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~~CONFIDENTIAL DRAFT~~

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WELFARE-TO-WORK JOBS PROGRAM DESIGN

The Welfare-to-Work Jobs Challenge Fund provides incentives to States and cities to place long-term welfare recipients in jobs that lead toward self-sufficiency and reduce welfare dependency. It maximizes the flexibility and innovation of States and cities working in close cooperation with the private sector and the community by not specifying a program design; rather it specifies the measure of success and rewards its achievement. The evidence of the ability of past Federally-designed job placement programs to achieve significant levels of success with this population is decidedly mixed, whether under JTPA, Welfare-JOBS, Food Stamps Employment and Training, or myriad other designs. WTW would be accompanied by a substantially enriched tax credit to employers who hire the target group. Nevertheless, based on previous tax credit take up rates, the credit alone will not be sufficient to change the hiring practices of employers, or the employment prospects of long-term welfare recipients. The introduction of the performance-based incentives of WTW to an environment of the tax credit, TANF's work focus, new child care funds and strategies that integrate other State and local funds should, however, catalyze substantial new job creation to make lasting improvements in the lives of long-term welfare recipients.

Presented below is a working outline of how the Welfare-to-Work (WTW) Jobs \$3 billion spending program could be designed. While any aspect of the design can raise issues, the outline highlights the eight major issues the WTW workgroup identified:

1. City eligibility for direct grants.
2. Definition of eligible individuals
3. Definition of earnings success for performance payments
4. Performance payments for public sector jobs
5. Mayoral control
6. Federal role in plan approval
7. Use of WTW funds for workfare and subsidized public sector jobs
8. Federal administration

(A) Budget structure

- Budget structure. WTW will be a capped mandatory spending program.
- Fund availability. Funds will be available in the following amounts: FY 1998, \$750 million; FY 1999, \$1 billion; and FY 2000, \$1.25 billion.

For the purposes of making performance payments during FY 1998, the Secretary may draw funds from the amount for FY 1999. For the purpose of making performance payments during FY 1999, the Secretary may draw funds from the amount for FY 2000.

- Availability for obligation. Funds would be available for obligation in the year in which they are first available, and for two additional fiscal years. Funds would be available on a fiscal year basis, as in TANF (vs., for example, on a July-June program year basis as in JTPA), given the necessity for joint programming with TANF funds.
- Federal administration funds. Funds for Federal administration and for evaluation would be appropriated annually in the discretionary budget. The agencies suggest about \$5 million per year to support 50 FTE, plus evaluation costs.

(B) Flow of funds; performance grants

- Total formula grants. In general, each eligible applicant (see below) with an approved plan would be eligible to receive amount equal to its percentage share of the eligible population, applied to the \$3 billion, or \$1 billion annually for three years.
- Annual formula grants. In general, for each of the fiscal years 1998 through 2000, each eligible applicant with an approved plan would receive an amount equal to its percentage share of the eligible population, applied to \$750 million. After the FY 1998 grant, subsequent grants would be conditioned upon demonstration of satisfactory progress toward meeting the goals of the approved plan.
- Performance grants. The remaining funds (\$250 million in 1998 and \$500 million in each of fiscal years 1999 and 2000) would be distributed to each grantee based on its actual number of successful placements/retentions, up to the maximum for which it planned.
- Performance payments. The total Federal payment per placement -- regardless of the actual cost of placement -- is calculated to be \$3,000. The formula grant provides three-fourths of the Federal share of each expected placement, or \$2,250, up front, in order to support WTW's share of the grantee's approved plan.

For each successful placement, the grantee then earns an additional \$750 performance grant. Failure to place as many individuals as its approved plan calls for does not result in State or city repayment of the grantee's formula grant, but it would trigger the necessity for corrective actions prior to receiving subsequent years' formula grant, and, in extreme cases, reallocation of funds to other areas.

- The actual cost per placement will be whatever the grantee chooses, and is financed by a combination of WTW funds, State TANF block grant funds, State

job training funds, the private sector, and other funds in the plan. While WTW funds need not be spent in any specific amount or proportion on any one individual, the funds must be spent on activities intended to benefit the eligible population (vs., for example, the welfare population generally, or those with shorter durations on welfare).

- Timing of payment of performance grants. Beginning on October 1, 1998, performance grants will be awarded quarterly, based on grantee certification of successful placements to the Secretary. Certifications will be subject to audit and grantees liable for recovery of funds for improper certifications.

© Eligible applicants and share of funds

- States. Each State, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, and the Territories is eligible for a WTW grant. Grant funds within these entities would automatically pass through, by formula, to cities which are eligible applicants. The State administers the funds for parts of the State without cities that are eligible applicants.
- Cities. Cities with the highest number of individuals in poverty also receive and administer WTW grants. A city may, in its sole discretion, arrange for the State to administer funds the city would otherwise receive.
- Counties. [NOTE: this is the response to the August statement that "counties, as appropriate" could be grantees. The term "appropriate" is defined locally] The State may delegate administration of funds in areas for which a city is not otherwise an eligible applicant, to a county (or a city) of its choosing. In States where counties will be responsible for TANF administration, a State may find it appropriate to delegate its non-city WTW funds and responsibilities to the counties. Cities within or abutting a county with the necessary capability could arrange to have the county administer its WTW funds.
- Service Delivery Areas (SDAs) as eligible applicants. The Labor Department is exploring an option in which the 630 JTPA SDAs, comprised of cities, counties, and other units of local government, would constitute the eligible grantees. In this option, there would be no State grantees.

DESIGN ISSUE #1: 100 or 150 cities

Ideally, WTW would distribute funds on the basis of the relative numbers of long-term welfare recipients. There is no data base that does this, so the workgroup assumes WTW will use the distribution of people in poverty. The attached tables (Tab A) use 1990 Census data, but would need to be updated. They show the percentage and amount of funds which cities and States-less-cities ("Balance of States") would receive under the annual \$750 million grant, and

from the total \$3 billion.

NOTE: The illustrative tables are from a data base that only has cities of 100,000 population or more. Thus it excludes cities with smaller total population that may have more poor people than cities that now show as being within either the 100 or the 150 list. East St. Louis, for example is not on the list, but may qualify when there is a list of cities by number of people in poverty without regard to total city population. Also, Puerto Rico and the territories are not shown and would change the numbers.

Each table set shows the cities in descending order of numbers in poverty, followed by the Balance of State amounts. The first set of tables is based on 150 cities qualifying; the second on 100 cities qualifying. Items for consideration:

- Where are the poor? Whether at the 100 or the 150 city level, roughly one-third of the poor are in the cities, two-thirds in the Balance of States (this would shift somewhat on the data base that ranks cities without regard to population size.) The task of moving welfare recipients into jobs is preponderantly a State task. States -
2/3 of P
- Basis for deciding which cities should be eligible. There is no particular objective standard that leaps out for where to draw the line on the table. On an annual basis, only 22 cities would have to plan for more than 1,000 job placements per year. Only 46 cities would need to plan for more than 2,000 jobs over the three year period.
- There are 11 States with no cities that qualify. It is not uncommon in Federal programs to recognize this situation by qualifying "the largest city in a state with no otherwise eligible city."

The decision on how many cities to make eligible is a pure policy call. Given the preponderance of the poor in small cities, suburbs and rural areas, whether there are 100 or 150 or some other number of cities will not materially influence the overall success of WTW; State behavior will be the greatest determinant.

(D) WTW eligible individuals

The August outline names "long-term welfare recipients" who have been on the rolls for "at least" 18 months. The caseload of adults receiving welfare for 18+ months numbers about 2.2 million annually. Because of normal churning of the welfare population, about half of these individuals probably would get jobs without special State efforts. With only the 18+ months factor, WTW is susceptible to charges of creaming and having no net impact. In addition, as the tables indicate, the number of jobs a city or State needs to find to qualify for the full performance payment is not large. The combination of avoiding creaming and spending the \$3 billion for people in the most need suggests the necessity for an additional individual targeting factor.

DESIGN ISSUE #2: Definition of eligible individuals

The workgroup identified two approaches to ensuring that the individuals for whom WTW makes performance payments are those more likely to need the extra effort that WTW implies, one based on the Federal government specifying an additional criterion beyond duration on welfare; the other requiring an additional criterion, but permitting each grantee to select the factor from a statutory list, or based on its own justification.

