

NOV 22 1994

CONFUSION LIKELY TO RESULT FROM ARTICLE ON WELFARE FOR IMMIGRANTS

An article in the *New York Times* on November 22 ("GOP Proposal Would Overhaul Welfare System," p. A1) focused on the Personal Responsibility Act (PRA), part of the House Republican "Contract with America." The article discusses the PRA provision that denies federal benefits to noncitizens. This discussion is likely to cause confusion. The article includes the following passages:

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"The proposal [i.e., the PRA], like a ballot measure approved this month by California voters, would bar illegal aliens from receiving most forms of government assistance. The proposal would also deny certain benefits to some legal immigrants and residents who were not citizens."

"This ban is similar to one in Proposition 187, approved this month by the voters of California."

The PRA would make most noncitizens ineligible for about 60 federally-funded health, education, job training, housing, social service, and income security programs. The term "noncitizen" includes both illegal aliens and immigrants who legally reside in the U.S. However, it is important to note that *illegal* aliens are already ineligible for most major federal programs, including Supplemental Security Income (SSI) for the elderly and disabled poor, Aid to Families with Dependent Children (AFDC), and food stamps. (Illegal aliens also are ineligible for Medicaid, except for emergency medical services; the PRA would continue to allow illegal immigrants to receive this one narrow benefit but would disqualify most legal immigrants from receiving non-emergency Medicaid benefits.) Thus, the major impact of the PRA's provision would be on *legal* immigrants: of the \$22 billion in reductions this provision is estimated to achieve, 98 percent would come from AFDC, SSI, food stamps, and non-emergency Medicaid, programs for which illegal aliens are already ineligible.

The legal immigrants denied assistance under the PRA include many permanent residents who have "green cards" as well as some categories of immigrants fleeing oppression abroad. These are individuals who have "played by the rules" and followed U.S. immigration laws, passing rigorous tests and often waiting years for permission to enter the U.S. Legal immigrants are subject to the same taxes in this country as citizens are.

The PRA would have far-reaching implications for many legal immigrants. For example, poor immigrants granted political asylum in the U.S. because they are threatened with persecution in their country of origin would be denied all subsistence aid except emergency medical services. Similarly, legal immigrants disabled while legally working in the U.S. would be denied SSI benefits.

The PRA's ban differs in at least two important ways from California's Proposition 187. First, Proposition 187 denies services to illegal aliens; unlike the PRA, it would not affect the eligibility of *legal* immigrants. Second, Proposition 187 limits services provided by state and local governments; the PRA addresses programs supported by the federal government, some but not all of which are administered by state and local governments.



**CENTER ON BUDGET
AND POLICY PRIORITIES**

Leon - Our first shot across the bow at

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The Personal Responsibility Act

An Analysis

Summary

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November 1994

Contents

Included in this packet are:

- The summary of the Center on Budget and Policy Priorities' analysis of the Personal Responsibility Act.
- An appendix on the overall impact of the Personal Responsibility Act on children, including a description of how the Center estimated the numbers of children and families who would be denied AFDC benefits.

The Center's full report on the PRA will be available the week of November 28th.

The Personal Responsibility Act: Summary

A new welfare reform proposal, the Personal Responsibility Act (PRA), is part of the "Contract with America" unveiled in September 1994 by Republican members of the House of Representatives and congressional candidates. The PRA differs in important ways from other recent welfare reform plans. Key elements of the bill include the following:

- The PRA proposes deep cuts in a broad range of programs for low-income households and eliminates the entitlement status of most major, low-income benefit programs, including the Supplemental Security Income program for the elderly and disabled poor and the food stamp program. The effect would be a net reduction in low-income programs of about \$57 billion over the four-year period from 1996 to 1999, with the cuts escalating over time.
- The bill would deny Aid to Families with Dependent Children and housing benefits to many poor children born to young unmarried mothers for their entire childhood, diverting these funds to support programs such as orphanages for poor children. In addition, children whose paternity has not been established — 29 percent of all children currently receiving AFDC — would be denied benefits even if their mothers were fully cooperating with state efforts to track down absent fathers and establish paternity.
- The bill would establish extremely stringent time limits and work requirements. States would be required to terminate both cash assistance and work opportunities for families who had received AFDC for a total of

five years; regardless of their circumstances, these families could never receive assistance again. States would have the option of ending welfare assistance for families after they receive aid for a total of two years. The PRA would *not* provide work opportunities for parents who reach these time limits and are unable to find jobs even if the parents fully complied with work requirements while on assistance and made faithful efforts to find employment. During the period in which they would receive aid, a large fraction of recipients would be required to work their benefits off at "wages" that would equal \$2.42 an hour in the typical state and range as low as \$0.79 an hour in Mississippi.

- In combination, various PRA provisions that would prevent certain categories of children from receiving AFDC benefits and the mandatory time limit would ultimately deny assistance to *a substantial majority* of the children who would be eligible for AFDC under current law. If the provisions were fully in effect today, more than five million children would be denied AFDC. At least 2.5 million fewer families would receive AFDC benefits.

The Personal Responsibility Act represents a dramatic departure from the principle of "mutual responsibility" that has guided bipartisan welfare reform efforts such as the Family Support Act of 1988. Under this principle, welfare recipients are expected to move toward self-sufficiency by participating in education or training, by working, or by looking for work, while government agrees to maintain a basic safety net beneath poor children and to provide services and supports to help recipients improve their prospects in the labor market.

The PRA largely abandons the government's side of this bargain. The bill would deny basic income support to numerous poor families, including many families in which the parents comply with all program rules and are willing to work but cannot find a job. The bill also would weaken the safety net through deep cuts in programs that provide food, cash, and housing assistance to the elderly and disabled poor, as well as poor families with children. Further, the bill undercuts programs to improve the earnings prospects of poor parents.

The PRA encompasses far more than what is usually labeled "welfare reform." Under this rubric, it proposes sweeping changes that would begin to dismantle the basic features of the safety net that provide vital support to people in need.

Budget Provisions Would Reduce Benefits for Low-Income People

In addition to making specific cuts in AFDC, the PRA includes three provisions that would make substantial cuts in a wide range of programs for low-income families and individuals. The bill would: (1) merge federal food assistance programs into a block grant and set the block grant's funding level several billion dollars below what is needed to maintain current benefits; (2) place a number of other major programs for low-income households under a spending cap that would require large cuts in these programs and end their entitlement status; and (3) make poor *legal* immigrants ineligible for nearly all government benefits and services.

Food Assistance Programs

The PRA would cut an estimated \$18 billion over four years from food assistance programs. Virtually all domestic food programs, including food stamps, WIC, and the school lunch program, would be consolidated into one block grant, thereby ending their "entitlement" status. The bill would set a ceiling on how much could be appropriated for the block grant each year, placing this ceiling several billion dollars a year below current funding levels. (Backup materials to the PRA estimate the reductions from these provisions as \$11 billion over the four-year period, but this estimate appears to be significantly understated.)

A substantial majority of the cuts in food assistance would come from programs targeted on the families that now receive food stamps; assistance to these families would likely be cut almost \$4 billion a year. The food stamp program currently provides an average benefit of 75 cents per person per meal, and more than 90 percent of food stamp households live in poverty.

In addition, ending the entitlement status of programs such as free school meals for poor children and food stamps means these programs would no longer expand automatically during recessions when unemployment and poverty rise and more people qualify for such benefits. During economic downturns, states would have to reduce benefit levels, establish waiting lists, make some categories of needy families or individuals ineligible for benefits, spend additional state funds, or implement some combination of these approaches.

The New Caps and the End of Entitlement Status

The PRA would impose a cap on aggregate spending for an array of important programs for the poor: Supplemental Security Income (SSI); AFDC; the child support enforcement program (which helps establish paternity, locates absent parents, and collects child support from them); the at-risk child care program (which subsidizes child care for low-income working families that are at risk of going onto the AFDC

program if they cannot secure affordable child care); and low-income housing programs. The cap governing these programs would be set at a level well below what the programs would cost under current law.

The impact of these caps would first be felt in fiscal 1997. According to estimates from the House Republican Conference, the caps would cut spending by \$18 billion in the three-year period covering 1997 to 1999. The magnitude of the cuts would grow each year.

The bill also would convert the programs in this group that are now entitlements — such as AFDC, SSI, and the child support enforcement program — into non-entitlement programs whose funding level is set each year through the appropriations process. Since the budget constraints governing non-entitlement programs are likely to become much more severe in coming years — especially if much tighter discretionary spending caps are enacted to help balance the budget by 2002 — subjecting these programs to the appropriations process may result in deeper cuts over time than those described here.

Eliminating the entitlement status of these programs would also undercut their ability to cushion families and the elderly against economic shocks or other unexpected developments. If funding proved insufficient during a fiscal year for AFDC or SSI — as could occur during an economic downturn or if a greater-than-expected number of poor elderly people applied for SSI — either benefits would have to be reduced, some eligible people would have to be denied assistance, additional state funds would need to be spent, or waiting lists would be created.

Ending these programs' entitlement status also is problematic because the PRA's formula for adjusting the cap from year to year is flawed. The formula for setting the cap includes an adjustment for changes in the size of the poverty population, but because of data availability problems, this adjustment would lag almost three years behind the actual change in the number of poor people. Had the PRA been in effect in recent years, the cap governing these programs would have been subject to a downward poverty adjustment in 1990, 1991, and 1992 — years in which unemployment rose — to reflect the decrease in the number of poor people three years earlier in 1987, 1988, and 1989, which were recovery years.

Legal Immigrant Provisions

Under current law, *illegal* immigrants are ineligible for benefits under most major federal programs. Certain categories of low-income *legal* immigrants, however, are generally permitted to participate in federally-assisted programs. The legal immigrants allowed to participate include many permanent residents who have "green

cards" as well as some categories of immigrants fleeing oppression abroad. Legal immigrants are subject to the same taxes in this country as citizens are.

The PRA would make most *legal* immigrants ineligible for about 60 federally-funded health, education, job training, housing, social service, and income security programs. The main means-tested aid the PRA would allow these legal immigrants to receive would be emergency medical services. Denying AFDC, SSI, and most Medicaid services to these legal immigrants would result in benefit reductions totaling approximately \$18 billion from fiscal years 1996 to 1999.

A few examples illustrate how broadly these blanket cuts would reach:

- Poor immigrants granted political asylum or parole in the United States because they face danger of persecution in their country of origin would be denied all subsistence aid except emergency medical services.
- Legal immigrants disabled on the job in the United States would be denied SSI benefits; non-citizen migrant farm workers legally in the United States could not have their children treated at migrant health centers; and legal immigrants who are children would be denied access to foster care payments if their parents died.
- Some programs indirectly help American citizens by assisting immigrants. Immunization and preventive health programs cover immigrants partly to help avoid the spread of contagious diseases that could infect U.S. citizens. Pre-natal care and nutrition benefits are provided to pregnant women partly to reduce the likelihood that their children — who will be U.S. citizens — will be born with significant health problems and need costly health and special education services. All such assistance, too, would be ended.

Net Effects

The reductions in the three provisions described above would total \$54 billion from 1996 to 1999. In combination with other provisions in the bill, the net reductions in low-income programs under the PRA would total about \$57 billion over four years. The cuts would grow rapidly, equaling \$21 billion in 1999 alone.

By 1999, the cuts in basic entitlement programs for the poor — AFDC, SSI, food stamps, and Medicaid — would be double the combined effects of the cuts in these program enacted during President Reagan's first two years.

This would exact a steep price from programs that represent a small portion of federal spending. AFDC, SSI and food stamps combined account for about nine percent of total spending on mandatory programs (excluding deposit insurance) and about four percent of all federal spending.

The estimate here of the net reductions in programs under the PRA — \$57 billion over *four* years (fiscal years 1996 to 1999) differs significantly from the House Republican Conference estimate of about \$40 billion over *five* years (fiscal years 1995 to 1996). One part of the explanation is that the estimates for particular provisions — such as the reductions resulting from the food assistance block grant requirement — are higher here.

A second part of the explanation is that the Conference considers fiscal 1995 in their estimates even though the PRA would not begin to take effect until fiscal 1996. Naturally, the estimates for fiscal 1995 are therefore zero. So the Conference cost estimates are themselves *four* year estimates. Under either method, *five* year estimates that would include fiscal 2000 would be more than one-quarter higher since the size of the reductions escalate each year. Because of data limitations, however, precise estimates for the year 2000 are unavailable.

Denying Assistance to Poor Children

The PRA includes several sweeping provisions that would deny cash aid, and in some cases housing assistance, to poor children and their families. The bill would deny benefits to children born to young unmarried mothers, to children for whom legal paternity has not been established, and to children whose parents received welfare at any time during the 10 months prior to the child's birth.

