined complete by DHHS.

2/ Includes States that certified that the State will screen for domestic violence, as well as States that did not certify but included a description in their plan.

3/ For individuals who have moved from another state and have lived in Florida for less than 12 months, the time limit for temporary assistance shall be the shorter of the time limitations in the two states, and months in which assistance was received in any state shall count towards the 48-month cumulative benefit limit. Otherwise, new residents are treated the same as older residents.