Option A: Specify in law an additional factor, such as:

work experience

- (1) 18+ months on welfare and lacking a high school diploma/GED; about 900,000 eligibles;
- (2) 18+ months on welfare and lacking basic skills -- about 900,000 eligibles.
- (3) 18+ months on welfare and lacking high school and basic skills -- about 600,000.
- (4) 18+ months on welfare and living in high poverty areas -- about 950,000 in areas of 20% poverty or greater; about 665,000 in 30% or greater poverty areas.
- (5) 18+ months on welfare and victim of domestic abuse, or other factor from a Federal list.
- (6) 18+ an additional 6 months on welfare; about xxx,000 eligibles [estimate coming];

Option B: Let States and cities choose the additional factor

Formula grants could only be used for, and payments from the 25% withheld funds could be awarded only for, individuals the State or city document are long-term recipients and from one of the groups above (including any other factor the State or city proposes and justifies in its plan).

Option A more closely resembles the current JTPA structure (although JTPA does include in its targeting menu a "local choice" option); cities and States are familiar with this approach. Option B is more consistent with the overall State flexibility principle of WTW and puts the onus of selecting the targeting factor more on the State or city, where it belongs.

(E) Hours worked/earnings standard for the performance payment

Too complex

The August outline defined the condition for a performance payment for an eligible individual to be placement in a job that lasted for at least 1,000 hours during nine months. At the time, this definition was simply an intuitive judgement that it was long enough to demonstrate the desired focus on job retention and still seem achievable.

The workgroup questioned whether this goal was sufficiently ambitious: 1,000 hours at the minimum wage would qualify, but is not much of an achievement. Earnings for 1,000 hours at next year's minimum wage (\$5.15/hour) would be \$5,150, or \$10,712 for a full year's work (2,080 hours). The poverty level for the typical welfare family of three is \$12,980 now and will

→ Does the clock run?

be higher in FY 1998, when WTW begins. This population is believed to churn in and out of minimum wage jobs, though it is noted that there is no systematic information available at HHS on the wage experiences of the target population.

Thus, if a WTW "success" is a job at minimum wage, the typical welfare family's full-time earnings would be about 17% below poverty. This level would be a significant improvement in earnings for many on welfare, but it should be achievable with relatively limited effort, such as might be available under TANF without WTW.

On the other hand, it is important not to have a measure of success so difficult to achieve as to doom WTW's likelihood of success. The JTPA National Study found that even though JTPA boosted welfare recipients' earnings by as much as 50 percent above control group member earnings, the program did not reduce welfare and food stamp dependency among treatment group members. The Study found that AFDC participants' average post-program 18-month earnings were about \$5,200; average hours worked over that 18-month period -- a period double the August outline's 9-month standard for WTW -- were 1,072.

Notwithstanding the evidence that this is a hard group to place in better paying jobs, it is also important to keep in mind that TANF permits each State to exempt from time limits 20% of its welfare population, which should mean that the very hardest to employ likely will not be in the WTW population. Finally, as the illustrative tables at Tab A show, at least for the cities, the actual number of individuals that need to be placed to generate a performance grant in WTW is fairly modest, again suggesting that a more ambitious success measure is feasible.

The workgroup also determined that there is no administrative record series that tracks post-program hours worked. To do so would require a costly follow-up reporting system for each grantee. Quarterly Unemployment Insurance (UI) wage record data is available in each State and offers an objective way to document the earnings of individuals for whom performance payments are claimed. Therefore, an earnings standard -- rather than an hours worked standard -- would be adopted for WTW.

DESIGN ISSUE #3: Definition of earnings success for performance payments.

The work group suggests a policy goal that can be argued as "economic self-sufficiency" for long-term welfare recipients. It is exploring approaches linked rhetorically to the President's 1993 EITC and minimum wage goals.

In 1993, the President's Earned Income Tax Credit (EITC) and minimum wage policy goal was for levels that, when combined with Food Stamps, provided income sufficient for a female-headed family of three (the typical long-term welfare family) to escape poverty. At the 1996 poverty threshold for a family of three of \$12,980, the "Minimum Wage + EITC + Food Stamps > Poverty" standard requires only 30 hours of work per week, or about 1,500 hours annually, for actual earnings of \$7,725.

WTW could define its "self-sufficiency" earnings goal as --

- Option A: Wages + EITC > Poverty, excluding Food Stamp benefits from the calculation because they are another form of dependency. This would require annual earnings of \$ _____, or about \$ _____ per hour for a 2,000 hour job. Or,
- Option B: Wages + EITC > 130% Poverty. This option uses the standard that takes a family above the qualifying level for free lunch, or 130% of poverty. This formulation, would require annual earnings of \$ _____, or \$ _____ per hour for a 2,000 hour job.

Analysis is needed to determine whether either of these formulations place the success goal so far out of reach as to be unrealistic, even in light of the 20% exemption and the modest job targets generated by the funding structure. Some effort in this direction, however, is desirable to justify the spending program and demonstrate that it is achieving something not otherwise likely to occur.

NO

(F) Jobs for which WTW performance payments can be made

The workgroup generally agreed that WTW performance payments should be made only for jobs that are unsubsidized (except by WOTC) and that result in the requisite earnings level. (See also the discussion below on Use of Funds for consideration of whether WTW funds should support workfare or other forms of job subsidy, without regard to the basis on which performance payments are made.)

Why

NO - just min wage

It should be noted that some Administration rhetoric since August could lead some to believe that WTW performance payments are for subsidizing private sector jobs. While WTW funds may certainly be used for this purpose (e.g., in the America Works approach), to make the performance payment for time spent in such jobs would be premature: there would be no basis for determining if the individual had really achieved a degree of independence and earnings. Permitting WTW performance payments for jobs for which employers are claiming WOTC should be the maximum degree of subsidization allowed.

Why?

Some in the workgroup and elsewhere have argued that especially in areas of local recession, WTW should make performance payments for subsidized jobs. Given how few jobs are needed to satisfy WTW requirements (see Tables at Tab A), this does not seem necessary. TANF and other funds can and will support workfare and subsidized jobs in any case. WTW performance payments should focus on an individual achieving employment status outside the welfare system.

The work group was, however, sharply divided over the question of paying performance grants for unsubsidized jobs in the public sector. The August design stressed private sector jobs but did not explicitly address whether performance payments could be made for regular, unsubsidized jobs in Federal, State, or local government. As the attached table (Tab B) notes,

Performance = still working after 6 mos. anywhere?

public jobs make up 15 to 25 percent of the job opportunities in most local labor markets, more in a few places. On the other hand, public agencies are not eligible for the WOTC and most employment growth is occurring in the private, not the public sector, so it is likely that most WTW job placements will be in the private sector. Paying off for public jobs could also raise the specter of the much-maligned CETA public service employment program.

DESIGN ISSUE #4: Performance payments for public jobs

The choices range from no public jobs, through a cap on public jobs, to total local discretion.

- Option A: No payments for public jobs. A complete bar on performance payments for such jobs. This may present difficulties in areas of high public employment.
- Option B: Cap on payments for public jobs. This could be an arbitrary cap, such as 10%, or a limitation based on the presence of public jobs in the local labor market: if the local labor market has 15% of its total employment in the public sector, only 15% of the jobs qualifying for performance payments could be in the public sector. / maybe
- Option C: No limit on payments for public jobs. Complete State and city discretion.

It is difficult to craft a credible argument that jobs in the public sector are somehow not real or appropriate jobs for long-term welfare recipients. Allowing public job placements to count does not necessarily weaken the private sector emphasis of the program, or somehow make it like CETA, though this criticism will be made. The issue of whether WTW is more like CETA with all its perceived faults, is more likely to arise with the use of WTW funds, as discussed below, not the basis upon which performance payments are made. If there has to be some limitation, doing it with reference to the share of public jobs in the area is defensible.

(G) Application process

- Process. States and eligible cities submit a plan at the same time to the Secretary, at a time and in the manner designated by the Secretary, for their share of the formula grant funds. Initial applications would be for the full program period (3 years of annual formula grants, plus the additional time needed to meet the job retention goal) with annual reporting, updates, and plan amendments. Plans would be modified by grantees as necessary, in accord with procedures the Secretary determines.
- Satisfactory progress. Grantees will be required to show satisfactory progress toward their jobs goal in order to receive second- and third-year formula grants. Failure to show such progress will result in required plan modification and, at the discretion of the Secretary, could lead to a reallocation of funds to other grantees with a greater likelihood

of success.

- Public comment. Applications must be made available for public comment prior to admission to the Secretary. The final submission will indicate what public comments were received, and how they are reflected in the plan.