Denying Aid to Children Born to Young Unmarried Mothers

The PRA would establish a complicated set of AFDC rules for children born to young, unmarried mothers. Under the PRA:

- Families in which a young unmarried mother had a child before her 18th birthday would be denied AFDC and housing assistance. Because the food stamp program is repealed and put into a discretionary block grant, these families also could be denied food assistance if their state chose to target them for some of the cuts it would have to make in food benefits.
- States would have the option of denying cash aid and/or housing assistance to families in which an unmarried mother had a child before her 21st birthday.

- In general, as long as their mothers remained unmarried, these children would remain ineligible for cash assistance *throughout all of their childhoods*. Such children could become eligible for assistance only if their parents married or if they were adopted. The mother could receive assistance if she had a subsequent child when she was older, but the first child would remain ineligible.
- Women who, prior to the passage of this legislation, had children outside marriage when they were young would be ineligible for assistance once the bill took effect. Consider a mother who had a child when she was 17 years old, has worked ever since, and has never received AFDC. She is now 27 years old and her child is 10. If after implementation of this legislation she lost her job due to a company cutback and applied for AFDC, she and the child would not be eligible to receive aid.

Because children born to young, unmarried mothers would generally be ineligible for assistance throughout their childhoods, a large proportion of AFDC families would be affected. More than one in ten families currently receiving AFDC was begun by an unmarried mother under the age of 18. In states that took the option to deny assistance to children born to unmarried mothers under 21, the number of children denied assistance would generally more than double.

Paternity Establishment

Children for whom legal paternity has not been established would also be denied cash assistance under this bill. Such children would remain ineligible even if their mother was cooperating with state officials by providing all the information she had about the father. (The mother would be eligible for AFDC benefits, as long as she cooperated with the child support agency. Also, if the family included a mother and two children, one of whom had paternity established, that child would be eligible for an AFDC grant.)

Some 29 percent of *all* children receiving AFDC — or 2.8 million children — do not have paternity established. If this PRA provision were now in effect, these children, with very limited exceptions, would be ineligible for assistance.

This provision would apply to children of all ages and to those already receiving welfare. So a mother with a ten-year-old child who had not had contact with the child's father for many years would be required to establish paternity in order for the child to remain eligible for assistance. If the mother cooperated fully but the father could not be located, the child would never be eligible to receive assistance.

The process of paternity establishment often takes a long time even if a mother is cooperating. The state agencies charged with helping families establish paternity and child support orders are often overburdened and unable to assist families in a timely manner. Many child support caseworkers are responsible for as many as 1,000 cases. Under federal regulations, a state child support agency has 18 months to establish paternity *after* the father is located, and states often take longer than that; under the PRA, children would be denied AFDC in the meanwhile.

Furthermore, state paternity establishment rates vary widely. At one extreme, West Virginia established paternity in 85 percent of the cases that needed paternity established. Oklahoma, by contrast, establishes paternity in only three percent of its cases that year. These data suggest that state processes, rather than the cooperation of mothers, largely determine state paternity establishment rates. Under the PRA, however, children living in states which have poor records of establishing paternity would be especially likely to be denied eligibility for AFDC.

Finally, while the PRA would deny AFDC benefits to children for whom paternity was not established, the bill would also place the child support enforcement system under the outlay cap described earlier. This would make it likely that this already-overburdened program would be faced with reduced federal resources.

Child Exclusion

The bill also includes a "child exclusion" provision (sometimes called a "family cap") that denies AFDC to children born to families already receiving welfare or to families that received welfare at any time during the 10 months prior to the child's birth. This child exclusion provision would deny assistance even to some poor children who were conceived while the family was working and not on welfare. Consider the case of a married pregnant woman who has one child. Suppose her husband deserts the family, and she receives assistance from the AFDC program to meet basic needs during the latter months of pregnancy. Her newborn would be ineligible for assistance throughout his or her childhood even though the child was conceived while the mother was married and not on welfare.

Child exclusion proposals are often based on the belief that AFDC families are large. Some 73 percent of AFDC families, however, include two or fewer children. Families receiving AFDC are no larger than other families with children, and the size of the average AFDC family has dropped sharply over the past two decades. Furthermore, research has shown that both benefit levels and the benefit increase associated with an additional child have little bearing on the likelihood that a woman will have another child.

Orphanages and Adoptions

The bill allows states to use the money saved from denying assistance to children born to young unmarried mothers to support orphanages and promote adoption. The bill will likely drive some parents to relinquish their children not because the parents are abusive or neglectful, but because they are destitute. Their destitution may simply reflect the fact that they live in a high unemployment area and cannot find a job.

The Relationship Between AFDC and Out-of-Wedlock Births.

The above provisions stem in large part from the view that welfare is the primary factor behind out-of-wedlock childbearing in general and teen childbearing in particular. While there is strong, justifiable concern about the rise in the proportion of children living in poor families without their fathers, research does not suggest that welfare is the primary factor behind out-of-wedlock childbearing. Out-of-wedlock childbearing is a complex, society-wide phenomenon not limited to teenagers, the poor, or welfare recipients.

This summer, a statement by 76 leading researchers addressed this issue. It said:

As researchers who work in the area of poverty, the labor market, and family structure, we are concerned that the research on the effect of welfare on out-of-wedlock childbearing has been seriously distorted. As researchers, we are deeply concerned about the rising rates of out-of-wedlock childbearing and the high incidence of poverty and welfare use among single-parent families. However, the best social science research suggests that welfare programs are not among the primary reasons for the rising numbers of out-of-wedlock births.

...ending welfare for poor children born out-of-wedlock does not represent serious welfare reform, and would inflict harm on many poor children. We strongly urge the rejection of any proposal that would eliminate the safety net for poor children born outside of marriage. Such policies will do far more harm than good [emphasis in the original text].

Work and Time Limit Provisions

Like several other recent bills, the PRA would impose a time limit on AFDC receipt and establish new work requirements for AFDC recipients. However, the new

Optional Block Grant of the AFDC Program

The PRA gives states the option to receive a block grant instead of federal support for AFDC programs, including cash assistance and administrative funds, JOBS, emergency assistance, and AFDC child care. A state would be required to spend this block grant on a program "to provide benefits to needy families with dependent children." A state would not have to meet any other standards to receive this block grant and would not be required to match the federal funds with state dollars.

The amount of a state's block grant would be permanently frozen at 103 percent of the amount the state received in fiscal year 1994 for its AFDC program. No adjustment would be allowed in future years for inflation, changes in the state's poverty population, or other factors. Since the PRA ends the entitlement of AFDC and places the program under a spending cap, there is no assurance that states would even receive their full allocation as prescribed by the bill. It is unclear how many states would elect this option.

bill's time limit and work provisions differ in important ways from those contained in other welfare reform proposals, including some earlier Republican proposals. Moreover, the PRA would likely lead to cuts in some programs which can help welfare recipients earn their way off welfare and out of poverty.

A Different Kind of Time Limit

Under the PRA, each state would be required to place a time limit on AFDC receipt. At most, a state could provide AFDC to a family for five years; after that point, the family would be permanently removed from the welfare rolls. States would be permitted to remove families permanently from AFDC after two years, as long as the parent spent one of these years in a work program.

The PRA's time limit would be cumulative; that is, the "clock" would not be reset if an individual left AFDC, even for an extended period. Thus, in a state choosing the more restrictive option, a mother who received welfare for two years in her early twenties, left the rolls and worked for 10 years, and then needed assistance during a recession would be ineligible for any aid (as would her children).

One of the key differences between the PRA's time limit structure and the time limits proposed in some other bills, such as the Clinton Administration's Work and Responsibility Act of 1994, is in the definition of what would happen to families that use up their allotted months of AFDC receipt. Under the administration's plan, recipients who had received two years of cash assistance would be required to work. If a parent was unable to find an unsubsidized job, she would be provided a subsidized

work slot and would be paid at least the federal minimum wage for the hours she worked. As long as a parent was willing to work, she would be given access to a work slot.

By contrast, under the PRA, the time limit would *not* be defined as the point after which a recipient would be required to work; instead, time spent in a work position would itself count toward the two- to five-year time limit. Upon reaching the time limit, a family would be *permanently* barred from receiving *both AFDC and a work slot*. The PRA's time limit provisions would require states to remove families from the AFDC rolls even if the parent was willing to work and had performed faithfully in a work slot for a long period of time but was unable to find a job due to adverse economic conditions or poor basic skills.

There would be no exceptions or extensions to the time limit; for example, families headed by parents who are temporarily disabled or caring for disabled children would be removed from the rolls upon reaching their state's time limit. In fact, children receiving AFDC who live with elderly grandparents would also be subject to the time limit.

Recent studies show that two-thirds of the families who enter the AFDC program for the first time leave within two years, often because the parents find jobs. However, the same data show that many of those who leave welfare subsequently return, often because they lose the low-wage jobs they obtain. This means a large fraction of AFDC recipients would eventually reach the PRA's time limit and be denied assistance. One recent study found that 48 percent of the current AFDC caseload has accumulated at least five years of welfare receipt. (This accumulation often occurs in more than one spell; only about 14 percent of first-time welfare recipients stay on AFDC for five or more years in one continuous spell.)

The PRA's Work Program

Although the PRA would not offer jobs to recipients who reach their state's time limit and are unable to find work, it would require states to impose work requirements on a growing proportion of AFDC recipients while they received assistance. An estimated 1.5 million work slots would be required by the year 2001. The conditions of the work program are exceptionally stringent:

- Most recipients placed in these slots would be required to work 35 hours per week in exchange for their welfare grants;¹ since the maximum AFDC

¹ The PRA would allow state work programs to provide work supplementation (a program that uses
(continued...)

grant for a family of three in the median state is \$366, this means most recipients would be working at far less than the federal minimum wage of \$4.25 an hour. In the median or typical state, the work slot "wage" would equal \$2.42 an hour. In Mississippi, recipients would be "paid" 79 cents an hour.

- The PRA establishes no exemptions from the work requirement. For example, states could require parents caring for disabled children or infants to work full-time.

The PRA's work provisions would likely impose a large administrative and financial burden on states. Federal matching funding for the administrative and child care costs associated with the work program (an estimated \$6,000 per year per slot) would be included under the aggregate spending cap the PRA would establish for an array of key low-income programs. This means the federal share of the work program would need to be funded through cuts in the other capped programs. If Congress decided not to cut the other programs, it would be necessary to reduce the size of the work program or pass more of its cost onto states. In any case, states would need to find enough money to finance their share of administering the work program and providing full-time child care to participants. The administrative challenge of developing 1.5 million or more work slots would be enormous, considering that less than 20,000 AFDC recipients nationwide are currently in work positions.

Absence of Strategies to Increase Employability or "Make Work Pay"

Many AFDC mothers lack employment-related skills; fewer than half have graduated from high school. Women with low levels of skills face high unemployment rates and earn low wages when they work. Jobs that are temporary or part-time and without benefits are often their only option. This suggests that many recipients need help finding and holding jobs that allow them to support their families.

Rigorous studies have shown that adequately funded programs offering a mix of employment-oriented education and training services can increase the number of recipients who find jobs, reduce the number receiving AFDC and, in some cases, save money for taxpayers. The PRA, however, provides no additional support for such programs. The existing Job Opportunities and Basic Skills (JOBS) program — which provides federal funding for state education and training programs for welfare recipients — would receive no new funding under the bill, and states would not be

¹ (...continued)

welfare grants to subsidize wages paid to recipients by employers) instead of or in addition to work experience. However, this option has been available to states for some time but has rarely been used. Of those participating in JOBS, 0.1 percent nationwide are in work supplementation programs.

required to provide parents with these services. In fact, faced with the new requirement to create a rapidly-growing number of work positions, states might be forced to divert funding from JOBS training services to pay for the high cost of the work slots.

By contrast, most other recent welfare reform proposals would expand funding for work preparation services and require states to provide such services to large fractions of their welfare caseloads.

Finally, the PRA does not contain measures to "make work pay" even though many adults who leave welfare for work obtain low-wage jobs that are insufficient to support a family. In this respect, too, the PRA differs from other proposals. The previous House Republican bill supported by a large majority of Republicans would have allowed states to change the current rules under which recipients who work lose up to one dollar in benefits for each additional dollar they earn. Similarly, a bill introduced by the Mainstream Forum — a group of moderate and conservative House Democrats — would have mandated such a change and greatly expanded child care subsidies for working poor families.

Indeed, the PRA would likely *reduce* assistance for the working poor. For example, it places under the outlay cap — and thereby makes susceptible to cuts — a key child care program for working poor families that are not on welfare. Since the cap would be set below current levels, funding for child care services for low-income working families could be lowered even as cash assistance for many poor families with children was being withdrawn. Furthermore, some of the nutrition assistance programs that would be merged into the PRA's nutrition assistance block grant and then cut back, such as the food stamp program, provide important supports to many low-income working families.

The Overall Impact on Poor Children

The Personal Responsibility Act includes numerous provisions that would deny AFDC benefits to poor children and their families. These features include the denial of housing and cash assistance to families in which the child was born to a young unmarried mother, the denial of assistance to children for whom paternity has not been established, and the child exclusion and time limit provisions.

