

WR Hearings

January 30, 1995  
Domestic Policy Council

**Subcommittee of Human Resources  
Committee on Ways and Means  
on Welfare Reform**

Today's agenda included some ten panels and a total of forty-five witnesses. The first panel was composed of **Lawton Chiles** of Florida by himself. The second panel was composed of Senators **Charles E. Grassley** and **Hank Brown** from Iowa and Colorado respectively. The next seven panels were made up of members of the house exclusively. The final panel contained members of the religious community. Most of the testimony and questions were highly redundant. There were only one or two members of the subcommittee present for most of the testimony. For the sake of brevity I will only highlight the proceedings.

**Governor Lawton Chiles, Governor of Florida**

1. Mandatory WORK programs functioned much better than involuntary programs in Florida
2. Although work programs require an initial investment, and therefore cost more in the *short run*, they cost less in the *long run*
3. After eight months 20% of participants were off **AFDC**

**Chiles**, responding to a subsequent question, lobbied the committee to be careful not to balance the entire budget at the cost of welfare. Just because children cannot vote does not mean we have to cut them off. He added that if you offer an incentive to work, people *will* respond by working. **Chiles** worried that block grants that are related to population proportion would always hurt his state b/c it is growing so fast and the payments would always be less than his fair share. **Shaw** said he would find a way of figuring the population in a way that would not hurt Florida.

**Senator Hank Brown, Colorado**

1. Welfare should work like a cushion for people in trouble
2. We need to eliminate barriers to work
3. Include education and training in the bill

**Senator Charles E. Grassley, Iowa**

1. One in seven children in America receive **AFDC**
2. The current system has led to the breakdown of the family
3. Welfare should be a system of *transition*, not *permanent*

**Levin** asked **Grassley** what would happen if we were block granting and either a recession or a natural disaster hit Iowa? Isn't it dangerous to *limit* the amount each state receives from the Federal government? **Shaw** subsequently explained that, as in the past, the Federal government will continue to act as an *insurer* of regions in case of natural disaster.

The remainder of the panels were composed of representatives disclosing their plans to the subcommittee. There was very little questioning by the subcommittee as there were only one or two members present at any given time. The **written testimony** contains their different plans.

WR Hearings

January 27, 1995  
Rm. 213, DPC

Subcommittee on Human Resources  
Committee on Ways and Means: On Changing  
Eligibility for Supplemental Security Income

Witnesses:

Rep Jim McCrery, (R-LA)

1. SSI program is the epitomy of govt. waste
2. It was well intended, but abuse is now rampant
3. Due to the fact that many parents now often coach their children on how to disrupt classroom to become labelled as disabled, and qualify for SSI benefits
4. To discourage abuse of the system, we must eliminate cash payments so only truly disabled children are aided

Rep. Gerald D. Kleczka, (D-WI)

1. It must be stated what payments are meant to achieve
2. The lack of clarity has lead to abuse of the system
3. We need to redefine disability to reform the program

McCrery says that the Individual Functional Assessment (IFA) needs to be replaced with a more discriminatory test. Kleczka agrees that currently the IFA allows children with Hyperactivity Disorder qualify for aid. Ensign summarized that we all agree that there is abuse of the system, but also that there are many children who truly need this assistance, so let's concentrate on how and not what.

Second Panel (SSI and children):

Parker, Wayne, Area Manager, Louisiana Disability Determination Service, Shreveport LA

1. Students misbehave so that they qualify for SSI benefits
2. Fraud and abuse of the system are common to receive SSI

Gardner, James B., Member of the Board and Past President, The Association of Retarded Children of the U. S., Shreveport, LA

1. SSI is the one program that truly helps disabled chldrn.
2. Enables children to avoid lifetime institutionalization
3. Only 1/2 of applicants accepted--fakes are weeded out
4. SSI is not intended solely for medical costs (that is covered under Medicaid), nut for other costs incurred

Higginbotham, Karen, (parent), Opelousas, Louisiana

1. Allison (my daughter), six, functions like an 18 mnth old
2. Her speech therapy is \$800 and uncovered by medicaid
3. Her shoe cost \$50-\$60 apiece
4. It would be easier to put her in an institution where we would not have to worry about it, but we could never do that

Basically the conservative members of the subcommittee asked these witnesses to confirm abuse of the system. For the most part, none of these witnesses confirmed any abuse. Ford asked Higginbotham what would happen if cash payments were discontinued. She replied that it would be difficult to obtain the non-medical paraphernalia she needed for Allison through the government (waiting lists, qualifiers etc). In the end it was agreed upon that Allison's case was not the type of case that would be affected by the cuts.