(H) Plan content

- Linkages and leveraging of resources. How the resources from State TANF, Child Care and Development Block Grant, JTPA, Work Opportunities Tax Credit (WOTC) and other sources will be used to help achieve the jobs goal.
- Stakeholder participation. How the TANF administering entity, the private sector, community-based organizations, labor representatives, EZ/EC plans, CDFI grantees, JTPA service delivery areas, educational institutions, the Employment Service, and other job training and placement entities and economic development activities have been brought together to plan the WTW activities, and how their participation will help achieve the jobs goal through use of their financial or in-kind resources, hiring commitments, or in other ways.
- Labor protections. How the job placements generated by WTW funds will be covered by the Fair Labor Standards Act and other labor protection laws, and will satisfy the nondisplacement, nondiscrimination, and wages and working conditions provisions of sections 142 through 144, and 167(a)(1) and (2) of the Job Training Partnership Act, as amended, and the additional labor protections included in the Administration's Work and Responsibility Act (see language at Tab C).

Labor Department policy officials believe the language meets organized labor concerns.

- Organized labor would welcome a requirement that would extend the labor protections described above to any programs (especially TANF) that grantees use in conjunction with WTW Jobs funds. However, such an extension could have the unintended effects of discouraging the merging of WTW and TANF funds and creating separate tracking of funds to avoid the additional labor protections. No
- Job placements. The number of projected job placements consistent with the share of funds, and how these placements will occur in jobs that can be expected to continue after the retention period has expired.

(I) The relationship of the city to the State

Mayors of the largest cities will receive WTW Jobs funds directly and "control" their expenditure. At the same time, WTW funds must, to have a chance of being effective, be

Why not ^{still} voucher to those w/ no work exp.?

deployed locally in a manner that is fully consistent with State TANF and child care plans and spending. Under TANF, it is the State which is responsible for the welfare population, although States may devolve significant control to lower levels of government -- mainly counties. It is therefore not possible to give mayors totally independent control over WTW and still hope to have a successful program.

DESIGN ISSUE #5: Mayoral control

To balance mayoral control with necessary State coordination, the workgroup considered three options for local plan approval and funding arrangements.

- Option A: Consultation. Mayors must consult on their plans with Governors, but are not required to incorporate or report to the Secretary any comments received, or to secure Governor approval. This model assures the Governor the opportunity for input, but the degree to which his input is accepted is solely at the discretion of the mayor.
- Option B: Joint responsibility. Mayors must work with Governors to gain their approval prior to plan submission to the Secretary. Cities that could not secure Governor approval of their plans would be ineligible for WTW Funds. Their formula allotment would be reallocated among other eligible applicants in the State, including the Governor. This model maximizes the likelihood of close coordination between TANF and WTW, but at the expense of mayoral independence.
- Option C: Required mayor/governor interaction. A step-by-step process: (1) Mayors would develop their plans with Governors in whatever manner the two players work out. (2) The mayor's plan would, "to the greatest extent feasible," reflect Governor views in the plan. (3) If mayors cannot reach initial agreement with the Governor, they would be required to attach the Governor's comments to the application to the Secretary and to explain the areas of disagreement to the Secretary. (4) The Secretary could return the plan to the mayor to ask for additional explanation. (5) The Secretary could suggest alternatives to the mayor and the Governor, to help obtain a mutually satisfactory plan. (6) In the end, the mayor's preferences control. This model maximizes the opportunity for the mayor and Governor to work out their differences, but retains ultimate mayoral control.

Too
Complex

The workgroup believes the third option strikes an appropriate balance between local control and the imperative of consistency with Statewide TANF strategies.

(J) Federal plan approval

As with virtually all Federal grants to States and cities, there needs to be a Federally-accepted plan upon which Federal funds flow to grantees. Federal programs offer a range of options for the degree to which the Government exercises control over the content of the

grantee's plan as a condition for receipt of funds.

DESIGN ISSUE #6: The Federal role in WTW plan approval.

The workgroup identified two primary options for the Federal role, the TANF model and the JTPA model.

Option A: TANF model. Under TANF, the Federal role is limited to checking for completeness; guidance and oversight are minimal. The burden of design adequacy rests with the State. Funds are not conditioned on the quality of the plan or its likelihood of success, as judged by the Federal government. y

Option B: JTPA model. In JTPA and many other Federal programs, the Federal government plays a more substantive role. With limited funds available to achieve the stated purpose, the Federal government is presumed to have a stake in, and expertise in, determining what approaches most effectively satisfy the requirements of the program statute. Under this approach, the Secretary would approve plan applications based on a "reasonable expectation of success."

Because WTW Jobs rewards activities primarily financed under TANF, departing from the "de minimus" TANF role would be difficult to justify, even though the JTPA model is more the Federal norm. Because the Secretary withholds 25 percent of WTW Jobs funds, the Federal leverage to encourage good performance is inherent in the WTW design, without regard to the plan approval process. Arguably, the carefully specified plan content requirements (above), coupled with full payment only for the showing of performance, can ensure accountability for WTW Jobs funds without a more meticulous plan approval process. It is likely, however, that a TANF-like approach will be criticized by some for failing to provide effective Federal oversight.

(K) Use of funds

States and localities are generally free to devise whatever program plan they choose, provided their plan makes clear that the result will be successful placement in jobs qualifying for the performance grant, up to the level determined in the formula allocation. In addition, three broad types of activities would be cited. They include:

- (1) Proven models of job creation and placement. WTW may replicate programs which various localities have used successfully to place highly disadvantaged individuals.
- (2) Jobs in expanded child care, through creation of jobs for eligible individuals in expanded community-based child care centers and other sources of affordable child care.
- (3) Jobs created through cleaning up and rebuilding communities. Creation of jobs through environmental clean up, such as under Brownfields programs, and resulting

economic development; EZ/EC incentives for new job creation in high poverty areas; and housing rehabilitation. Housing redevelopment programs, such as YouthBuild, also could be part of local community plans for these activities.

The most sensitive issue for use of funds is whether they may support workfare or other forms of job subsidization in the public sector. This issue is the forum for determining whether WTW is open to attack for being CETA in another guise.

DESIGN ISSUE #7: Use of WTW funds for workfare and subsidized public sector jobs.

The August outline is clear that the purpose of the program is to help create job opportunities in the private and non-profit sectors and that States and localities "would be granted maximum flexibility to develop job creation strategies -- including, where appropriate, in the public sector." While the language is ambiguous about using WTW funds specifically for "workfare," there was general (but not unanimous) agreement that WTW funds should not be used for workfare. In contrast, if "workfare" jobs are something local areas believe are warranted or necessary to prepare long-term welfare recipients for work, it might harm WTW's chances of success to bar its use for this purpose, even though TANF resources are already available for that purpose.

- Option A: Prohibit use of WTW funds for workfare or subsidized public jobs.
- Option B: Complete local discretion.

The issue here is not whether workfare or public jobs subsidization are valuable employability development tools, but rather whether WTW funds should be available for that purpose in addition to TANF and other funds. The key for WTW is the performance payment for regular, lasting employment, not the manner in which a long-term welfare recipient acquired the skills and knowledge needed to get and hold such a job. On the other hand, using WTW for workfare raises the unwelcome CETA issue. TANF already permits the use of its funds for such purpose.

(L) Accountability and evaluation

- The basic design of WTW -- rewarding only success -- ensures grantee accountability. It is also essential that the Federal government, and the States and cities, learn which WTW strategies work best, in what situations.
- WTW will require periodic reports from each grantee on progress toward meeting the plan goals, with analysis of successes and problems. In addition, the Secretary will establish an on-going evaluation capability that will establish baseline data at the outset and permit an assessment of whether the WTW strategy is working during its second and third years, and an overall assessment of its net impact on the long-term welfare

population.

- The authorization for appropriations for WTW ends after the third year, in order to make clear that the decision on whether to seek additional appropriations beyond the initial \$3 billion should turn on whether this program design has proved successful.

(M) Administering agency

The WTW workgroup did not address the issue of which Federal agency should be the lead administering entity for WTW Jobs. This issue was deferred in August. The discussion below is divided into two issues: 8(a), HHS or DOL; and 8(b) interaction between DOL and HHS, should one or the other be designated lead.

DESIGN ISSUE #8: Federal administration

8(a) Should HHS or Labor administer WTW?

OMB offers the following summary of this issue.

HHS and DOL can each make a strong case for assuming administrative responsibility. As administrator of TANF, HHS remains the principal source to the States on welfare policy. Administrative ease and efficiency, extensive knowledge of the welfare population, and the complex interactions between TANF and WTW's multiple sanctions and rewards, argue for a lead role for HHS in WTW Jobs.