To estimate the total number of children and families who would be denied benefits under the PRA, one cannot simply add up the independent effects of the different provisions (such as 48 percent of the families being denied AFDC because of the time limit plus 29 percent of the children denied benefits because of the paternity establishment provision). Some of the provisions would affect many of the same

people. For example, some of the children who would be denied benefits under the paternity establishment provision would also be affected by the time-limit provision.

An analysis of the effect of the various provisions makes clear, however, that the impact of the numerous provisions to deny AFDC benefits to poor children and families would be dramatic.

- If the PRA were fully in effect today, *well over half of the children who would be eligible for aid under current law would be denied assistance*. This translates into more than five million — and perhaps as many as six million — poor children who would not be receiving AFDC.
- At least half of all families receiving assistance today would be denied AFDC if the PRA were fully in effect. This translates into at least 2.5 million families who would receive no cash assistance.

Among those families faced with large benefit reductions or made completely ineligible for assistance, it is likely that many parents would be unable to provide basic necessities for their children. Because food assistance is also cut substantially and would no longer be an entitlement, some children made ineligible for AFDC might not be assured even a minimal safety net to help them meet their nutrition needs. An already-overburdened child welfare system would likely be asked to find foster care and institutional placements — temporary and permanent — for many children whom their parents are forced to relinquish.

An Imbalanced Approach

The public and policymakers from across the political spectrum agree that the AFDC program needs fundamental reform. There is also wide support for further efforts to reduce the federal budget deficit. The PRA, however, fails to strike a responsible balance between these goals and the important need to maintain a basic safety net beneath poor children, the elderly, the disabled, and other vulnerable groups. The bill would make deep cuts in basic support without including strategies for improving employability or making work pay. Increases in poverty, homelessness, and hunger for millions of children would almost certainly result, and states would likely end up paying a greater share of the costs of programs for the poor.

Appendix: The Overall Impact of the AFDC Proposals On Children and Their Families

The Personal Responsibility Act includes numerous provisions that would deny AFDC benefits to poor children and their families. In combination, these features — the denial of housing and cash assistance to families in which the child was born to a young unmarried mother, the denial of assistance to children for whom paternity has not been established, and the child exclusion and time limit provisions — would have far-reaching consequences.

How Many Children Would Be Denied Benefits?

It is difficult to estimate the total number of children and families who would be denied AFDC benefits under the PRA with absolute precision, primarily because the various provisions would affect many of the same people.² For example, some of the children who would be denied benefits under the paternity establishment provision would also be affected by the time limit proposal. Similarly, some of the children who would be denied assistance because they were born to a young unmarried mother would also have been ineligible because they did not have paternity established. Because of these "interactions," one can not simply add the number of children that would be denied aid by each provision independently to determine the total number of children affected. (For a description of the assumptions about the behavioral responses to PRA provisions and caseload effects, see the box on page X.)

² This analysis assumes that states do not choose the AFDC block grant option.

Even though we were unable to determine the precise extent of these interactions, it is nevertheless clear that the PRA would ultimately deny basic cash assistance to *substantially more than half of the children* who would be eligible for aid under current law. In 1993, an average of 9.5 million children received AFDC benefits each month. The PRA would ultimately deny AFDC to *at least half of all families* who would be eligible under current rules. In 1993, an average of almost five million families received benefits each month.

The steps toward this conclusion begin with an examination of the mandatory time limit provision that would remove entire families — that is, poor adults and their children — from the AFDC program, regardless of individual circumstances such as parents' ability to find jobs.

- As noted, the PRA mandates that states terminate assistance to families that accumulate 60 months of AFDC receipt. While about two-thirds of families who enter the welfare system for the first time leave welfare in less than two years, most eventually return to the program when they again need assistance.³ As a result, nearly half of all families now receiving AFDC benefits would be affected by the time limit if it were currently in place. (For a discussion of recent research on how long families receive welfare, see box on page XI.)
- Approximately 48 percent of families currently receiving AFDC have accumulated at least 60 months of welfare receipt, with many accumulating this time over several welfare spells.⁴
- If the five-year time limit had been implemented before these families first received welfare, an estimated 2.4 million families and at least 4.6 million children now receiving AFDC would be ineligible.⁵
- The PRA gives states the option to set the time limit at as little as two years. Many additional families would be denied benefits if any states

³ LaDonna Pavetti, "The Dynamics of Welfare and Work: Exploring the Process by Which Women Work Their Way Off Welfare," Doctoral Thesis prepared for Harvard University, 1993.

⁴ Harold Beebout, Jon Jacobson, and LaDonna Pavetti, "The Number and Characteristics of AFDC Recipients Who Will Be Affected By Policies To Time-Limit AFDC Benefits," presented at the Annual Research Conference of the Association for Public Policy and Management, October 1994 (cited with permission of the author).

⁵ In fact, the number of children who would be affected is likely to be higher than 4.6 million because larger families are more likely than smaller ones to remain on welfare for long periods of time.

exercised the more restrictive option. Approximately 73 percent of families currently receiving AFDC — or 3.6 million families — have accumulated more than 24 months of welfare receipt.⁶

While the time limit would always eliminate AFDC benefits for entire families, the other PRA provisions would sometimes affect entire families and sometimes just the children in the families. Large numbers of additional children are likely to be affected by these other provisions as well.

- Some 29 percent of children — or 2.8 million children — currently receiving AFDC do not have paternity established. These children would be denied assistance under the PRA.⁷
- About 12 percent of families currently receiving AFDC were begun by an unmarried mother under the age of 18; all children born to unmarried mothers under age 18 are denied AFDC under the PRA.^{8,9} This provision would affect many more families if states opted to deny AFDC to families in which an unmarried mother gave birth before her 21st birthday (the PRA would give states this option).
- Additional children would be denied assistance because they were subject to the child exclusion provision. Poor legal immigrant families would also be denied assistance under the provisions denying numerous forms of aid to legal immigrants.

⁶ Beebout, *op. cit.*

⁷ U.S. Department of Health and Human Services, *Characteristics and Financial Circumstances of AFDC Recipients*, FY 1992.

⁸ If the family consists of only an unmarried mother and a child she had prior to her 18th birthday, both she and the child would be ineligible for assistance. If she has an additional child when she passes her 18th birthday, she and the second child would be eligible for assistance.

⁹ According to the May 1994 General Accounting Office report, *Families on Welfare: Teenage Mothers Least Likely to Become Self-Sufficient*, some 42 percent of all families on AFDC were begun by a mother under the age of 20. The report also notes that about two-thirds of those mothers who started families as teens never married. Thus, approximately 28 percent of families now on AFDC were begun by an unmarried mother under age 20. In 1992, approximately 44 percent of all births to unmarried teen mothers were among teens under the age of 18. The 12 percent estimate in the text was computed by multiplying this 44 percent figure by the estimate that 28 percent of all families receiving AFDC were begun by an unmarried mother under the age of 20. The data on overall births to unmarried teens by the age of the mother is from the National Center for Health Statistics report, *Advance Report of Final Natality Statistics, 1992*.

Even after adjusting for overlap among these categories of families and children who would be denied assistance, when those people affected by these provisions are combined with the 48 percent of families who would be wholly ineligible for aid because their family hit the mandatory five year time limit, the effects are striking:

- Well over half of the poor children who would be eligible for assistance under current law would be denied aid once these provisions were fully implemented. This translates into more than 5 million poor children — and perhaps as many as 6 million children — who would not receive cash assistance to help them meet their most basic needs.
- At least half of all families who would be eligible for assistance under current law would be denied AFDC once the PRA was fully implemented. This translates into at least 2.5 million families with children who would receive *no* AFDC cash assistance.

It is interesting to note that even without the time limit provision, a large proportion of children who would be eligible for assistance under current law would be denied aid under the PRA. The paternity establishment provision alone would deny aid to 29 percent of children who would otherwise be eligible. In combination with other provisions, it is likely that at least 35 percent of children who would receive AFDC would be made ineligible by this bill even without the time limit provision.

What Would the Consequences Be?

The consequences for the millions of poor families and children who would lose their benefits would be serious. Most obviously, families that are already quite poor would become even poorer.

- Currently, for a single-parent family of three with no other income, AFDC benefits in the median state total \$4,400 a year, or 37 percent of the poverty line.
- Families that become wholly ineligible due to the time limit provision or the provision denying assistance to young unmarried mothers and their children would, of course, receive no AFDC income.¹⁰

¹⁰ Under current law, the vast majority of AFDC families also receive food stamps. For the typical single-parent family of three with no other income and who lives in the median state, food stamps lift the family's annual income to \$7,580, or 64 of the poverty line. Under the PRA, the Food Stamp Program is repealed and placed within the nutrition assistance block grant. No family currently receiving food stamps
(continued...)

- Most of the children denied AFDC under the PRA would live in families that would eventually become wholly ineligible for assistance, but in other cases only the children in the family would lose assistance. If one child in a typical AFDC family were denied AFDC benefits, the income of the family would drop to \$3,530 — a 20 percent drop in income. A single-parent family consisting of a mother and one child, would suffer a 28 percent drop in their cash income if the child became ineligible for assistance. More than four out of 10 AFDC cases include two or fewer recipients.

Among those families faced with large benefit reductions or those made completely ineligible for any assistance, it is likely that many parents would be unable to provide basic necessities for their children. Some rent would go unpaid and food budgets would be cut back — homelessness and hunger could increase, particularly among families made wholly ineligible for assistance. Because the food stamp program is repealed under this bill and the money converted to a block grant, children made ineligible for AFDC might not be assured even the minimal safety net of food stamps to help them meet their nutrition needs.

Research Underscores Harmful Effects of Childhood Poverty

Each of these proposals to deny AFDC eligibility to some children would intensify child poverty, which research has found to be harmful to children in identifiable ways. One recent study found that "Poor children are more likely to be low height-for-age [i.e., shorter than nonpoor children of the same age], low weight-for-height [i.e. thinner than other children of the same height], and to score poorly on indicators of cognitive and socioemotional development than middle- and upper-income children. Long-term economic disadvantage is also associated with deficits in rates of growth in height."¹¹ In short, this study showed that poverty can dramatically affect the physical and emotional health of children.

Furthermore, poor children are more likely to drop out of high school than more affluent children. Among children with single and married parents, among blacks and whites, and among families in which the mother is and is not a high school graduate,

¹⁰ (...continued)
would be guaranteed to receive any nutrition assistance, let alone a food stamp increase if their AFDC benefits fell.

¹¹ Jane Miller and Sanders Korenman, "Poverty, Nutritional Status, Growth and Cognitive Development of Children in the United States," Princeton University's Office of Population Research Working Paper Series. June 1993.

poor children are far more likely to drop out of school than nonpoor children. For example, among white two-parent families with a mother who has graduated from high school, poverty increases the likelihood that children will not graduate high school by 8 percentage points.¹²

Some Parents Would be Forced to Give Up Their Children

Under the PRA, an already overburdened child welfare system would likely be asked to find foster care and institutional placements (temporary and permanent) for children whose parents — in the face of AFDC and other cuts — determine that they are unable to feed, clothe, and house their children. Yet the child welfare system is already overwhelmed with the task of finding appropriate placements for children who have been abused and neglected; as a result, children often languish in inadequate care for long periods of time. In 1993, about 460,000 children were in foster care, an increase of more than 70 percent from 1982.¹³ The system now would also have to find placements for children whose parents are not abusive or neglectful, but who live in families which lack the income to care for them.

To place the massive cuts in AFDC eligibility into perspective, it is interesting to note that the number of children who will ultimately be denied basic cash assistance is more than 10 times the number currently in foster care. The child welfare system could face a substantial increase in their caseload which could mean that it will have fewer resources to devote to assisting abused and neglected children.

In addition to an increased reliance on temporary out-of-home placements, some parents could be forced to relinquish their children permanently. In fact, the sponsors of the PRA appear to understand that this might occur. The bill allows states to spend the money saved by the provision denying benefits to families in which the child is born to a young unmarried mother on orphanages and programs to foster adoption.

This increased emphasis on taking children from their parents and moving them to foster care or other out-of-home arrangements including orphanages is in contrast to the direction the child welfare system has taken to try to help families stay together and to limit use of institutional care. The child welfare system has largely moved away from group care settings, especially for younger children, in recognition that such

¹² Data are from tabulations of the Panel Study of Income Dynamics and are reported in *Wasting America's Future: The Children's Defense Fund Report on the Costs of Child Poverty* by Arloc Sherman. Some 4.8 percent of white children living in nonpoor, two-parent families in which the mother has graduated from high school drop out of high school. Among children in families that have these same characteristics except that they are poor, some 12.3 percent do not finish high school.

¹³ Data are from the Child Welfare League of America.

settings deny children the individual attention and continuity of care critical to their development. Proposals to institutionalize children are also in direct contrast to the growing movement, based on clinical experience, to help families in crisis work out their problems so children can stay with their parents rather than be placed in foster care.