Third Panel (Overview)

**Weaver, Carolyn**, Ph.D., Resident Scholar and Director, Social Security and Pension Studies, The Amer. Entrprs. Inst., Wash. DC

1. The policy of drug addicts on SSI should be re-examined
2. Why do poor families on SSI receive 2 to 3 times as AFDC

**Ross, Jane**, Director, Income Security Issues, U.S. General Accounting Office, Washington, D.C.

1. Recently there has been a rapid growth in children, immigrants, and drug addicts and alcoholics on SSI
2. disabilities like "Attention Deficit Syndrome" which skyrocketed in 1990 are much to blame for current statistics
3. Since 1988 drug abusers on SSI has increased 700 percent

The beginning of the Q&A emphasized the importance of eliminating most of the borderline SSI cases, b/c if we do not address the current rates of growth we will have 1.8 million cases by 2000 (Ross). Ross tentatively said that we should do away with the IFA. Ross also said that we should do away with cash payments in favor of a voucher format.

#### Fourth Panel (SSI and Non-Citizens)

**Stein, Dan**, Exec. Director, Federation for US Immig. Reform, DC

1. Benefits should only be given to people who become ctzns
2. Provisions for eligibility of immigrants should be revised

**Fuchs, Lawrence**, Professor, Brandeis University, Waltham Mass.

1. '72 the Sup. Court held that support cannot be denied for legal immigrants
2. Because legal immigrants are subject to service in the armed forces, we must also provide aid to them

**Moore, Stephen**, Dir. of Fiscal Policy Studies, Cato Instit., D.C.

1. Immigrants pay more in taxes than they use in services
2. Immigrants are 50% less likely to need assistance than U.S. citizens
3. Immigrants are not the reason SSI is out of control

The witnesses agreed that legal immigrants were not a great burden. Refugees were the big problem. Moore said that we should not shut out immigrants from the safety net.

#### Fifth Panel (SSI and Addicts)

**Satel, Sally**, M.D., Assist. Prof. of Pyschiatry, Yale University; currently Visiting. Prof., U. PENN., Philadelphia, Pennsylvania

1. Drug addicts use SSI payments to pay for their abuse
2. Money should be invested, but not in form of cash pymnts
3. For every dollar invested in treatment of drug addiction,

society receives two back (less crime, medical costs, etc.)

**Kleber, Herbert**, M.D., Executive Vice President and Medical Dir., The Center on Addiction and Substance Abuse, Columbia U., NYC

1. Substance abuse costs the country \$100 billion a year
2. Involuntary treatment works as well as voluntary
3. For every dollar we invest in treatment we get 3-7 back

The panelists agreed that we have to put an end to cash payments to substance abusers. They also agreed that although more than 50% of those treated relapse, it is still a good investment. Kleber thought that block grants would be a much better idea.

## ATTACHMENT II

WELFARE REFORM WORKING GROUP  
Description of Public Events

The Welfare Reform Working Group will be conducting a series of regional visits during the late summer and early fall to inform its development of a welfare reform plan. These visits are intended:

- (1) to provide an opportunity for Working Group members to learn more about the programs, problems, and policies which they are charged with reviewing;
- (2) to provide an opportunity for public input into the development of a welfare reform plan; and
- (3) to promote public education about the issues and themes of the welfare reform effort.