On the other hand, DOL has a proven track record of working for decades with low-income adults; currently 35 percent of JTPA title II-A participants are AFDC recipients. Like WTW, JTPA stresses employment outcomes through a system of performance standards. JTPA also has strong ties to mayors, county commissioners, and local employers through its 600 business-led Private Industry Councils.

- Option A: DOL lead.
- Option B: HHS lead.

If DOL has the lead, States would deplore answering to two federal bureaucracies -- DOL for WTW and HHS for TANF -- as they administer their complementary, commingled welfare funds. Mayors would likely gladly accept DOL as lead agency for the WTW funds since they work with DOL on JTPA and have for many years.

It is possible to defer this issue past the Budget database lock in early January, by including in the Budget an "allowance" of \$750 million in FY 1998 and \$3 billion for FY 1998-2000 (plus administrative costs) that is not assigned to either agency. However, deferring this

issue means losing the ability for the administering agency to work actively with key Congressional members to obtain the legislation and FY 1998 appropriation.

8(b) Interaction between HHS and Labor

Regardless of which agency has the lead, the programmatic interaction between TANF and WTW requires a close working relationship between HHS and DOL. This relationship could take various forms. Primary options are:

Option A: Consultation. Under this option, the lead agency would, by statute, be required to consult with the other agency on all aspects of WTW program administration, and its interaction with TANF. At a minimum, consultation would occur on standards for WTW plan content, review and approval of applications, progress reports, corrective action or funding reallocation, and the design and conduct of the evaluation. This option would provide a formal participatory role for the other agency, but ensure a clear line of responsibility to the lead agency.

Option B: Joint approval. Under this option, HHS and Labor would jointly administer WTW. This option would adapt the model included in the Clinton Administration's School-to-Work (STW) Opportunities Act, in which the Secretaries of Education and Labor "jointly provide for, and exercise final authority over, the administration of the Act" and have final authority to jointly issue whatever procedures, guidelines, and regulations the Secretaries consider necessary and appropriate to administer and enforce the Act. To avoid some of the complexity of STW, funds would be requested only in the lead Department, and the joint STW staffing pattern would not be followed. While this option is more complex than the consultation model, it ensures the administrative and policy strengths of both agencies will be brought to bear on WTW.

POVERTY LEVELS, RATES AND RANKS
(Places of at least 100,000; 1990 Census)

		150 Cities and 50 States						100 Cities and 50 States					
		Persons in	Share of	Annual	Share of		Share of	Annual	Share of				
		Poverty	\$1 B	Allocation	\$3 B	Jobs	\$1 B	Allocation	\$3 B	Jobs	Jobs		
		(\$ in 000)	(\$ in 000)	Based on	(\$ in 000)	Jobs	(\$ in 000)	Based on	(\$ in 000)	Jobs	Jobs		
				\$750 M			30,692,487	\$750_M					
City	U.S. Total.....	31,699,669											
Rank	Cities	10,496,370			\$993,358	331,119	9,489,188		\$927,509	309,170			
1	New York city	1,384,994	\$43,691	14,564	\$32,768	43,691	\$45,125	15,042	\$33,844	\$135,375	45,125		
2	Los Angeles city	643,809	\$20,310	6,770	\$15,232	20,310	\$20,976	6,992	\$15,732	\$62,928	20,976		
3	Chicago city	592,298	\$18,685	6,228	\$14,014	18,685	\$19,298	6,433	\$14,473	\$57,893	19,298		
4	Houston city	332,974	\$10,504	3,501	\$7,878	10,504	\$10,849	3,616	\$8,137	\$32,546	10,849		
5	Detroit city	328,467	\$10,362	3,454	\$7,771	10,362	\$10,702	3,567	\$8,026	\$32,106	10,702		
6	Philadelphia city	313,374	\$9,886	3,295	\$7,414	9,886	\$10,210	3,403	\$7,658	\$30,630	10,210		
7	San Antonio city	207,161	\$6,535	2,178	\$4,901	6,535	\$8,750	2,250	\$5,062	\$20,249	6,750		
8	Dallas city	177,790	\$5,609	1,870	\$4,206	5,609	\$5,793	1,931	\$4,344	\$17,378	5,793		
9	Baltimore city	156,284	\$4,930	1,643	\$3,698	4,930	\$5,092	1,697	\$3,819	\$15,276	5,092		
10	New Orleans city	152,042	\$4,796	1,599	\$3,597	4,796	\$4,954	1,651	\$3,715	\$14,861	4,954		
11	San Diego city	142,382	\$4,492	1,497	\$3,369	4,492	\$4,639	1,546	\$3,479	\$13,917	4,639		
12	Cleveland city	142,217	\$4,486	1,495	\$3,365	4,486	\$4,634	1,545	\$3,475	\$13,901	4,634		
13	Phoenix city	137,406	\$4,335	1,445	\$3,251	4,335	\$4,477	1,492	\$3,358	\$13,431	4,477		
14	Memphis city	136,123	\$4,294	1,431	\$3,221	4,294	\$4,435	1,478	\$3,326	\$13,305	4,435		
15	Milwaukee city	135,583	\$4,277	1,426	\$3,208	4,277	\$4,417	1,472	\$3,313	\$13,252	4,417		
16	El Paso city	128,886	\$4,066	1,355	\$3,049	4,066	\$4,199	1,400	\$3,149	\$12,598	4,199		
17	Miami city	109,594	\$3,457	1,152	\$2,593	3,457	\$3,571	1,190	\$2,678	\$10,712	3,571		
18	Columbus city	105,494	\$3,328	1,109	\$2,496	3,328	\$3,437	1,146	\$2,578	\$10,311	3,437		
19	Atlanta city	102,364	\$3,229	1,076	\$2,422	3,229	\$3,335	1,112	\$2,501	\$10,005	3,335		
20	Boston city	102,092	\$3,221	1,074	\$2,415	3,221	\$3,326	1,109	\$2,495	\$9,979	3,326		
21	District of Columbia	96,278	\$3,037	1,012	\$2,278	3,037	\$3,137	1,046	\$2,353	\$9,411	3,137		
22	St. Louis city	95,271	\$3,005	1,002	\$2,254	3,005	\$3,104	1,035	\$2,328	\$9,312	3,104		
23	San Francisco city	90,019	\$2,840	947	\$2,130	2,840	\$2,933	978	\$2,200	\$8,799	2,933		
24	Indianapolis city (remainder)	89,831	\$2,834	945	\$2,125	2,834	\$2,927	976	\$2,195	\$8,780	2,927		
25	Cincinnati city	85,319	\$2,691	897	\$2,019	2,691	\$2,760	927	\$2,085	\$8,339	2,780		
26	Fresno city	83,108	\$2,622	874	\$1,966	2,622	\$2,708	903	\$2,031	\$8,123	2,708		
27	Buffalo city	81,601	\$2,574	858	\$1,931	2,574	\$2,659	886	\$1,994	\$7,976	2,659		
28	Austin city	80,369	\$2,535	845	\$1,901	2,535	\$2,619	873	\$1,964	\$7,856	2,619		
29	Jacksonville city (remainder)	80,016	\$2,524	841	\$1,893	2,524	\$2,607	869	\$1,955	\$7,821	2,607		
30	Tucson city	79,287	\$2,501	834	\$1,876	2,501	\$2,583	861	\$1,937	\$7,750	2,583		
31	Denver city	78,515	\$2,477	826	\$1,858	2,477	\$2,558	853	\$1,919	\$7,674	2,558		
32	Fort Worth city	75,597	\$2,385	795	\$1,789	2,385	\$2,463	821	\$1,847	\$7,389	2,463		
33	Pittsburgh city	75,172	\$2,371	790	\$1,779	2,371	\$2,449	816	\$1,837	\$7,348	2,449		
34	San Jose city	71,676	\$2,261	754	\$1,696	2,261	\$2,335	778	\$1,751	\$7,006	2,335		
35	Newark city	70,702	\$2,230	743	\$1,673	2,230	\$2,304	768	\$1,728	\$6,911	2,304		
36	Long Beach city	69,694	\$2,199	733	\$1,649	2,199	\$2,271	757	\$1,703	\$6,812	2,271		

POVERTY LEVELS, RATES AND RANKS

(Places of at least 100,000; 1990 Census)