Many who talk about such provisions often assume that the children taken from their parents would be newborn babies whose parents are unable to care for them. Many of the children affected by these provisions, however, would not be infants, but children already attached to their parents.

- Some 45 percent of young women under age 18 who have children outside of marriage do not go onto AFDC in the year following the birth of the child.¹⁴ Many of these families eventually need cash assistance, but when they do their children are no longer infants. The provision that denies assistance to families in which a child is born to a young unmarried mother applies to all families that *apply* for AFDC after the date the provision takes effect. Therefore, a 27 year-old mother with a 10-year-old child who has never before received welfare benefits — but who loses her job and applies for AFDC after the bill's passage — would be ineligible for assistance.
- Many of the children affected by the time limit proposal will certainly be older, as the time limit applies to families that have already received assistance for five years.
- The paternity establishment requirement would also deny assistance to children of any age if their paternity was not established. Establishing the paternity of older children is often quite difficult and may, in many cases, be impossible. The reduction in the AFDC grant in conjunction with other benefit reductions could lead some families to lose a significant percentage of their incomes.

If a denial in benefits forces mothers to give up their children either temporarily or permanently, the consequences could be serious. Psychologists have long recognized the importance of children's attachments to their caregivers (generally

¹⁴ 1994 *Green Book*, Committee on Ways and Means, U.S. House of Representatives, pg. 454.

parents) and have noted that disruptions in the relationship between the child and the caregiver places the child at risk for serious developmental problems.¹⁵

While many parents may ultimately be forced to relinquish their children on either a temporary or permanent basis, it is also important to recognize that it is likely that many parents will take extreme measures to keep their families together. Some may move to dangerous, or more dangerous, neighborhoods to save on rent. Food budgets might be cut back placing children at nutritional risk. Some mothers might be forced to rely on an abusive boyfriend for help in meeting their children's basic needs. It is, of course, impossible to know what mothers would do when faced with a sharp reduction in or total elimination of cash assistance. It does seem plausible, however, that many mothers would be faced with difficult choices — either break-up their family or make decisions that might otherwise seem unwise such as living in an unsafe apartment to save rent.

Policies Would Cause Far More Harm than Good

In short, the negative consequences of the PRA would likely be extreme. Poverty would deepen, homelessness and hunger could rise, temporary and permanent out-of-home placements and institutionalization of children could increase. Some might argue that this is the price that must be paid to reduce out-of-wedlock childbearing and increase employment among welfare recipients. But, does the research support the view that these policies are likely to work?

Research has shown that most welfare recipients leave AFDC in less than two years — many leaving to take low-wage, unstable jobs. This research suggests that the most pressing problem is not forcing AFDC recipients to leave welfare for work, but helping them move into jobs that are more secure and providing them the necessary supports so they are able to meet their families' needs.

The evidence also indicates that welfare is not the primary cause of out-of-wedlock childbearing in general or teen pregnancy in particular. In June 1994, a group of 76 leading researchers issued a statement on the relationship between welfare and out-of-wedlock childbearing.¹⁶ The researchers concluded that welfare was not the primary cause of out-of-wedlock childbearing:

¹⁵ Barbara M. Newman and Philip R. Newman, *Development Through Life: A Psychosocial Approach*. Brooks/Cole Publishing Company, 1991. Children's attachment to their caregivers typically occurs in the first one to two years of life.

¹⁶ The statement was organized by Sheldon Danziger, professor of social work and public policy at the University of Michigan. The Center on Budget and Policy Priorities provided technical assistance to the researchers in this effort.

As researchers who work in the area of poverty, the labor market, and family structure, we are concerned that the research on the effect of welfare on out-of-wedlock childbearing has been seriously distorted. As researchers, we are deeply concerned about the rising rates of out-of-wedlock childbearing and the high incidence of poverty and welfare use among single-parent families. However, the best social science research suggests that welfare programs are not among the primary reasons for the rising numbers of out-of-wedlock births.

Most research examining the effect of higher welfare benefits on out-of-wedlock childbearing and teen pregnancy finds that benefit levels have no significant effect on the likelihood that black women and girls will have children outside of marriage and either no significant effect, or only a small effect, on the likelihood that whites will have such births. Indeed, cash welfare benefits have fallen in real value over the past 20 years, the same period that out-of-wedlock childbearing increased. Thus, the evidence suggests that welfare has not played a major role in the rise in out-of-wedlock childbearing.

The researchers' statement also addressed on the issues raised by proposals to deny welfare benefits to families in which the child was born outside of marriage. The researchers concluded that such a policy would be ill-advised:

...ending welfare for poor children born out-of-wedlock does not represent serious welfare reform, and would inflict harm on many poor children. *We strongly urge the rejection of any proposal that would eliminate the safety net for poor children born outside of marriage. Such policies will do far more harm than good* [emphasis in the original text].

Assumptions Used for Impact Analysis

When estimating how many recipients would be affected by the provisions in the PRA, we calculated how many recipients in the *current* caseload would be affected if the provisions were "fully implemented" today. In order for many of these provisions to be "fully implemented," they would need to have been enacted many years before current AFDC recipients ever went on to welfare. Most notably, under the time-limit provision in the PRA, families that accumulate 60 months of total AFDC use are terminated from the program. Since many of these families accumulate 60 months of total welfare receipt over a number of spells spanning many years, to be "fully implemented" today, this provision would have had to be in place years ago.

Furthermore, this analysis assumes that the provisions would produce no behavioral response. It is impossible to determine precisely what behavioral responses the PRA provisions would elicit and what the size of those responses would be. It is possible that the time limit provision coupled with a stringent work requirement would affect recipients' labor market behavior and reduce the number of families that reach the five year time limit. On the other hand, research shows that more than half of the families that will ever hit the time limit will do so in more than one welfare spell. This suggests that many of those who will be affected by the time limit provision have succeeded in leaving welfare but have been unable to remain off the rolls. There is nothing in the bill that improves supports to families once they leave the welfare rolls and enter low-wage jobs. This would argue that these families would be unlikely to have substantially greater success at remaining off of welfare than under current law, particularly given the deteriorating prospects of low-skilled workers.

Similarly, it is difficult to estimate the behavioral effects of the paternity establishment provision, the child exclusion proposal, or the provision denying aid to young unmarried mothers and their children. There are several reasons, however, why these effects might be modest:

- Research indicates that welfare is not among the primary causes of teen childbearing in general or out-of-wedlock childbearing in particular. Research also suggests that the benefit increment associated with having an additional child has little effect on the likelihood that a welfare recipient will have another child.
- State paternity establishment systems appear to have a substantial impact on state success at establishing paternity. This suggests that it is states, not recipients, who will have to change their behavior if paternity establishment rates are to improve substantially. While the bill does impose more stringent paternity establishment performance standards on states, it is likely that fewer resources will be available for child support enforcement since the child support enforcement system is placed under the outlay cap. Furthermore, the bill does not impose additional penalties on states that do not meet the paternity establishment performance standards — currently states do not generally suffer a financial penalty if they fail to meet the paternity establishment performance standards. In fact, states may benefit from poor paternity establishment performance — as long as a child who would otherwise be receiving AFDC does not have paternity established, states do not have to pay their portion of the child's AFDC grant.

While the behavioral effects may be modest, it is also plausible that they will be larger. Whether the effects are large or small, it is likely that they will take years to be realized. In the meantime, many children would be denied aid under the bill's provisions. Given the difficulty in estimating the size of behavioral effects and the likelihood that such effects take time to be achieved, this analysis assumes *no* behavioral response to these changes in the AFDC program and should be thought of as a benchmark for how many children and families these provisions could affect.

If two-thirds of those who enter the welfare system for the first time leave AFDC in less than 2 years, how can 48 percent of the current caseload have accumulated at least 60 months of AFDC use?

The way in which families use the welfare system is quite complicated. Some apply for aid when a temporary crisis hits, receive assistance for a short period of time, and never receive aid again. Most families who ever receive AFDC receive assistance for relatively short periods of time, but cycle on and off the rolls, often between jobs. A third relatively small group receives welfare for one long, continuous spell.

There are at least three ways to look at the AFDC caseload. First, one can look at a group of families who are entering the welfare system for the first time and determine how long they will remain on welfare *without leaving*. Second, one can look at that same group of families entering the AFDC system and determine how many total months of welfare receipt they will *accumulate over their lifetimes*, even if the families cycle on and off welfare. Finally, one can look at the current AFDC caseload at a *point in time* — take a “snap-shot” of the caseload — and determine how many months of welfare receipt these families have already accumulated. As is described below, these three ways of looking at AFDC recipients provide different kinds of information.

If one looks at a group of families entering the welfare system for the first time, research has shown that some 64 percent will leave AFDC within two years. Another 14 percent will remain on the rolls without leaving for at least five years.

However, if one asks the question, “Of those entering the welfare system for the first time, what percent will *eventually* accumulate at least five years of AFDC receipt?” one finds that some 35 percent will eventually accumulate at least five years of welfare receipt. More than half of those who accumulate at least five years of AFDC receipt will do so over multiple spells; the others will receive welfare for at least five years without leaving.

Finally, one can ask, “Of those receiving AFDC at a point in time, how many have already received assistance for a *total* of at least five years, either in a single spell or in multiple spells?” The answer to this question is that about 48 percent of those currently receiving welfare have already accumulated at least five years of AFDC receipt. It is important to note that the current caseload includes more long-term recipients than the group of families that *ever* receive AFDC benefits. This can best be understood by the following well-known analogy:

Consider a hospital room that has two beds in it. One bed is occupied by a single individual for an entire month. A different person every week uses the second bed. If you looked at the hospital room on any given day, you would conclude that one-half of the patients in that room were “long term” patients. However, if you looked over the entire month, you would see that four-fifths of the people who used that hospital room were “short term” patients.

The AFDC program is similar to the hospital room. Some families remain on the program for long periods of time while most receive assistance for short periods of time, although they often return to the program after leaving. When one looks at the caseload at a point in time, a larger proportion of the families have received aid for extended periods of time than when one considers all of the families that the AFDC program has ever assisted.



CENTER ON BUDGET AND POLICY PRIORITIES

FOR IMMEDIATE RELEASE:
Tuesday, November 22, 1994

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"CONTRACT" WOULD ULTIMATELY DENY BENEFITS TO FIVE MILLION POOR CHILDREN, REPORT FINDS

The Personal Responsibility Act (PRA) in the House Republican "Contract with America" would deny AFDC benefits to at least half the families and children that would receive aid under current law, according to a report released today by the Center on Budget and Policy Priorities.

The Center found that if the bill's provisions were fully in effect today, at least 2.5 million families and more than five million children currently receiving assistance would be ineligible for benefits. This would result from a strict time limit on welfare receipt and provisions denying aid to children born to young unmarried mothers, children whose paternity is not legally established, and children born when their parents are receiving welfare.

Cuts in a Wide Range of Poverty Programs Total Much Larger than in the Early 1980s

The report also noted that the PRA contains reductions in a range of benefit programs for the poor that substantially exceed the reductions enacted during the early 1980s. Among the programs subject to cuts, according to the Center, are the Supplemental Security Income (SSI) program for the elderly and disabled poor, child care assistance for low-income working families that are not on welfare, child support enforcement, and the school lunch program. The "entitlement" status of these programs would also be ended.

According to the report, the net effect would be a reduction in benefits for low-income families and individuals of about \$57 billion over the four-year period from 1996 to 1999, with the cuts growing with each passing year. By 1999, the cuts in basic entitlement programs for the poor would be double the combined effects of the cuts in such programs enacted during President Reagan's first two years.

The bill also would alter a key feature of the safety net under which programs such as food stamps and free school lunches for poor children expand during recessions when unemployment and poverty rise, the study noted. Under the PRA, some low-income families or elderly people could be denied benefits during such periods. Alternatively, low-income families could be placed on waiting lists or benefits for all eligible families could be cut across-the-board.

— more —

The Center's analysis also examined the new work requirements that the bill establishes. By 2001, an estimated 1.5 million recipients would be required to work 35 hours a week for their aid. In the typical state, these work slots would "pay" \$2.42 an hour for a mother in a family of three, the report said, well below the \$4.25-an-hour minimum wage. In Mississippi, recipients would be "paid" 79 cents an hour.

Time Limits

Of particular note, according to the report, is the PRA's time limit. Unlike President Clinton's proposal and other bills (including earlier Republican bills) that allowed or required states to provide work slots to families that reached a time limit, the PRA would end eligibility for both work slots and cash aid. Mothers who accumulated five years on welfare over their lifetime (or as little as two years, at state option) would be permanently barred from receiving either further cash aid or a work slot. Mothers willing to work but unable to find an unsubsidized job to support their children — including mothers who had faithfully worked nearly full-time for several years in a work slot — would be denied aid once they had passed the time limit.