The current plan includes the following elements:

- o Four regional visits by members of the Working Group and one public hearing in Washington, D.C.
- o Each regional visit will last for two days. The visits will have several components: (1) visits to programs and offices to provide insights into the operation of welfare programs, both those that are models and those that are not; (2) focus groups with current recipients, former recipients and people who work in welfare programs; (3) public events such as hearings, roundtable discussions and town meetings; and (4) interviews with local media, editorial boards and other press events.
- o The public event will be scheduled for the second of the two days of each visit, and will probably have at least the following components: (1) individuals telling their personal stories about the welfare system and the various programs with which they have had contact; (2) presentations by the Working Group of background information (probably repeating information from the presentations now being made to the Working Group); and (3) open discussion among round-table participants and the audience of the issues presented and the policy options open to the Working Group.
- o The round table portion of the event will provide an opportunity for dialogue among Working Group members and groups and individuals from the region with an interest in welfare reform. The discussions will put Working Group members on an equal footing with representatives of organizations such as NGA, APWA, organized labor as well as AFDC recipients and groups representing their interests.

- o The public hearing in Washington will be set up more traditionally to provide national organizations an opportunity to provide testimony to the Working Group. The hearing would be scheduled toward the beginning of the process so that groups testifying have a real opportunity to give public feedback to the work of the Group as it is developing.



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Office of the Assistant Secretary  
for Legislation

Washington, D.C. 20201

**TO:** MARY JO BANE 401-4678  
DAVID ELLWOOD 690-7383  
BRUCE REED 456-7028  
EMILY BROMBERG 401-4678  
ANN ROSEWATER 401-4678  
WENDELL PRIMUS 690-6562  
KATHY WAY 456-7028  
SUSAN BROPHY 456-6220  
PAUL CAREY 456-2604  
JANET MURGUIA 456-6221  
ISABELL SAWHILL 395-5730  
JEREMY BEN-AMI 456-7028  
AVIS LAVELLE 690-5673  
MELISSA SKOLFIELD 690-5673  
JOHN MONAHAN 690-5672

**FROM:** HHS/ASL STAFF (Jim Hickman 690-7627)

**DATE:** July 27, 1994

**SUBJECT:** Tentative Witness List for Ways and Means Subcommittee Hearings on July 27, and July 28, 1994

**PAGES:** 5 (including cover)

**NOTE:** The witness list for the Friday, July 29, hearing has not been finalized by the committee. We will distribute it as soon as it becomes available.

LIST OF WITNESSES TO APPEAR BEFORE  
SUBCOMMITTEE ON HUMAN RESOURCES  
COMMITTEE ON WAYS AND MEANS  
ON WELFARE REFORM

WEDNESDAY, JULY 27, 1994 - BEGINNING AT 10:00 A.M.

ROOM B-318 RAYBURN HOUSE OFFICE BUILDING

The Honorable Robert T. Matsui, M.C., California,  
on H.R. 4767, the Family Self-Sufficiency Act of 1994

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Panel:

The Honorable Andy Jacobs, Jr., M.C., Indiana  
The Honorable Barbara B. Kennelly, M.C., Connecticut  
The Honorable Richard E. Neal, M.C., Massachusetts

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Panel on H.R. 4767, the Family Self-Sufficiency Act of 1994:

The Honorable George Miller, M.C., California  
The Honorable Ron Wyden, M.C., Oregon  
The Honorable James E. Clyburn, M.C., South Carolina

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Panel on H.R. 3500, the Responsibility and Empowerment Support  
Program Providing Employment, Child Care and Training Act:

The Honorable Newt Gingrich, M.C., Georgia, and Republican Whip  
The Honorable Rick Santorum, M.C., Pennsylvania  
The Honorable E. Clay Shaw, Jr., M.C., Florida  
The Honorable Tom DeLay, M.C., Texas  
The Honorable Michael N. Castle, M.C., Delaware

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Panel on H.R. 4414, the Independence for Families Act of 1994:  
Mainstream Forum:

The Honorable Dave McCurdy, M.C., Oklahoma  
The Honorable L.F. Payne, M.C., Virginia  
The Honorable Jill L. Long, M.C., Indiana

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Panel on H.R. 4498, Job Start for America Act of 1994:

The Honorable Patsy T. Mink, M.C., Hawaii  
The Honorable Major R. Owens, M.C., New York  
The Honorable Donald M. Payne, M.C., New Jersey  
The Honorable Jolene Unsoeld, M.C., Washington

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(MORE)

Panel on H.R. 4570, Child Support Responsibility Act of 1994:

Congressional Caucus for Women's Issues  
The Honorable Patricia Schroeder, M.C., Colorado, Co-Chair  
The Honorable Olympia Snowe, M.C., Maine, Co-Chair  
The Honorable Marge Roukema, M.C., New Jersey  
The Honorable Louise M. Slaughter, M.C., New York  
The Honorable Nita M. Lowey, M.C., New York

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Panel on H.R. 455, Microenterprise and Asset Development Act and  
H.R. 456 Individual Development Account Demonstration Act:The

The Honorable Cardiss Collins, M.C., Illinois  
The Honorable Tony P. Hall, M.C., Ohio

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Panel on H.R. 4318 Working Off Welfare Act of 1994 and H.R. 4051,  
Secure Assurance for Families Everywhere (SAFE) Act:

The Honorable Lynn C. Woolsey, M.C., California  
The Honorable Ralph Regula, M.C., Ohio

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Panel on H.R. 4566, the Real Welfare Reform Act:

The Honorable James M. Talent, M.C., Missouri  
The Honorable Y. Tim Hutchinson, M.C., Arizona

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Freshman Democratic Class, Welfare Reform Task Force:

The Honorable Eva M. Clayton, M.C., North Carolina, Co-Chair  
The Honorable Bobby L. Rush, M.C., Illinois, Co-Chair

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The Honorable Bill Richardson, M.C., New Mexico, and Chairman,  
Subcommittee on Native American Affairs, Committee on Natural  
Resources

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The Honorable Jan Meyers, M.C., Kansas

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The Honorable Floyd H. Flake, M.C., New York

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(MORE)

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The Honorable Barbara-Rose Collins, M.C., Michigan

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The Honorable Bill Orton, M.C., Utah

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The Honorable Ed Pastor, M.C., Arizona

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The Honorable Maxine Waters, M.C., California

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The Honorable Peter W. Barca, M.C., Wisconsin

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The Honorable Xavier Becerra, M.C., California

\*\*\*

The Honorable Eric Fingerhut, M.C., Ohio

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The Honorable Tillie K. Fowler, M.C., Florida

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The Honorable Robert Menendez, M.C., New Jersey

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The Honorable Nydia M. Velázquez, M.C., New York

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THIS HEARING WILL CONTINUE ON THURSDAY, JULY 28, 1994, BEGINNING AT 10:00 A.M., IN ROOM B-318 RAYBURN HOUSE OFFICE BUILDING, AND WILL FOCUS ON PARENTAL RESPONSIBILITY, INCLUDING ESTABLISHMENT OF PATERNITY AND CHILD SUPPORT ENFORCEMENT.

**TENTATIVE LIST OF WITNESSES TO APPEAR BEFORE  
SUBCOMMITTEE ON HUMAN RESOURCES  
COMMITTEE ON WAYS AND MEANS  
HEARING ON WELFARE REFORM**

**THURSDAY, JULY 28, 1994 - BEGINNING AT 10:00 A.M.**

**ROOM B-318 RAYBURN HOUSE OFFICE BUILDING**

**PANEL:**

National Institute for Responsible Fatherhood and Family  
Development:

Charles Ballard, Founder and President

National Women's Law Center:

Nancy Duff Campbell, Co-President

National Black Women's Health Project:

Cynthia I. Newbille, Executive Director

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**PANEL:**

South Carolina Department of Social Services:

J. Samuel Griswold, Ph.D., Director

Child Support Enforcement \* C.S.E. (Austin, Texas):

Casey Hoffman, J.D., President

Commonwealth of Massachusetts:

Robert Melia, First Deputy Commissioner,  
Department of Revenue

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**PANEL:**

Pamela Cave, Chantilly, Virginia  
(former AFDC recipient)

American Fathers Coalition:

Bill Harrington, National Director (Commissioner,  
U.S. Commission on Child and Family Welfare)

Association for Children for Enforcement of Support, Inc.:

Tudi Whitwright, Brie, Washington

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**THIS HEARING WILL CONTINUE ON FRIDAY, JULY 29, 1994, BEGINNING AT  
10:00 A.M.. IN ROOM B-317 RAYBURN HOUSE OFFICE BUILDING, AND WILL  
FOCUS ON THE CAUSES AND CONSEQUENCES OF EARLY CHILDBEARING.**