	150 Cities and 50 States						100 Cities and 50 States					
	Persons in Poverty	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs	
37 Oklahoma City city	69,096	\$2,180	727	\$1,635	\$6,539	2,180	\$2,251	750	\$1,688	\$6,754	2,251	
38 Oakland city	68,781	\$2,170	723	\$1,627	\$6,509	2,170	\$2,241	747	\$1,681	\$6,723	2,241	
39 Minneapolis city	65,556	\$2,068	689	\$1,551	\$6,204	2,068	\$2,136	712	\$1,602	\$6,408	2,136	
40 Kansas City city	65,381	\$2,063	688	\$1,547	\$6,188	2,063	\$2,130	710	\$1,598	\$6,391	2,130	
41 Birmingham city	64,572	\$2,037	679	\$1,528	\$6,111	2,037	\$2,104	701	\$1,578	\$6,312	2,104	
42 Nashville-Davidson (remaindr)	62,497	\$1,972	657	\$1,479	\$5,915	1,972	\$2,036	679	\$1,527	\$6,109	2,036	
43 Toledo city	62,426	\$1,969	656	\$1,477	\$5,908	1,969	\$2,034	678	\$1,525	\$6,102	2,034	
44 Sacramento city	62,232	\$1,963	654	\$1,472	\$5,890	1,963	\$2,028	676	\$1,521	\$6,083	2,028	
45 Portland city	62,058	\$1,958	653	\$1,468	\$5,873	1,958	\$2,022	674	\$1,516	\$6,066	2,022	
46 Seattle city	61,881	\$1,946	649	\$1,459	\$5,837	1,946	\$2,010	670	\$1,507	\$6,029	2,010	
47 Louisville city	59,144	\$1,866	622	\$1,399	\$5,597	1,866	\$1,927	642	\$1,445	\$5,781	1,927	
48 Baton Rouge city	54,669	\$1,725	575	\$1,293	\$5,174	1,725	\$1,781	594	\$1,336	\$5,344	1,781	
49 Tulsa city	53,768	\$1,696	565	\$1,272	\$5,089	1,696	\$1,752	584	\$1,314	\$5,255	1,752	
50 Albuquerque city	52,903	\$1,669	556	\$1,252	\$5,007	1,669	\$1,724	575	\$1,293	\$5,171	1,724	
51 Tampa city	52,557	\$1,658	553	\$1,243	\$4,974	1,658	\$1,712	571	\$1,284	\$5,137	1,712	
52 Rochester city	52,237	\$1,648	549	\$1,236	\$4,944	1,648	\$1,702	567	\$1,276	\$5,106	1,702	
53 Santa Ana city	51,835	\$1,635	545	\$1,226	\$4,906	1,635	\$1,689	563	\$1,267	\$5,067	1,689	
54 Corpus Christi city	50,525	\$1,594	531	\$1,195	\$4,782	1,594	\$1,646	549	\$1,235	\$4,939	1,646	
55 Shreveport city	49,215	\$1,553	518	\$1,164	\$4,658	1,553	\$1,603	534	\$1,203	\$4,810	1,603	
56 Dayton city	46,480	\$1,460	489	\$1,100	\$4,399	1,466	\$1,514	505	\$1,136	\$4,543	1,514	
57 Laredo city	45,126	\$1,424	475	\$1,068	\$4,271	1,424	\$1,470	490	\$1,103	\$4,411	1,470	
58 Akron city	44,544	\$1,405	468	\$1,054	\$4,216	1,405	\$1,451	484	\$1,088	\$4,354	1,451	
59 St. Paul city	44,115	\$1,392	464	\$1,044	\$4,175	1,392	\$1,437	479	\$1,078	\$4,312	1,437	
60 Stockton city	43,990	\$1,388	463	\$1,041	\$4,163	1,388	\$1,433	478	\$1,075	\$4,300	1,433	
61 Norfolk city	43,944	\$1,386	462	\$1,040	\$4,159	1,386	\$1,432	477	\$1,074	\$4,295	1,432	
62 Jackson city	43,216	\$1,363	454	\$1,022	\$4,090	1,363	\$1,408	469	\$1,056	\$4,224	1,408	
63 Mobile city	42,838	\$1,351	450	\$1,014	\$4,054	1,351	\$1,396	465	\$1,047	\$4,187	1,396	
64 Jersey City city	42,539	\$1,342	447	\$1,006	\$4,026	1,342	\$1,386	462	\$1,039	\$4,158	1,386	
65 Charlotte city	42,312	\$1,335	445	\$1,001	\$4,004	1,335	\$1,379	460	\$1,034	\$4,136	1,379	
66 Flint city	42,218	\$1,332	444	\$999	\$3,995	1,332	\$1,376	459	\$1,032	\$4,127	1,376	
67 Omaha city	41,357	\$1,305	435	\$978	\$3,914	1,305	\$1,347	449	\$1,011	\$4,042	1,347	
68 Richmond city	40,103	\$1,265	422	\$949	\$3,795	1,265	\$1,307	436	\$980	\$3,920	1,307	
69 Wichita city	37,321	\$1,177	392	\$883	\$3,532	1,177	\$1,216	405	\$912	\$3,648	1,216	
70 Hartford city	36,397	\$1,148	383	\$861	\$3,445	1,148	\$1,186	395	\$889	\$3,558	1,186	
71 San Bernardino city	36,174	\$1,141	380	\$856	\$3,423	1,141	\$1,179	393	\$884	\$3,536	1,179	
72 Lubbock city	34,593	\$1,091	364	\$818	\$3,274	1,091	\$1,127	376	\$845	\$3,381	1,127	
73 Syracuse city	34,402	\$1,085	362	\$814	\$3,256	1,085	\$1,121	374	\$841	\$3,363	1,121	
74 Providence city	34,120	\$1,076	359	\$807	\$3,229	1,076	\$1,112	371	\$834	\$3,335	1,112	

POVERTY LEVELS, RATES AND RANKS

(Places of at least 100,000; 1990 Census)

	150 Cities and 50 States						100 Cities and 50 States				
	Persons in Poverty	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs
75 Gary city	33,964	\$1,071	357	\$804	\$3,214	1,071	\$1,107	369	\$830	\$3,320	1,107
76 Hialeah city	33,830	\$1,067	356	\$800	\$3,202	1,067	\$1,102	367	\$827	\$3,307	1,102
77 Montgomery city	32,778	\$1,034	345	\$776	\$3,102	1,034	\$1,068	356	\$801	\$3,204	1,068
78 Knoxville city	32,189	\$1,015	338	\$762	\$3,046	1,015	\$1,049	350	\$787	\$3,146	1,049
79 Columbus city (remainder)	31,811	\$1,004	335	\$753	\$3,011	1,004	\$1,036	345	\$777	\$3,109	1,036
80 St. Petersburg city	31,475	\$993	331	\$745	\$2,979	993	\$1,025	342	\$769	\$3,076	1,025
81 Springfield city	30,241	\$954	318	\$715	\$2,862	954	\$985	328	\$739	\$2,956	985
82 Lexington-Fayette	30,108	\$950	317	\$712	\$2,849	950	\$981	327	\$736	\$2,943	981
83 Colorado Springs city	29,973	\$946	315	\$709	\$2,837	946	\$977	326	\$732	\$2,930	977
84 Honolulu CDP	29,873	\$942	314	\$707	\$2,827	942	\$973	324	\$730	\$2,920	973
85 Spokane city	29,863	\$942	314	\$707	\$2,826	942	\$973	324	\$730	\$2,919	973
86 Savannah city	29,854	\$942	314	\$706	\$2,825	942	\$973	324	\$730	\$2,918	973
87 East Los Angeles CDP	29,355	\$926	309	\$695	\$2,778	926	\$956	319	\$717	\$2,869	956
88 Grand Rapids city	29,103	\$918	306	\$689	\$2,754	918	\$948	316	\$711	\$2,845	948
89 Las Vegas city	29,084	\$917	306	\$688	\$2,752	917	\$948	316	\$711	\$2,843	948
90 Madison city	28,640	\$903	301	\$678	\$2,710	903	\$933	311	\$700	\$2,799	933
91 Tacoma city	28,632	\$903	301	\$677	\$2,710	903	\$933	311	\$700	\$2,799	933
92 Anaheim city	27,933	\$881	294	\$661	\$2,644	881	\$910	303	\$683	\$2,730	910
93 Mesa city	27,087	\$854	285	\$641	\$2,563	854	\$883	294	\$662	\$2,648	883
94 Chattanooga city	26,803	\$846	282	\$634	\$2,537	846	\$873	291	\$655	\$2,620	873
95 Kansas City city	26,433	\$834	278	\$625	\$2,502	834	\$861	287	\$646	\$2,584	861
96 Riverside city	26,280	\$829	276	\$622	\$2,487	829	\$856	285	\$642	\$2,569	856
97 Amarillo city	26,058	\$822	274	\$617	\$2,466	822	\$849	283	\$637	\$2,547	849
98 Bakersfield city	25,782	\$813	271	\$610	\$2,440	813	\$840	280	\$630	\$2,520	840
99 Paterson city	25,677	\$810	270	\$608	\$2,430	810	\$837	279	\$627	\$2,510	837
100 Salt Lake City city	25,651	\$809	270	\$607	\$2,428	809	\$836	279	\$627	\$2,507	836
101 Tallahassee city	25,518	\$805	268	\$604	\$2,415	805					
102 Glendale city	25,484	\$804	268	\$603	\$2,412	804					
103 New Haven city	25,481	\$804	268	\$603	\$2,411	804					
104 Little Rock city	25,193	\$795	265	\$596	\$2,384	795					
105 Macon city	25,178	\$794	265	\$596	\$2,383	794					
106 Fort Lauderdale city	24,793	\$782	261	\$587	\$2,346	782					
107 Lansing city	24,513	\$773	258	\$580	\$2,320	773					
108 Worcester city	24,228	\$764	255	\$573	\$2,293	764					
109 Des Moines city	24,137	\$761	254	\$571	\$2,284	761					
110 Orlando city	23,797	\$751	250	\$563	\$2,252	751					
111 Pomona city	23,648	\$746	249	\$560	\$2,238	746					
112 Beaumont city	23,494	\$741	247	\$556	\$2,223	741					