There would be no exceptions or extensions to the time limit, the report noted. This means, for example, that families headed by parents who are temporarily disabled or caring for disabled children would be removed from the rolls upon reaching the time limit. Children receiving AFDC who live with elderly grandparents would be subject to the time limit as well.

In addition, in a state choosing a two-year time limit, a mother who received welfare for two years in her early twenties, left AFDC and worked for 10 years but then needed assistance during a recession would be ineligible for any further aid, as would her children. Recent studies show that most people who enter the AFDC program leave within two years, often because they find jobs, the Center said. The same data, however, show that many of those who leave welfare subsequently return, often because they lose the low-wage jobs they obtain.

"The PRA differs in important ways from — and is much less balanced than — other recent welfare reform plans, including an earlier plan offered by a majority of House Republicans," said Isaac Shapiro, the Center's acting co-director and co-author of the report. "The Act begins to dismantle basic features of the safety net, even for poor parents who want to work and have met all work requirements imposed on them."

Sweeping Provisions

In addition to the time limit, the bill's provisions include:

- A denial of both cash and housing benefits throughout their childhoods to poor children born to young unmarried mothers. States could use the savings to support programs such as orphanages. An unmarried mother who had a child 10 years ago as a teenager, but who applies for AFDC after losing her job, would be ineligible for aid under this provision.
- A denial of benefits for children whose paternity has not been legally established; this includes 29 percent of all children currently on AFDC. These children would be ineligible regardless of whether their mothers were cooperating with state efforts to establish paternity. Paternity establishment is usually neither swift nor certain, the report said, and state bureaucracies frequently take one to two years to establish paternity in a case *after* a mother has provided the relevant information. The children in question would be denied benefits during this lengthy process. Children whose fathers cannot be located would never have paternity established and, therefore, would never be eligible for assistance.

Looking at all of the provisions together, the report said, the PRA's effect would be to disqualify more than half the low-income children who would be eligible for aid under current law. Five to six million poor children would be rendered ineligible for any cash assistance. On average, 9.5 million children received AFDC in 1993. Similarly, at least 2.5 million of the five million *families* now receiving assistance would be made wholly ineligible for AFDC if the PRA were fully in effect.

Many families made ineligible for assistance would likely be unable to provide basic necessities for their children. There is a strong risk, the report warned, that an already overburdened foster care system would then be asked to find foster care and institutional placements for large numbers of children whose parents were forced to give them up because they were destitute.

Reductions in Other Safety Net Programs

The Act would reduce other programs for the poor in addition to AFDC. It would: merge federal food assistance programs for poor households into a block grant and set the block grant's funding level several billion dollars below the levels needed to maintain current benefits; place a number of other major programs for low-income households under an expenditure cap that would require large cuts in these programs; and make poor legal immigrants ineligible for nearly all government benefits and services.

The PRA would cut about \$18 billion over four years from food assistance programs, the Center said. Virtually all domestic food programs, including food stamps and the school lunch program, would be consolidated into a block grant. The bill would set a ceiling on how much could be appropriated for the block grant, placing this ceiling several billion dollars a year below the funding level needed to maintain current levels of food assistance.

A substantial majority of the cuts in food assistance would be targeted on families that are now eligible for food stamps. Assistance to these families would be reduced almost \$4 billion a year, according to the Center's analysis. Currently, the average food stamp allotment is just 75 cents per person per meal. About two-thirds of food stamp beneficiaries are children or elderly or disabled people.

In addition, the PRA would impose a cap on total expenditures for an array of major programs for the poor: the SSI program for the elderly and disabled poor; the child support enforcement program (which helps establish paternity); a key child care program for working poor families not on welfare; low-income housing programs; and AFDC. The cap governing these programs would be set at a level well below what the programs would cost under current law. This would require these programs to be cut \$18 billion in the three-year period from 1997 to 1999, according to estimates from the House Republican conference. The cuts would grow larger with each passing year, found the Center.

The bill also would convert low-income benefit programs that are now entitlements, such as AFDC and SSI, into non-entitlement programs. Eliminating the entitlement status of these programs would weaken their ability to cushion families and the elderly against economic shocks or other unexpected developments. If funding proved insufficient during a fiscal year for SSI or AFDC — as could occur during an economic downturn when poverty mounted or if a greater-than-expected number of poor elderly people applied for SSI — either benefits would have to be reduced, some eligible people would have to be denied assistance, waiting lists would have to be created, or additional state funds would have to be spent.

Food stamp-type assistance and school lunch programs would lose entitlement status as well. Funding for free school meals for poor children and food stamp-type assistance would no longer expand automatically during recessions when unemployment and poverty climbed.

Legal Immigrants Hit Hardest

The PRA also would make most *legal* immigrants ineligible for nearly all health, education, job training, housing, social service, and income assistance programs, the study said. (*Illegal* immigrants are already ineligible for most programs.) For example, legal immigrants disabled on the job in the United States would be ineligible for SSI benefits. Non-citizen

migrant farm worker families legally in the United States could not have their children treated at a migrant health center. Legal immigrants who are children would be denied access to foster care payments if their parents died and could not be screened for lead poisoning.

Legal immigrant children also would be ineligible for immunization programs. These programs currently cover immigrants partly to help avoid the spread of contagious diseases that could infect children who are U.S. citizens. Legal immigrants are subject to the same taxes as U.S. citizens.

Net Budgetary Impacts

Overall, the bill would reduce safety net programs \$57 billion over four years, the Center said, noting that cuts of this magnitude are unprecedented in programs for the poor. The cuts in AFDC, SSI, food stamps and Medicaid would be double the size of the cuts made in these programs by the budgets enacted in 1981 and 1982, when the previous deepest reductions in poverty programs were made. The programs targeted for cuts represent a small fraction of federal spending: AFDC, SSI, and food stamps combined account for 4 percent of federal expenditures.

An Unbalanced Proposal

"People across the political spectrum agree that welfare needs fundamental reform," Shapiro said. "There is also wide support for further efforts to reduce the federal budget deficit."

"The PRA, however, does not strike a responsible balance between these goals and the need to maintain a basic safety net beneath poor children, the elderly, the disabled, and other vulnerable groups. The bill would make deep cuts in vital programs without helping welfare recipients earn their way out of poverty. Increases in poverty, homelessness, and hunger for millions of children almost certainly would result, and states would likely be saddled with significant added costs as they face the destitution created by these harsh policies."

The Center on Budget and Policy Priorities conducts research and analysis on a range of government policies and programs, with an emphasis on fiscal policy issues and on issues affecting low- and moderate-income households. It is supported primarily by foundation grants.

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WR-Immig.

July 5, 1994

Eligibility of Aliens under Current HHS Federal Assistance Programs and the Proposed Work and Responsibility Act of 1994

This memorandum provides background on the eligibility of aliens for HHS federal assistance programs, explains the meaning of the so-called "PRUCOL" category of aliens, and compares the current eligibility of aliens under the Medicaid, Supplemental Security Income (SSI) and Aid to Families with Dependent Children (AFDC) programs and the Health Security Act (HSA) to alien eligibility under the proposed Work and Responsibility Act of 1994 (WARA).

I. CLASSIFICATION OF ALIENS

The Immigration and Nationality Act (INA) defines an "alien" as "any person not a citizen or national of the United States." INA § 101(a)(3). Under the INA, this person can be either "legal" or "undocumented."¹

A. Legal Aliens

A legal alien is an individual who is not a U.S. citizen but is permitted to stay in the U.S. on either a permanent or temporary basis. For purposes of this memorandum, legal aliens can be divided into three broad categories: Lawful Permanent Residents (LPRs), nonimmigrants, and "other aliens." The "other aliens" category includes those aliens who are neither LPRs nor nonimmigrants but who, for varying policy reasons, are provided with documentation which protects them, either permanently or temporarily, from being deported.

1. Lawful Permanent Residents

"Lawful Permanent Residents" (LPRs) are aliens who have been lawfully admitted into the U.S., most commonly pursuant to a petition to the Immigration and Nationality Service (INS) by a U.S. citizen who is either a relative or employer. INA § 204(a)(1)(A). LPRs hold "green cards" (though the document is not necessarily green) to authorize his or her presence in the country. In addition to relative and employer sponsorship, the INA, in certain circumstances, allows aliens to "adjust" from non-LPR statuses (such as refugees, asylees and aliens granted amnesty) to LPR status.

¹ Undocumented aliens are also referred to as "illegal aliens."

2. Nonimmigrants

"Nonimmigrants" are aliens who have been admitted for a temporary stay in the U.S. in order to fulfill a specific purpose. Students, tourists, diplomats and business visitors are examples of nonimmigrants. INA § 101(a)(15). They possess nonimmigrant visas to authorize their presence.

3. Other Aliens

As stated above, there are numerous categories of aliens recognized by the INA and permitted to stay in the U.S. even though these individuals do not possess a green card or a nonimmigrant visa. Refugees, aliens facing persecution in their homelands and therefore permitted to enter the U.S., represent the largest group of aliens in this category. INA § 101(a)(42). The other aliens category also includes, for example, asylees (aliens who enter illegally but due to persecution in their homelands are permitted to remain, INA § 208), parolees (aliens permitted to enter temporarily pending further investigation, for humanitarian or public interest reasons, INA § 212(d)(5)), and aliens granted temporary protected status or TPS (this status is granted to people from countries designated unsafe due to armed conflict or natural disaster, INA § 244A).

B. Undocumented Aliens

Undocumented aliens are non-citizens residing in the United States in violation of immigration law and without any legal recognition.

II. ELIGIBILITY OF ALIENS FOR HHS ASSISTANCE PROGRAMS

Congress and federal agencies have found it useful to utilize the many INA-created categories of aliens to identify the aliens who should or should not be eligible for federal benefits. The eligibility provisions in federal statutes and their accompanying regulations differ, sometimes dramatically, from one another. The sections below focus on how the federal government came to make alienage-based distinctions with regard to benefit eligibility and how the eligibility provisions in some of the more significant programs differ from one another.

A. Background and the Adoption of the PRUCOL Standard

Prior to 1972, federal statutes funding state and local benefit programs contained no eligibility restrictions based on citizenship or immigration status. When states attempted to place restrictions on aliens who had not resided in the U.S. for a fixed number of years, the Supreme Court declared this unconstitutional, because (1) it violated Equal Protection and

(2) it constituted state encroachment upon the federal power to regulate immigration and, therefore, was preempted by the Supremacy Clause of Article IV. Graham v. Richardson, 403 U.S. 365 (1971).

In response to the Supreme Court's decision, Congress itself assumed the responsibility of restricting benefits to aliens. It did this first in 1972 with the enactment of SSI, by limiting assistance to (1) citizens, (2) LPRs, and (3) a new, undefined category it labeled "aliens permanently residing in the United States under color of law", commonly known by the acronym "PRUCOL." AFDC followed SSI's lead by adopting the PRUCOL category by regulation in 1973 and by statute in 1981. The unemployment compensation program adopted PRUCOL in 1978 and Medicaid adopted it by regulation in 1982 and by statute in 1986.²

Although PRUCOL was intended to identify specific aliens, it is critical to understand that PRUCOL is not a category of aliens created by the Immigration and Nationality Act (INA), and, therefore, it is not an immigration status. It is used only in certain federal assistance programs (AFDC, Medicaid, SSI and unemployment compensation) for the purpose of identifying those aliens eligible for benefits. As will be discussed, PRUCOL has become a flexible catch-all of various categories of aliens, such as refugees and asylees. It is "flexible" because the agencies and courts define it differently, depending on the program and circumstances of specific cases.

Since PRUCOL is not an immigrant status defined in the INA, the courts have defined its scope. In Holley v. Lavine, 553 F.2d 845 (2d Cir. 1977), the Second Circuit recognized that "when an administrative agency or legislative body uses the phrase 'under color of law' it deliberately sanctions the inclusion of cases that are, in strict terms, outside the law but are near the border." Id. at 849-50. Thus, in Holley the Court held that due

² The Supreme Court upheld Congress' practice of restricting benefits to certain aliens by distinguishing Congressional action from the state action deemed unconstitutional in Graham. In approving a congressionally imposed five-year residency requirement for alien participation in the Medicare Part B program, the Court declared that it is "obvious that Congress has no constitutional duty to provide all aliens with the welfare benefits provided to citizens." Mathews v. Diaz, 426 U.S. 67, 82 (1976); see also Hampton v. Mow Sun Wong, 426 U.S. 88, 100 (1976) (Congressional statutes affecting aliens involves "overriding national interests which justify selective federal legislation that would be unacceptable for an individual State.").

to the "color of law" language" an alien who was known to be unlawfully residing in the U.S. but whose deportation was not being contemplated by the Government must be eligible for AFDC.

The Second Circuit considered the scope of PRUCOL again in Berger v. Heckler, 771 F.2d 1556 (2d Cir. 1985), this time in the SSI context. The Court held that Congress' use of the phrase "color of law" is actually an "invitation" for the courts, and the agency enforcing the statute, to determine eligibility depending on the circumstances of a given case:

The scope of the phrase in question -- "or otherwise permanently residing in the United States under color of law" -- is not clear from the language employed. Instead, the phrase is designed to be adaptable and to be interpreted over time in accordance with experience, developments in the law, and the like. In this sense, the phrase is organic and fluid, rather than prescriptive or formulaic.

Id. at 1571 (emphasis added). The Court, therefore, enforced a consent decree, thereafter reduced to the current regulations, which established eligibility for more than a dozen categories of aliens, including a particularly broad category: "Any other aliens living in the United States with the knowledge and permission of the [INS] and whose departure that agency does not contemplate enforcing." 20 C.F.R. § 416.1618(b)(17).

Not every benefit program has a PRUCOL category. For example, in the Food Stamp Act of 1977, Congress sought to avoid any question as to whether a particular alien or group of aliens should be eligible for food stamps by removing PRUCOL from its eligibility provision and replacing it with a specific list of alien categories eligible for the subsidy. According to the accompanying House report, Congress used an exclusive statutory list of classes of eligible aliens in order "to eliminate the possibility that . . . judicial stays of deportation, whether wholesale or individualized, would permit undocumented aliens to participate." See CRS Report for Congress, "Alien Eligibility Requirements for Major Federal Assistance Programs," prepared by Larry M. Eig and Joyce C. Vialet (Dec. 8, 1993) (No. 93-1046 A) at 6-8 [hereinafter CRS Report] (quoting H.R. Rep. No. 95-464, 95th Cong., 1st Sess. 148 (1977)).

For the programs that continue to utilize PRUCOL language, the courts, Congress and executive branch agencies have never agreed upon a consistent interpretation of the term PRUCOL. Consequently, the statutory provisions and regulations governing eligibility for the four benefit programs employing PRUCOL have distinct and separate guidelines for the term's scope. Certain categories of aliens are always included in PRUCOL, such as refugees and asylees. Depending upon agency and judicial interpretation of PRUCOL, other categories may or may not be

eligible for public benefits.

B. Current Alien Eligibility Under Selected Federal Programs

The following describes alien eligibility under certain federal assistance programs. Of the five programs discussed below, only the first three contain a PRUCOL provision.³

1. SSI

Under SSI, eligibility is limited to residents who are: (a) citizens, (b) LPRs, or (c) PRUCOL. 42 U.S.C. § 1382(c). HHS adopted regulations, 20 C.F.R. § 416.1618, defining the categories of aliens included in PRUCOL, drafted pursuant to litigation in which a federal court enforced a consent decree providing for an expansive interpretation of PRUCOL. Berger v. Heckler, 771 F.2d 1556 (2d Cir. 1985). The current regulations expressly provide for 17 categories of aliens who will be considered PRUCOL, including but not limited to refugees, asylees, and other aliens living in the United States with the knowledge and permission of the INS and whose departure the INS does not contemplate enforcing.

An SSI applicant who is an LPR will, if entry was premised on support by a sponsor, be deemed to have a portion of the sponsor's income and resources for three years after entry (unless the alien becomes blind or disabled after entry).⁴ 42 U.S.C. § 1382(j). PRUCOL individuals, on the other hand, are exempted from SSI deeming rules and are eligible for benefits on essentially the same basis as citizens.

2. Medicaid

Medicaid programs must cover: (a) citizens, (b) LPRs, and (c) PRUCOL. 42 U.S.C. § 1396b(v)(3).

HHS interprets PRUCOL in Medicaid in essentially the same way it interprets it under SSI. 42 C.F.R. § 436.408 (1992). However, unlike the other major Federal assistance programs, Medicaid covers undocumented aliens and nonimmigrants for emergency

³ PRUCOL language is also used in the unemployment compensation program which is administrated by the Department of Labor and is not discussed here.

⁴ The Unemployment Compensation Amendments of 1993 increased the SSI sponsor-to-alien deeming period from 3 to 5 years, effective from January 1, 1994 to October 1, 1996. Pub. L. 103-152.

medical conditions, including labor and delivery services for pregnant women.⁵ Medicaid does not have a sponsor deeming provision.

3. AFDC

Under AFDC, the payment amount is calculated based on the needs of family unit members who are: (a) citizens, (b) LPRs, or (c) PRUCOL aliens. 42 U.S.C. § 602(a)(33). The AFDC regulations (45 C.F.R. § 233.50) are not as explicit as the SSI and Medicaid regulations, leaving it to the courts to decide whether categories of aliens not specified in the regulations should be eligible for AFDC.⁶ One commentator suggests that since AFDC is administered by HHS, its PRUCOL coverage should be identical to that of SSI and Medicaid.⁷ See CRS Report at 13. On the other hand, a 1988 HHS action transmittal would deny benefits to certain aliens who would receive them under SSI and Medicaid. AFDC Action Transmittal No. FSA-AT-88-4 (March 3, 1988) [hereinafter Action Transmittal].

As under SSI, AFDC beneficiaries who are LPRs will be deemed to have a portion of their sponsor's income and resources available to them for three years after entry. 42 U.S.C. § 615(a)(c). The deeming provision does not generally apply to PRUCOL individuals.⁸

4. Old-Age, Survivors and Disability Insurance (OASDI)

⁵ "Emergency medical condition" is defined in section 1903(v)(3) of the Social Security Act. 42 U.S.C. § 1396b(v)(3).

⁶ For example, in Holley v. Lavine, 553 F.2d 845 (2d Cir. 1977), the Second Circuit held that an undocumented mother of six citizen children was PRUCOL and eligible for AFDC because the INS stated in a letter to her that the agency did not contemplate deporting her at least until her children no longer depended on her. However, in Sudomir v. McMahon, 767 F.2d 1456 (9th Cir. 1985), the Ninth Circuit held that an alien applying for asylum did not qualify for AFDC. But see Department of Health and Rehabilitation Services v. Solis, 580 So. 2d 147 (Fla. 1991) (in light of the length of time it takes to process asylum applications, the Florida Supreme Court held an asylum applicant is PRUCOL).

⁷ One difference, however, is that the Immigration Reform and Control Act of 1986 expressly bars aliens gaining legal status under its amnesty program from receiving AFDC and Medicaid for five years; this ban does not apply to SSI.

⁸ The WARA proposes extending the AFDC deeming period from 3 to 5 years.

Under OASDI, retired and disable workers and their families, and survivors of deceased workers receive cash benefits. With some exceptions, OASDI extends to all individuals who are engaged in covered employment⁹ and have contributed sufficiently to the program.¹⁰ In order to engage in covered employment -- and thereby receive benefits -- an individual must have obtained a valid social security number. Further, the Social Security Act bars undocumented aliens from obtaining social security numbers.¹¹

5. Medicare

Individuals age 65 and over and individuals under 65 who have been entitled for a period of 24 months to social security or railroad retirement benefits because they are disabled are eligible for Medicare Part A. Thus all aliens, regardless of their status, are eligible for these benefits if they have been in covered employment. See note 9. Individuals over age 65 but otherwise ineligible, may purchase Part A benefits at cost, provided they are lawfully admitted for permanent residence and have resided in the United States for five consecutive years. 42 U.S.C. § 1395i-2(a). Such individuals, however, are also required to purchase Medicare Part B.

⁹ The Internal Revenue Code specifically excludes categories of employment such as aliens admitted temporarily for agricultural labor and alien students engaged in certain labor. 26 U.S.C. § 3121(b)(1), (19). Such aliens do not pay social security tax and, therefore, are not eligible for benefits.

¹⁰ For example, an alien who has been deported is ineligible for benefits, nor is a lump sum benefit payable on the alien's death, unless the alien has been readmitted. 42 U.S.C. § 402(n). In addition, payments to an otherwise eligible alien who has been outside the U.S. for longer than 6 months may be terminated unless the alien qualifies for an exception to the nonpayment rule. Furthermore, nonresident dependents and survivors cannot receive benefits for more than 6 months unless the relationship upon which the claim is based existed for at least 5 years during which time the dependent or survivor lived in the U.S. Dependent children must meet the 5-year residency requirement to be eligible for benefits, unless the parents meet it. 42 U.S.C. 402(t).

¹¹ Although there is potential for fraud, the states routinely verify applicants' immigration documents and alien status. In addition, the Systematic Alien Verification for Entitlements (SAVE) program indicates that very few illegal aliens even apply for entitlement benefits.

III. ALIEN ELIGIBILITY UNDER THE WORK AND RESPONSIBILITY ACT OF 1994

The purpose of the alien eligibility provision in the WARA is to establish clearly and consistently those categories of aliens who are eligible for benefits under the SSI, AFDC, and Medicaid programs. As is done in the Food Stamps Act, the WARA deletes the term PRUCOL from the Social Security Act and identifies specifically the categories of aliens "qualified" under the Act. The absence of the "color of law" language will eliminate the ongoing uncertainty about alien eligibility under the affected programs and the categories of aliens covered in these programs.

In addition to LPRs (it should be noted that although LPRs will be categorically eligible for benefits, changes in the income deeming rules may make some LPRs ineligible), the WARA generally maintains eligibility for those categories of non-LPR aliens authorized and sanctioned by the government to remain in the U.S. permanently. Such authorization may come by statute, through a court order, or by the official action of the Executive branch. For example, asylees, refugees, and aliens granted amnesty under the Immigration Reform and Control Act of 1986 (IRCA) are eligible under the WARA provision. The WARA aims most particularly at excluding those who have entered illegally or have overstayed their legal entry but are not deported only because the INS lack the resources to do so. Although these aliens are in the United States with the INS' knowledge and permission and the INS does not contemplate deporting them, they do not have official permission to remain in the U.S. permanently and, accordingly, are not eligible for benefits.

There are important differences between the WARA and the alien eligibility provision in the HSA. First, the HSA follows the lead of SSI, Medicaid and AFDC by retaining PRUCOL, the effect of which could be -- whether intended or not -- to include the numerous categories of aliens covered under SSI, Medicaid, and AFDC. As explained above, the WARA does not refer to PRUCOL in its eligibility provision. Second, the HSA provides benefits to certain "long-term nonimmigrants." HSA § 1001(c)(3). The WARA, consistent with current law, denies all nonimmigrants benefits. Third, the HSA provides the National Health Board with the discretion to cover other unnamed categories of aliens. HSA § 1902(1)(G). Unlike the WARA which permits the Attorney General and the HHS Secretary together to grant eligibility to other categories of aliens only if it would serve a "humanitarian or other compelling public interest", there are no constraints on the discretion of the HSA's National Health Board.¹²

¹² The WARA drafters allow for some discretion because strictly following the contours of INA alien categorization in determining eligibility would undermine the administration's

The WARA provides that a "qualified alien" is one:

- (1) "who is lawfully admitted for permanent residence within the meaning of" INA § 101(a)(20);
- (2) "who is admitted as a refugee" pursuant to INA § 207;
- (3) "who is granted asylum" pursuant to INA § 208;
- (4) "whose deportation is withheld" pursuant to INA § 243(h), i.e., alien whose deportation is withheld because the alien has shown that deportation would threaten his or her life or freedom on account of race, religion, or political opinion;
- (5) "whose deportation is suspended" pursuant to INA § 244, i.e., an otherwise deportable alien who has been present in the U.S. for a continuous period of not less than 7 years (10 years for aliens deportable for committing certain acts) and whose deportation would result in extreme hardship;
- (6) "who is granted conditional entry" pursuant to INA § 203(a)(7) as in effect prior to April 1, 1980, i.e., an alien granted refugee status before the current refugee provision was adopted;
- (7) "who is lawfully admitted for temporary residence" pursuant to INA § 210 or § 245A, i.e., respectively, a seasonal agricultural worker or undocumented alien who became a permanent resident under IRCA;
- (8) "who is within a class of aliens lawfully present in the United States pursuant to any other provision [of the INA], provided that (i) the Attorney General determines that the continued presence of such class of alines serves a humanitarian or other compelling public interest, and (ii) the [HHS] Secretary determines that such interest would be further served by treating such alien within such class as a 'qualified alien'";
- (9) "who is the spouse or unmarried child under 21 years of age of a citizen of the United States, or the parent of such a citizen if the citizen is over 21 years of age, and with respect to whom an application for adjustment to lawful

policy of providing benefits to all individuals whose permanent presence in the U.S. has been authorized and sanctioned by the government. Many aliens are in this position, but fall within an official INA status that also includes aliens who are permitted to remain only because the INA does not want to expend the resources to deport them.

permanent residence is pending", i.e., an alien closely related to a U.S. citizen and who is seeking to become a permanent resident.