POVERTY LEVELS, RATES AND RANKS
(Places of at least 100,000; 1990 Census)

150 Cities and 50 States

100 Cities and 50 States

	Persons in Poverty	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation		Share of \$3 B (\$ in 000)	Jobs	Annual Allocation		Share of \$3 B (\$ in 000)	Jobs
				Based on \$750 M	Share of \$1 B (\$ in 000)			Based on \$750_M	Share of \$1 B (\$ in 000)		
113 Bridgeport city	23,463	\$740	247	\$555	\$2,220	740					
114 El Monte city	23,446	\$740	247	\$555	\$2,219	740					
115 Springfield city	23,223	\$733	244	\$549	\$2,198	733					
116 Newport News city	23,169	\$731	244	\$548	\$2,193	731					
117 Raleigh city	22,942	\$724	241	\$543	\$2,171	724					
118 Virginia Beach city	22,307	\$704	235	\$528	\$2,111	704					
119 Arlington city	21,272	\$671	224	\$503	\$2,013	671					
120 Modesto city	20,930	\$660	220	\$495	\$1,981	660					
121 Winston-Salem city	20,713	\$653	218	\$490	\$1,960	653					
122 Lincoln city	20,521	\$647	216	\$486	\$1,942	647					
123 Peoria city	20,516	\$647	216	\$485	\$1,942	647					
124 Yonkers city	20,436	\$645	215	\$484	\$1,934	645					
125 Greensboro city	20,214	\$638	213	\$478	\$1,913	638					
126 Erie city	20,192	\$637	212	\$478	\$1,911	637					
127 Fort Wayne city	19,531	\$616	205	\$462	\$1,848	616					
128 Durham city	19,163	\$605	202	\$453	\$1,814	605					
129 Pasadena city	19,043	\$601	200	\$451	\$1,802	601					
130 Tempe city	18,603	\$587	196	\$440	\$1,761	587					
131 Eugene city	18,176	\$573	191	\$430	\$1,720	573					
132 Rockford city	18,127	\$572	191	\$429	\$1,716	572					
133 Huntsville city	18,093	\$571	190	\$428	\$1,712	571					
134 Portsmouth city	17,920	\$565	188	\$424	\$1,696	565					
135 Ontario city	17,853	\$563	188	\$422	\$1,690	563					
136 Evansville city	17,812	\$562	187	\$421	\$1,686	562					
137 Inglewood city	17,806	\$562	187	\$421	\$1,685	562					
138 Oxnard city	17,608	\$555	185	\$417	\$1,666	555					
139 Elizabeth city	17,451	\$551	184	\$413	\$1,652	551					
140 Glendale city	16,756	\$529	176	\$396	\$1,586	529					
141 Pasadena city	16,724	\$528	176	\$396	\$1,583	528					
142 Salinas city	16,652	\$525	175	\$394	\$1,576	525					
143 Aurora city	16,288	\$514	171	\$385	\$1,541	514					
144 Irving city	16,209	\$511	170	\$383	\$1,534	511					
145 Anchorage city	15,614	\$493	164	\$369	\$1,478	493					
146 Reno city	15,085	\$476	159	\$357	\$1,428	476					
147 South Bend city	14,854	\$469	156	\$351	\$1,406	469					
148 Garden Grove city	14,652	\$462	154	\$347	\$1,387	462					
149 Topeka city	14,292	\$451	150	\$338	\$1,353	451					
150 Garland city	14,062	\$444	148	\$333	\$1,331	444					

POVERTY LEVELS, RATES AND RANKS
(Places of at least 100,000; 1990 Census)

150 Cities and 50 States

100 Cities and 50 States

State Rank	Persons in Poverty	Share of \$1 B (\$ in 000)	150 Cities and 50 States			100 Cities and 50 States					
			Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs
States/Balance of States (BOS)	21,203,299				\$2,006,642	668,881				\$2,072,490	690,830
1 California BOS	1,957,413	\$61,749	20,583	\$46,312	\$185,246	61,749	\$63,775	21,258	\$47,831	\$191,325	63,775
2 Texas BOS	1,749,675	\$55,195	18,398	\$41,397	\$165,586	55,195	\$57,007	19,002	\$42,755	\$171,020	57,007
3 Florida BOS	1,222,606	\$38,568	12,856	\$28,926	\$115,705	38,568	\$39,834	13,278	\$29,876	\$119,502	39,834
4 Pennsylvania BOS	874,891	\$27,599	9,200	\$20,700	\$82,798	27,599	\$28,505	9,502	\$21,379	\$85,515	28,505
5 Ohio BOS	839,288	\$26,476	8,825	\$19,857	\$79,429	26,476	\$27,345	9,115	\$20,509	\$82,035	27,345
6 Michigan BOS	766,387	\$24,177	8,059	\$18,133	\$72,530	24,177	\$24,970	8,323	\$18,728	\$74,911	24,970
7 Louisiana BOS	711,076	\$22,432	7,477	\$16,824	\$67,295	22,432	\$23,168	7,723	\$17,376	\$69,503	23,168
8 Georgia BOS	704,514	\$22,225	7,408	\$16,668	\$66,674	22,225	\$22,954	7,651	\$17,215	\$68,862	22,954
9 North Carolina BOS	704,514	\$22,225	7,408	\$16,668	\$66,674	22,225	\$22,954	7,651	\$17,215	\$68,862	22,954
10 New York BOS	703,626	\$22,197	7,399	\$16,647	\$66,590	22,197	\$22,925	7,642	\$17,194	\$68,775	22,925
11 Illinois BOS	677,978	\$21,388	7,129	\$16,041	\$64,163	21,388	\$22,089	7,363	\$16,567	\$66,268	22,089
12 Kentucky BOS	592,575	\$18,693	6,231	\$14,020	\$56,080	18,693	\$19,307	6,436	\$14,480	\$57,921	19,307
13 Mississippi BOS	587,813	\$18,543	6,181	\$13,907	\$55,630	18,543	\$19,152	6,384	\$14,364	\$57,455	19,152
14 Alabama BOS	565,333	\$17,834	5,945	\$13,376	\$53,502	17,834	\$18,419	6,140	\$13,814	\$55,258	18,419
15 South Carolina State (no cities)	517,793	\$16,334	5,445	\$12,251	\$49,003	16,334	\$16,870	5,623	\$12,653	\$50,611	16,870
16 Tennessee BOS	487,329	\$15,373	5,124	\$11,530	\$46,120	15,373	\$15,878	5,293	\$11,908	\$47,633	15,878
17 Missouri BOS	479,200	\$15,117	5,039	\$11,338	\$45,351	15,117	\$15,613	5,204	\$11,710	\$46,839	15,613
18 Virginia BOS	450,337	\$14,206	4,735	\$10,655	\$42,619	14,206	\$14,673	4,891	\$11,004	\$44,018	14,673
19 New Jersey BOS	416,783	\$13,148	4,383	\$9,861	\$39,444	13,148	\$13,579	4,526	\$10,184	\$40,738	13,579
20 Indiana BOS	415,452	\$13,106	4,369	\$9,829	\$39,318	13,106	\$13,538	4,512	\$10,152	\$40,608	13,538
21 Arkansas BOS	411,896	\$12,994	4,331	\$9,745	\$38,981	12,994	\$13,420	4,473	\$10,065	\$40,260	13,420
22 Washington BOS	397,757	\$12,548	4,183	\$9,411	\$37,643	12,548	\$12,959	4,320	\$9,720	\$38,878	12,959
23 Oklahoma BOS	386,990	\$12,208	4,069	\$9,156	\$36,624	12,208	\$12,609	4,203	\$9,456	\$37,826	12,609
24 Massachusetts BOS	362,778	\$11,444	3,815	\$8,583	\$34,333	11,444	\$11,820	3,940	\$8,865	\$35,459	11,820
25 West Virginia State (no cities)	345,093	\$10,886	3,629	\$8,165	\$32,659	10,886	\$11,244	3,748	\$8,433	\$33,731	11,244
26 Wisconsin BOS	344,322	\$10,862	3,621	\$8,147	\$32,586	10,862	\$11,218	3,739	\$8,414	\$33,655	11,218
27 Minnesota BOS	325,660	\$10,273	3,424	\$7,705	\$30,820	10,273	\$10,610	3,537	\$7,958	\$31,831	10,610
28 Arizona BOS	285,223	\$8,998	2,999	\$6,748	\$26,993	8,998	\$9,293	3,098	\$6,970	\$27,879	9,293
29 Iowa BOS	283,283	\$8,936	2,979	\$6,702	\$26,809	8,936	\$9,230	3,077	\$6,922	\$27,689	9,230
30 Oregon BOS	264,633	\$8,348	2,783	\$6,261	\$25,044	8,348	\$8,622	2,874	\$6,467	\$25,866	8,622
31 New Mexico BOS	253,031	\$7,982	2,661	\$5,987	\$23,946	7,982	\$8,244	2,748	\$6,183	\$24,732	8,244
32 Colorado BOS	250,438	\$7,900	2,633	\$5,925	\$23,701	7,900	\$8,160	2,720	\$6,120	\$24,479	8,160
33 Maryland BOS	229,012	\$7,224	2,408	\$5,418	\$21,673	7,224	\$7,461	2,487	\$5,596	\$22,384	7,461
34 Kansas BOS	196,577	\$6,201	2,067	\$4,651	\$18,604	6,201	\$6,405	2,135	\$4,804	\$19,214	6,405
35 Utah BOS	166,764	\$5,261	1,754	\$3,946	\$16,782	5,261	\$5,433	1,811	\$4,075	\$16,300	5,433