IV. COMPARING ELIGIBILITY UNDER THE CURRENT SSI, MEDICAID AND AFDC PROGRAMS TO THE HSA AND THE WARA

The following analysis, divided into two sections, compares the WARA's provisions for alien eligibility to the current eligibility provisions in AFDC, Medicaid, SSI and the Administration's proposed HSA. Section A groups together those alien categories generally eligible under all the benefit programs and proposed legislation considered in this memorandum. Section B highlights those groups generally eligible for SSI and Medicaid, but not HSA and WARA.

A. Aliens Generally Eligible Under SSI, Medicaid, AFDC, HSA and the WARA Proposals

- **Aliens admitted pursuant to INA § 203(a)(7):**
SSI -- 20 C.F.R. § 416.1618(b)(1)
Medicaid -- 42 C.F.R. § 436.408(b)(1)
AFDC -- 45 C.F.R. § 233.50(b)(2)

Explanation:

203(a)(7) aliens are individuals granted admission as "conditional entrants", the term used to describe refugees prior to the passage of the Refugee Act of 1980.¹³ INS believes that some 203(a)(7) refugees may still remain, although most have probably adjusted to immigrant status by now. Current AFDC, Medicaid and SSI regulations and the WARA take into account the possibility of their existence and grant them eligibility.

Eligible under WARA?

Yes.

Eligible under HSA?

No. However, this is probably due to an oversight by the drafters.

- **Aliens admitted as refugees pursuant to INA § 207:**
SSI -- 20 C.F.R. § 416.1618(b)(9)
Medicaid -- 42 C.F.R. § 436.408(b)(9)
AFDC -- 45 C.F.R. § 233.50(b)(1)

¹³ Currently, refugee status is granted pursuant to INA § 207, which took effect on April 1, 1980.

Explanation:

Refugees and asylees are permitted to reside in the U.S. on the grounds that they have a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion. Refugee status is sought while the alien is outside the U.S. The asylum applicant, on the other hand, is already present in the U.S. or at its border and must, to be granted asylum status, satisfy the requirements for refugee status.

Refugees and asylees generally may adjust to LPR status after one year of residence in the U.S., and may naturalize five years after entry. In addition to the benefits discussed here, refugees and asylees are eligible for cash and medical assistance under the Refugee Resettlement program.

Eligible under WARA?

Yes.

Eligible under HSA?

Yes.

• **Aliens granted asylum pursuant to INA § 208:**

SSI -- 20 C.F.R. § 416.1618(b)(8)

Medicaid -- 42 C.F.R. § 436.408(b)(8)

AFDC -- 45 C.F.R. § 233.50(b)(3)

Explanation:

See explanation of refugee above.

Eligible under WARA?

Yes.

Eligible under HSA?

Yes.

• **Aliens granted lawful temporary resident status pursuant to INA § 245A:**

SSI -- 20 C.F.R. § 416.1618(b)(16)

Medicaid -- 42 C.F.R. § 436.406(a)(3)

AFDC -- 45 C.F.R. § 233.50(c)

Explanation:

The Immigration Reform and Control Act of 1986 (IRCA) included an amnesty program which gave lawful temporary resident status (LTR) to otherwise undocumented aliens who arrived prior to January 1, 1982. An alien qualified for LTR by establishing that he or she arrived in the U.S. before January 1, 1982, and resided in the U.S. unlawfully and continuously before applying. After 18 months of LTR,

the alien must apply for adjustment to LPR status, otherwise the alien once again becomes undocumented.

A five-year period temporarily barring certain aliens legalized under IRCA from receiving AFDC and Medicaid expired for all amnesty aliens on May 5, 1993.

Eligible under WARA?

Yes.

Eligible under HSA?

Yes.

- **Aliens admitted for temporary residence under INA § 210 (Special Agricultural Workers or SAWs)¹⁴**
SSI -- 20 C.F.R. § 416.1615(a)(4)
Medicaid -- 42 C.F.R. § 436.406(a)(4)¹⁵
AFDC -- 45 C.F.R. § 233.50(c)

Explanation:

In addition to 245A aliens (aliens who had resided in the U.S. unlawfully since before January 1, 1982), IRCA also granted LTR to SAWs. Like the 245A long-term undocumented residents, SAWs are given an opportunity to adjust to LTR and then LPR status. The five-year disqualification period for Medicaid and AFDC expired on December 31, 1993.

Eligible under WARA?

Yes.

Eligible under HSA?

Yes.

- **Immediate relative petition approved and whose departure the INS does not contemplate enforcing.**
SSI -- 20 C.F.R. § 416.1618(b)(5)
Medicaid -- 42 C.F.R. § 436.408(b)(5)

¹⁴ In addition to 210 and 245A aliens, Congress in IRCA established a category of aliens known as Replenishment Agricultural Workers or RAWs. INA § 210A. RAWs could be legalized upon a determination that a shortage of SAWs existed. No shortage was ever found, and, therefore, there are no RAWs. SSI, Medicaid, AFDC and the HSA covers RAWs even though aliens have never been admitted under this provision and the legalization authority has expired. WRA does not include RAWs.

¹⁵ Although SAWs are not covered under the PRUCOL definition in the SSI and Medicaid regulations, the regulations specifically provide that they are eligible for benefits in a separate provision.

AFDC -- Action Transmittal

Explanation:

These are aliens who are admissible as LPRs, who have filed petitions to adjust to LPR status, and are immediate relatives¹⁶ of a U.S. citizen.

Eligible under WARA?

Yes. It provides coverage for an alien "who is the spouse or unmarried child under 21 years of age of a citizen of the United States, or the parent of such a citizen if the citizen is 21 years of age or older, and with respect to whom an application for adjustment to lawful permanent residence is pending."

Eligible under HSA?

Same as WARA.

- **Aliens whose deportation has been withheld pursuant to INA § 243(h).**

SSI -- 20 C.F.R. § 416.1618(b)(15)

Medicaid -- 42 C.F.R. § 436.408(b)(15)

AFDC -- Action Transmittal

Explanation:

Withholding of deportation under INA § 243(h) is granted when the alien shows that deportation would threaten his or her life or freedom on account of race, religion, nationality, membership in a particular social group or political opinion. Though similar in nature to asylum, withholding of deportation differs in that the alien may request withholding of deportation only as part of a deportation hearing, while he or she may request asylum at any time.

Eligible under WARA?

Yes.

Eligible under HSA?

Yes.

- **Aliens paroled under INA § 212(d)(5):**

SSI -- 20 C.F.R. § 416.1618(b)(2)

Medicaid -- 42 C.F.R. § 436.408(b)(2)

AFDC -- 45 C.F.R. § 233.50(b)(4)

¹⁶ Under the INA § 201(b)(2)(A)(i), an "immediate relative" means the children and spouses of a U.S. citizen, and the parents of a U.S. citizen if the citizen is at least 21.

Explanation:

212(d)(5) aliens are individuals who enter the U.S. lacking a visa or other necessary documentation, but are given temporary permission to remain pending further investigation. Parole is frequently granted because time and resource constraints prohibit the INS from conducting a thorough investigation at the border, and parole allows the INS time to determine whether the alien is admissible. Therefore, parolees have not "entered" the U.S. and may be excluded without formal deportation proceedings.

Parole may also be granted to aliens who do not meet all the requirements of refugee status but are permitted to remain as parolees for humanitarian reasons and are eligible to adjust to LPR status.

Eligible under WARA?

Not explicitly. Parolees, as a class of aliens, are not eligible under the WARA; however, the WARA provides that if both the Attorney General and the HHS Secretary agree, other categories of aliens (such as parolees) may be eligible if it would serve a "humanitarian or other compelling public interest." This provision is intended to benefit aliens granted parole for humanitarian as opposed to practicality reasons.

Eligible under HSA?

Only those paroled under INS § 212(d)(5) "indefinitely."¹⁷

- **Aliens granted extended voluntary departure as a member of a nationality group:**
SSI -- eligibility unclear
Medicaid -- 42 C.F.R. § 436.408(b)(16)
AFDC -- Not eligible

Explanation:

Persons granted "extended voluntary departure" (EVD) are eligible under Medicaid, not SSI. EVD, which is not codified in the INA, is granted at the discretion of the Attorney General to aliens who cannot return to their country of origin because of war, natural disaster or some similar danger. EVD involves blanket, temporary relief to nationals of designated countries.

According to INS, EVD has been out of use for many years and believes that few, if any, aliens remain in the U.S. under this status. In addition, all aliens who were granted EVD

¹⁷ The WARA drafters chose not to identify "indefinite" parolees because they are not statutorily distinct from other parolees.

were allowed to adjust to LPR status under IRCA and INS has indicated that anyone who has failed to adjust at this time will ultimately be able to adjust to LPR status.¹⁸

Eligible under WARA?

No.

Eligible under HSA?

Yes.

- **Aliens granted suspension of deportation pursuant to INA § 244 and whose departure the INS does not contemplate enforcing:**

SSI -- 20 C.F.R. § 416.1618(b)(14)

Medicaid -- 42 C.F.R. § 436.408(b)(14)

AFDC -- Action Transmittal

Explanation:

Suspension of deportation is granted at the discretion of the Attorney General to deportable aliens who have been present in the U.S. for a continuous period of not less than 7 years (10 years for aliens deportable for committing certain acts) and whose deportation would result in extreme hardship. The purpose of granting an alien suspension of deportation under § 244 is to ameliorate the harsh consequences of deportation for those aliens who have been present in the U.S. for long periods of time.

Eligible under WARA?

Yes.

Eligible under HSA?

No.

B. Aliens Generally Eligible Under SSI and Medicaid but Not HSA and WARA

- **Indefinite stay of deportation aliens:**

SSI -- 20 C.F.R. § 416.1618(b)(3)

Medicaid -- 42 C.F.R. § 436.408(b)(3)

AFDC -- Action Transmittal

¹⁸ EVD has been replaced by Temporary Protected Status (TPS), INA § 244A in the Immigration Act of 1990. The benefit of TPS, which is granted to aliens from countries designated by the Attorney General to be dangerous, is that it provides the alien with work authorization and relief from deportation. However, it is temporary relief and TPS aliens receive no benefits under any federal assistance programs.

Explanation:

These are aliens who are deportable, but are issued an indefinite stay of deportation for humanitarian reasons, or because technical difficulties which cannot be overcome prevent deportation. This category is no longer used by the INS.

Eligible under WARA?

No.

Eligible under HSA?

No.

- **Aliens granted voluntary departure pursuant to INA § 242(b) and whose departure the INS does not contemplate enforcing:**
SSI -- 20 C.F.R. § 416.1618(b)(10)
Medicaid -- 42 C.F.R. § 436.408(b)(10)
AFDC -- Action Transmittal (if deportation not less than one year)

Explanation:

The INS may permit aliens who are under or about to be under deportation proceedings the right to depart from the U.S. voluntarily at their own expense in lieu of deportation.

Aliens, particularly those who have conceded deportability, seek the relief of voluntary departure because it (1) protects them from the stigma of deportation, (2) enables the alien to select her/his own destination, and (3) most importantly, facilitates the possibility of immediate return to the U.S. because they are not considered "deported" by the INS and may re-apply for admission after departure.¹⁹ Aliens found deportable because of criminal activities are not eligible for voluntary departure. Voluntary departure is generally granted for a fixed period, varying from 30 days to a year.

Eligible under WARA?

No.

Eligible under HSA?

No.

- **Indefinite voluntary departure aliens:**
SSI -- 20 C.F.R. § 416.1618(b)(4)
Medicaid -- 42 C.F.R. § 436.408(b)(4)
AFDC -- Action Transmittal

¹⁹ Aliens deported generally may not re-enter for five years.

Explanation:

In some cases the INS will grant "indefinite voluntary departure." These are essentially Cuban refugees who entered the U.S. surreptitiously, but had they entered the U.S. at a designated port of entry they would have been paroled and ultimately would receive their green card if they applied. Upon apprehension, these individuals will be granted voluntary departure for an indefinite period. It is possible that at present there are no aliens who have this status.

Ironically, an alien's situation could improve by being caught. If they are caught, the INS may grant them voluntary departure, and, for the granted time period, they would be eligible for SSI and Medicaid. If they are not caught, they are simply undocumented and would be ineligible.

Eligible under WARA?

No.

Eligible under HSA?

No.

- Applicants for adjustment of status pursuant to INA § 245 and whose departure the INS does not contemplate enforcing:
SSI -- 20 C.F.R. § 416.1618(b)(6)
Medicaid -- 42 C.F.R. § 436.408(b)(6)
AFDC -- Not eligible

Explanation:

These are nonimmigrant aliens who enter the U.S. as nonimmigrants and then apply to the INS to adjust to LPR status.

Eligible under WARA?

No.

Eligible under HSA?

No.

- Aliens granted stays of deportation by court order, statute or regulation, or by an individual determination of the INS pursuant to INA § 106 and whose departure the INS does not contemplate enforcing:
SSI -- 20 C.F.R. § 416.1618(b)(7)
Medicaid -- 42 C.F.R. § 436.408(b)(7)
AFDC -- Action Transmittal (only if indefinite)

Explanation:

These are aliens who have been ordered deported by the INS

but are granted a stay of that order at the discretion of the INS district director.