POVERTY LEVELS, RATES AND RANKS
 (Places of at least 100,000; 1990 Census)

	150 Cities and 50 States						100 Cities and 50 States				
	Persons in Poverty	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs	Share of \$1 B (\$ in 000)	Jobs	Annual Allocation Based on \$750 M	Share of \$3 B (\$ in 000)	Jobs
36 Connecticut BOS	132,006	\$4,164	1,388	\$3,123	\$12,493	4,164	\$4,301	1,434	\$3,226	\$12,903	4,301
37 Idaho State (no cities)	130,588	\$4,120	1,373	\$3,090	\$12,359	4,120	\$4,255	1,418	\$3,191	\$12,764	4,255
38 Maine State (no cities)	128,466	\$4,053	1,351	\$3,039	\$12,158	4,053	\$4,186	1,395	\$3,139	\$12,557	4,186
39 Montana State (no cities)	124,853	\$3,939	1,313	\$2,954	\$11,816	3,939	\$4,068	1,356	\$3,051	\$12,204	4,068
40 Nebraska BOS	108,738	\$3,430	1,143	\$2,573	\$10,291	3,430	\$3,543	1,181	\$2,657	\$10,628	3,543
41 South Dakota State (no cities)	106,305	\$3,354	1,118	\$2,515	\$10,061	3,354	\$3,464	1,155	\$2,598	\$10,391	3,464
42 North Dakota State (no cities)	88,276	\$2,785	928	\$2,089	\$8,354	2,785	\$2,876	959	\$2,157	\$8,628	2,876
43 Nevada BOS	75,491	\$2,381	794	\$1,786	\$7,144	2,381	\$2,460	820	\$1,845	\$7,379	2,460
44 New Hampshire State (no cities)	69,104	\$2,180	727	\$1,635	\$6,540	2,180	\$2,251	750	\$1,689	\$6,754	2,251
45 Rhode Island BOS	58,550	\$1,847	616	\$1,385	\$5,541	1,847	\$1,908	636	\$1,431	\$5,723	1,908
46 Hawaii BOS	58,535	\$1,847	616	\$1,385	\$5,540	1,847	\$1,907	636	\$1,430	\$5,721	1,907
47 Delaware State (no cities)	56,223	\$1,774	591	\$1,330	\$5,321	1,774	\$1,832	611	\$1,374	\$5,495	1,832
48 Vermont State (no cities)	53,369	\$1,684	561	\$1,263	\$5,051	1,684	\$1,739	580	\$1,304	\$5,216	1,739
49 Wyoming State (no cities)	52,453	\$1,655	552	\$1,241	\$4,964	1,655	\$1,709	570	\$1,282	\$5,127	1,709
50 Alaska BOS	32,292	\$1,019	340	\$764	\$3,056	1,019	\$1,052	351	\$789	\$3,156	1,052

Government Share of Total Employment in Selected Metropolitan Areas, 1995

	Total Employment (thousands)	Government Employment (thousands)	Government Share (percent)
New York City	3318.1	541.5	16.3
New York PMSA	3815.6	624.6	16.4
Los Angeles	3762.7	533.8	14.2
Chicago	3908.2	484.9	12.4
Houston	1763.6	242.3	13.7
Detroit	2002.2	225.6	11.3
Philadelphia	676.4	128.5	19.0
Philadelphia PMSA	2178.9	304.1	14.0
San Antonio	620.7	129.7	20.9
Dallas	1600.4	191.6	12.0
Baltimore	407.2	91.1	22.4
Baltimore PMSA	1130.6	209.8	18.6
New Orleans	599.1	103.3	17.2
San Diego	974.9	184.7	18.9
Cleveland	1104.9	141.7	12.8
Phoenix	1216.1	161.3	13.3
Memphis	531.6	79.2	14.9
Milwaukee	802.6	89.3	11.1
El Paso	234.8	49.3	21.0
Miami	931.7	133.1	14.3
Columbus	784.4	133.7	17.0
Atlanta	1820.9	248.9	13.7
Boston	1811.1	216.7	12.0
Washington	643.3	254.3	39.5
Washington PMSA	2409.6	611.2	25.4
St. Louis	1246.0	150.7	12.1
San Francisco	914.1	125.4	13.7
Indianapolis	794.2	110.0	13.9
Cincinnati	804.2	101.6	12.6
Fresno	264.9	62.9	23.7
Buffalo	539.1	87.4	16.2
Austin	516.7	128.7	24.9
Jacksonville	480.8	64.5	13.4
Tucson	301.4	65.9	21.9
Denver	982.1	139.4	14.2
Fort Worth	653.5	87.2	13.3
Pittsburg	1052.9	123.6	11.7
San Jose	828.0	86.8	10.5
Newark	930.1	143.0	15.4
Long Beach	(included in Los Angeles)		
Oklahoma City	474.5	101.0	21.3
Oakland	895.6	170.0	19.0
Minneapolis/St. Paul	1542.9	215.9	14.0
Kansas City	863.0	129.4	15.0
Birmingham	442.0	68.2	15.4

	Total Employment (thousands)	Government Employment (thousands)	Government Share (percent)
Nashville	596.9	76.2	12.8
Toledo	308.5	45.9	14.9
Sacramento	589.4	165.6	28.1
Portland	838.7	108.9	13.0
Seattle	1181.1	172.4	14.6
Louisville	527.6	55.3	10.5
Baton Rouge	269.5	57.4	21.3
Tulsa	350.9	41.3	11.8
Albuquerque	323.4	60.7	18.8
Tampa	995.5	130.3	13.1
Rochester	523.1	77.6	14.8
Santa Ana		not available	
Corpus Cristi	145.5	30.8	21.2
Shreveport	163.1	31.8	19.5
Dayton	467.0	72.7	15.6
Laredo	55.6	13.1	23.6
Akron	311.9	46.1	14.8
St. Paul		(included in Minneapolis)	
Stockton		not available	
Norfolk	628.9	137.1	21.8
Jackson	209.8	44.2	21.1
Mobile	209.7	33.8	16.1
Brownsville	92.4	21.5	23.3
Jersey City	237.8	40.0	16.8
Charlotte	711.3	81.2	11.4
Flint	180.5	24.2	13.4
Omaha	372.8	50.2	13.5
Richmond	502.2	98.4	19.6
Wichita	256.1	32.6	12.7
Hartford	585.7	94.6	16.2
San Bernadino	776.0	160.8	20.7
Lubbock	107.4	23.5	21.9
Syracuse	332.1	59.9	18.0
Providence	495.2	63.8	12.9
Gary	252.5	34.9	13.8
Hialeah		not available	
Montgomery	150.3	36.2	24.1
Knoxville	312.2	55.2	17.7
Columbus	784.4	133.7	17.0
St. Petersburg		(included in Tampa)	
Camden	450.1	76.8	17.1
Springfield	242.2	43.5	18.0
Lexington-Fay	252.8	55.3	21.9
Colorado Springs	197.7	33.0	16.7

	Total Employment (thousands)	Government Employment (thousands)	Government Share (percent)
Honolulu	408.4	89.5	21.9
Spokane	178.4	29.7	16.6
Savannah	126.9	20.9	16.5
East Los Angeles	(included in Los Angeles)		
Grand Rapids	515.3	51.5	10.0
Las Vegas	547.1	58.5	10.7
Madison	255.9	68.6	26.8
Tacoma	217.1	46.6	21.5
Anaheim	not available		
Waco	92.3	14.9	16.1
McAllen	123.4	33.6	27.2
Youngstown	242.2	30.1	12.4
Mesa	(included in Phoenix)		
Chattanooga	215.6	35.0	16.2
Kansas City	(included in Kansas City)		
U.S. Total	116,607	19,279	16.5

Source: Based on data from the Bureau of Labor Statistics, Current Employment Statistics.

C

**Welfare-to-Work Jobs Initiative
Draft Labor Protection Provisions Language**

**PROVISIONS GENERALLY APPLICABLE
TO PROVISION OF SERVICES UNDER WELFARE-TO-WORK**

[NOTE: These provisions relate primarily to workfare or subsidized jobs activity as might be funded with WTW, rather than to the jobs for which WTW performance payments would be made. Provisions for jobs into which people are placed need to be more clearly set out separately. They may include, for example, the provisions on nondiscrimination, Fair Labor Standards Act, health and safety coverage, and nondisplacement as in subsections (a)(5) and (a)(6) below.]

"Sec. ___. (a) In assigning participants in the program under this part to any program activity, or in assigning individuals registered with the program under part ___ to a position of employment, the State agency shall assure that --

"(1) each assignment takes into account the capacity, health and safety, family responsibilities, and place of residence of the participant;

"(2) no participant will be required, without his or her consent, to travel an unreasonable distance from his or her home or remain away from such home overnight;

"(3) for the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded or otherwise financially assisted in whole or in part under this Act are considered to be programs and activities receiving Federal assistance;

"(4) no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, disability, or political affiliation or belief;

"(5) no such assignment will --

"(A) result in the displacement of any currently employed worker by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits;

(B) impair existing contracts for services, or existing collective bargaining agreements, unless the employer and the labor organization concur in writing with respect to any elements of the proposed activities with affect such agreement, or either such party fails to respond to written notification requesting its concurrence within 30 days of receipt thereof.

"(C) result in the employment of the participant or filling of a position when --

"(i) any other individual is on layoff from the same or any substantially equivalent job; or

(ii) the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this Act;

"(D) be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals;

"(E) result in filling a vacancy for a position in a State or local government agency for which State or local funds have been budgeted, unless such agency has been unable to fill such vacancy with a qualified applicant through such agency's regular employee selection procedure during a period of not less than 60 days;

"(6) no participant shall be assigned to a position with a private nonprofit entity to carry out activities that are the same or substantially equivalent to activities that have been regularly carried out by a State or local government agency in the same local area, unless such placement meets the nondisplacement requirements of paragraph (5);

"(7) Conditions of employment and training shall be appropriate and reasonable in light of such factors as the type of work, geographical region, and proficiency of the participant;

“(8) Health and safety standards established under State and Federal law, otherwise applicable to working conditions of employees, shall be equally applicable to working conditions of participants. With respect to any participant in a program conducted under this Act who is engaged in activities which are not covered by health and safety standards under the Occupational Safety and Health Act of 1970, the Secretary shall prescribe, by regulation, such standards as may be necessary to protect the health and safety of such participants;

“(b) Grievance procedures. --

“(1) In General. --

“(A) Each administrative entity, contractor, and grantee under this Act shall establish and maintain a grievance procedure for grievances or complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within one year of the alleged occurrence;

“(B) Each recipient of financial assistance under this Act which is an employer of participants under this Act shall continue to operate or establish and maintain a grievance procedure relating to the terms and conditions of employment;

“(2) Deadlines. --

“(A) Upon exhaustion of a recipient’s grievance procedure without decision, or where the Secretary has a reason to believe that the recipient is failing to comply with the requirements of this Act or the terms of the grantee’s plan, the Secretary shall investigate the allegation or belief and determine within 120 days after receiving the complaint whether such allegation or complaint is true;

“(B) If a person alleges a violation of section ____ and such person exhausts the recipient’s grievance procedure or the 60-day time period described in subsection (9) has elapsed without a decision, either party to such procedure may submit the grievance to the Secretary. The Secretary shall investigate the allegations contained in the grievance

and make a determination as to whether a violation of section ___ has occurred;

“(C) If the results of the investigation conducted pursuant to paragraph (ii) indicate that a modification or reversal of the decision issued pursuant to the recipient’s grievance procedure is warranted, or the 60-day time period described in subsection () has elapsed without a decision, the Secretary may modify or reverse the decision, or issue a decision if no decision has been issued, as the case may be, after an opportunity for a hearing in accordance with the procedures under section ___;

“(D) If the Secretary determines that the decision issued pursuant to the recipient’s grievance procedure is appropriate, the determination shall become the final decision of the Secretary.

“(3) Alternative grievance resolution. --

“(A) A person alleging a violation of section ___ may, as an alternative to the procedures described in this section, submit the grievance involving such violation to a binding grievance procedure if a collective bargaining agreement covering the parties to the grievance so provides.

“(B) The remedies available under paragraph () shall be limited to the remedies available under sections () and ()

“(4) Remedies. --

“(A) In general. -- Except as provided in paragraph (ii), remedies available to grievants under this section for violations of section ___ shall be limited to --

“(I) suspension or termination of payments under this Act;

“(ii) prohibition of placement of a participant, for an appropriate period of time, in a program under this Act with an employer that has violated section ___, as determined under subsection () or (); and

“(iii) appropriate equitable relief (other than back pay).

“(B) In addition to the remedies available under paragraph (A), remedies available under this section for violations of subsection (), () and () may include --

“(I) reinstatement of the grievant to the position held by such grievant prior to displacement;

“(ii) payment of lost wages and benefits; and

“(iii) reestablishment of other relevant terms, conditions, and privileges of employment.

“(e) In assigning participants in the program under this part to any program activity, the State agency shall, in addition to the assurances required under subsection (), assure that --

“(1) the conditions of participation are reasonable, taking into account in each case the experience and proficiency of the participant and the child care and other supportive services needs of the participant; and

“(2) each assignment is based on available resources, the participant’s circumstances, and local employment opportunities.

“(d) In assigning individuals registered with the State’s WORK program under part () to a position of employment, the State agency shall assure that --

“(1) where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded under this Act, an opportunity shall be provided for such organization to submit comments with respect to such proposal;

“(2) under all activities financed under this Act --

“(A) a trainee shall receive no payments for training activities in which the trainee fails to participate without good cause;

“(B) individuals in on-the-job training shall be compensated by the employer at the same rates, including periodic increases, as similarly situated employees or trainees and in accordance with applicable law, but in no event less than the higher of the rate specified in section (6)(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law;

“(C) individuals employed in activities authorized under this Act shall be paid wages which shall not be less than the highest of (A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938, (B) the minimum wage under the applicable State or local minimum wage law, or © the prevailing

rates of pay for individuals employed in similar occupations by the same employer.

“(e) References in paragraphs (B) and © to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) --

“(1) shall be deemed to be references to section 6© of that Act for individuals in the Commonwealth of Puerto Rico;

“(2) shall be deemed to be references to section 6(a)(3) of that Act for individuals in the American Samoans; and

“(3) shall not be applicable for individuals in other territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 does not apply.

“(f) Allowances, earnings and payments to individuals participating in programs under this Act shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than is provided under the Social Security Act.

“(g) Each recipient of funds under this Act shall provide the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

“(h) The provisions of this section apply to any work-related programs and activities under this part.