Eligible under WARA?

No.

Eligible under HSA?

No.

• **Aliens granted deferred action status:**

SSI -- 20 C.F.R. § 416.1618(b)(11)

Medicaid -- 42 C.F.R. § 436.408(b)(11)

AFDC -- Action Transmittal

Explanation:

Deferred action status, which is granted at the discretion of the INS district director, allows the INS to refrain from taking any steps with regard to deporting certain aliens. This classification helps to make better use of INS resources by giving certain less urgent cases a lower priority.

Eligible under WARA?

No.

Eligible under HSA?

No.

• **Aliens residing in the U.S. under orders of supervision pursuant to INA § 242.**

SSI -- 20 C.F.R. § 416.1618(b)(12)

Medicaid -- 42 C.F.R. § 436.408(b)(12)

AFDC -- Action Transmittal

Explanation:

These are aliens against whom a final order of deportation has been outstanding for more than 6 months (usually due to processing backlogs and other technical problems) and are, therefore, subject to supervision pending their deportation.

Eligible under WARA?

No.

Eligible under HSA?

No.

• **Aliens who have entered and continuously resided in the U.S. since before 1/21/72:**

SSI -- 20 C.F.R. § 416.1618(b)(13)

Medicaid -- 42 C.F.R. § 436.408(b)(13)

AFDC -- Action Transmittal

Explanation:

INA § 249 permits aliens who have resided continuously in the U.S. since before 1/21/72 to qualify for lawful permanent resident status, unless that person engaged in a deportable offense.

Eligible under WARA?

No.

Eligible under HSA?

No.

- **Any other aliens living in the U.S. with the knowledge and permission of the INS and whose departure the INS does not contemplate enforcing:**

SSI -- 20 C.F.R. § 416.1618(b)(17)

Medicaid -- 42 C.F.R. § 436.408(b)(16)

AFDC -- Not eligible

Explanation:

This "catch-all" is the crux of the expansive PRUCOL definition for SSI and Medicaid as mandated by Berger v. Heckler, 771 F.2d 1556 (2d Cir. 1985). Essentially, if an alien's status does not fit into one of the previous categories, the alien will be eligible if, "on all the facts and circumstances in that particular case, it appears that the INS is otherwise permitting the alien to reside in the U.S. indefinitely." Id. at 1577 n. 33.

Eligible under WARA?

No.

Eligible under HSA?

No.

Alien Eligibility Under Medicaid/SSI, AFDC and the WARA

CATEGORY	SSI/ MEDICAID	AFDC	WARA
Conditional entrant refugees under INA § 203(a)(7)	YES	YES	YES
Paroled under INA § 212(d)(5)	YES	YES	NO ²⁰
Immediate relative petition approved	YES	YES	YES
Asylee status under INA § 208	YES	YES	YES
Refugee status under INA § 207	YES	YES	YES
Withholding of deportation under INA § 243(h)	YES	YES	YES
Lawful temporary resident status under INA § 245A	YES	YES	YES
Suspension of deportation under INA § 244	YES	YES	YES
Special Agricultural Workers under INA § 210	YES	YES	YES
Indefinite stay of deportation	YES	YES ²¹	NO
Indefinite voluntary departure	YES	YES	NO
Applicants for adjustment of status under INA § 245	YES	NO	NO
Stay of deportation by court order, statute or reg under INA § 106	YES	YES	NO
Voluntary departure under INA § 242(b)	YES	NO	NO
Deferred action status	YES	YES	NO
Residing in U.S. under order of supervision under INA § 242	YES	YES	NO
Entered and continuously resided in U.S. since before 1/21/72	YES	YES	NO
Extended voluntary departure	Medicaid: Yes SSI: No	NO	NO
Any other aliens living in the U.S. with the knowledge and permission of the INS and whose departure the INS doesn't contemplate enforcing	YES	NO	NO
Temporary protected status (TPS) under INA § 244A	NO	NO	NO
Nonimmigrants	NO	NO	NO

²⁰ Although parolees are not explicitly covered under the WRA, the Attorney General and the HHS Secretary together may grant eligibility to certain aliens for humanitarian and other public interest reasons. This would most often benefit parolees.

²¹ If stay is indefinite.



July 8, 1994

MEMORANDUM

TO: Mary Jo Bane
David Ellwood
Bruce Reed ✓
Wendell Primus
Melissa Skolfield
Richard Tarplin

FROM: Michael Wald *MSW*
Deputy General Counsel

SUBJECT: Work and Responsibility Act of 1994, Aliens

The attached memo, prepared by Andy Hyman of our office in consultation with David Nielsen of ASPE, provides background information about the treatment of aliens with respect to benefit eligibility under the Work and Responsibility Act of 1994. I thought it might be useful to you for answering questions.

Attachment

WR - Immigrants

COMPARISON OF REPUBLICAN PROPOSALS RELATING TO IMMIGRANTS

The CBO estimate of the House Republican Welfare Reform bill (HR. 3500) attributed savings related to the immigrant provisions of \$6.8 billion in FY 1998, and \$21.3 billion over five years (see Table 1).

Table 1
ELIMINATE BENEFITS TO CERTAIN NON-CITIZENS IN SSI, MEDICAID,
FOOD STAMPS, AND AFDC--HOUSE REPUBLICAN PLAN
(billions)

	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>5-Yr Total</u>
SSI	0.0	-1.2	-2.5	-2.7	-3.0	-9.4
Medicaid	0.0	-0.9	-2.1	-2.4	-2.7	-8.1
Food Stmp	0.0	-0.4	-0.8	-0.8	-0.8	-2.8
AFDC	0.0	-0.1	-0.3	-0.3	-0.3	-1.0
TOTAL	0.0	-2.6	-5.7	-6.2	-6.8	-21.3

more like
\$28 B
over 5

The key provisions/assumptions underlying the estimates in Table 1 are--

- ▶ **Proposal would affect all current legal immigrant beneficiaries and prospective applicants--thus, those legal immigrants currently receiving benefits that would no longer be eligible under the Republican bill, would have their benefits taken away after one-year implementation period (i.e., programs have one year to notify current recipients of new provisions).**
- ▶ **The following classes of legal immigrants would be eligible for the four programs: 1) refugees; 2) former refugees whose status has been adjusted to lawfully admitted for permanent resident (LAPR, or "green card holder")-- Eligibility for this group would be limited to six years after adjustment to LAPR status; four years if LAPR status is the result of marriage to a U.S. citizen; and 3) immigrants who are LAPR or PRUCOL who are at least 75 years old and who have been lawfully admitted under such statuses for at least five years.**
- ▶ **The following classes of legal immigrants would be ineligible for the four programs: 1) most legal permanent residents, or "green card" holders; 2) parolees; 3) asylees; and 4) other permanent residents under PRUCOL (such as Cuban/Haitian entrants, diversity immigrants, dependents of legalization--or IRCA--immigrants).**

- ▶ **Proposal would be enacted April 1, 1994; States would deny benefits effective April 1, 1995.**
- ▶ **States would continue to provide emergency Medicaid services to all non-citizens.**

The Senate Republican Welfare Reform bill (S. 1795) was introduced January 25, 1994, and would affect alien eligibility for five Federal programs (AFDC, SSI, Medicaid, Food Stamps, and Unemployment Compensation). No cost estimates are currently available for this proposal, and there are ongoing analyses on the effects of the bill on immigrants. The key provisions of the Senate bill are--

- ▶ **Proposal would affect all current legal immigrant beneficiaries and prospective applicants--thus, those legal immigrants currently receiving benefits would be affected by the Senate bill. Programs must notify current recipients who would be affected.**
- ▶ **The following classes of legal immigrants would be eligible for the five Federal programs: 1) nationals of the United States; 2) aliens lawfully admitted for permanent residence; 3) refugees; 4) asylees; 5) aliens whose deportation has been withheld under section 243(h) of the INA; or 6) parolees who have been paroled for a period of 1 year or more.**
- ▶ **All other classes of current legal immigrants not listed above would be ineligible for the five programs: For example, potentially dependents of legalization--or IRCA--immigrants.**
- ▶ **Extend sponsor-to-alien deeming from five years until the alien becomes a naturalized citizen: This provision would also change the deeming computation to count 100 percent of a sponsor's income and resources as being available to the sponsored alien. (Current deeming allows for some amount of the sponsor's income and resources to be considered available to the sponsor and the sponsor's spouse and/or children.) SSI estimates that these deeming provisions would disallow eligibility for virtually all sponsored legal aliens.**
- ▶ **One year limit on the receipt of benefits by all legal immigrants, after which the programs must report immigrants to the INS to be considered as "public charges", which renders an immigrant as potentially deportable: Since virtually no immigrants are deported based on the public charge provisions in the Immigration and Nationality Act, it is unclear whether the bill envisions a stronger enforcement of those provisions by the INS (a total of 12 immigrants**

were deported due to public charge from 1981 through 1991). The bill does not require a denial of benefits to immigrants who receive benefits beyond the one-year period.

If this provision was enforced, another difficulty would be in determining what country refugees and asylees might be deported to, since in order to receive refugee/asylee status they have proven that they are subject to substantial persecution in their home country. INS is analyzing this provision to see whether other statutory requirements may render the one-year limit and "public charge" provision of the Senate bill meaningless in the cases of refugees/asylees.

- ▶ Proposal would be effective on the date of enactment.
- ▶ States would continue to provide emergency Medicaid services to all non-citizens.

Both the House and Senate bills would require the names, addresses, and other identifying information of all illegal alien parents of citizen children on AFDC to be reported to the INS.

Both bills provide time to implement this provision--one year in the House bill; and the first day of the first fiscal year after the date of enactment in the Senate bill (although additional time may be allowed a state agency if state legislation is required).

ANALYSIS

Compared to various other options affecting the receipt of benefits by immigrants (e.g., maintaining current deeming rules, but extending the time period and grandfathering current recipients), the larger savings in the House Republican plan are due to a number of factors, including--

- ▶ **The most significant difference is the "retroactive" implementation of the House Republican plan.** The Republican plan would have the effect of denying benefits to millions of current recipients. Other proposals might be considered that would not throw any currently eligible immigrant recipients off the rolls. (See Table 3 for effect on beneficiaries of the House Republican plan, and a comparison with an alternative that would continue deeming until the immigrant became a naturalized citizen but would only affect applications filed after implementation date--i.e., grandfather current recipients).
- ▶ **Utilizing current deeming rules does not make legal immigrants ineligible for benefits--per se--although the provisions do have the effect of keeping a number of sponsored legal immigrants off the rolls, due to the amount of income of sponsors.** However, if a sponsor's income and

resources are low, the sponsored alien may be eligible for, and receive, benefits. Also, deeming does not apply to aliens who become blind or disabled after entry into the United States. In 1992, perhaps as many as 650,000-700,000 out of 975,000 immigrants admitted in that year would have had sponsors and thus be affected by extending the deeming period (although not all, not even most, of the sponsored aliens would **apply** for benefits when eligible after the 3 year/5 year current law).

Table 3
NUMBER OF INDIVIDUALS AFFECTED BY IMMIGRANT-RELATED PROPOSALS
IN FIRST YEAR OF IMPLEMENTATION

	<u>House Republican Plan</u> (CBO estimates)	<u>Alternative</u> ¹
SSI	520,000	20,000
Medicaid	950,000	2,000
Food Stamps	900,000	112,000
AFDC	420,000	1,500
TOTAL	2,790,000	135,500

Clearly, there are significant savings that can be realized by the House Republican plan by denying benefits to 2.8 million legal immigrants, most of which are currently receiving welfare benefits. A number of issues can be raised about the Republican approach--

- ▶ To what extent does denying benefits to current recipients-- which represents a radical economic disruption for current legal immigrant families--merely displace responsibility for the basic welfare of these immigrants from the Federal to the State/local level?
- ▶ The 2.8 million affected by the Republican plan would be felt disproportionately by "high immigration" States (i.e., California, New York, Florida, Texas, Illinois, New Jersey).
- ▶ Most of the immigrant SSI recipients are elderly. Will a significant number of the 520,000 SSI recipients require institutionalization as a result of the Republican policy?

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Conversely, alternative proposals would affect far fewer

¹. This alternative would extend the deeming period in SSI, AFDC, and Food Stamps to until the sponsored-immigrant attained naturalized citizenship.

individuals and achieve far less savings. However, applying the policies "prospectively" and for selected immigrants (e.g., only those immigrants who have had sponsors sign an Affidavit of Support, and whose sponsors have sufficient income and resources to provide support) runs much less risk of causing severe disruption of people's basic safety net, and will have much less of a "displacement effect" vis-a-vis the States.

Also, the savings under various alternative proposals may increase relatively substantially in the "out-years" (i.e., beyond the five-year period), but probably not until after 10 to 15 years.

Finally, the provisions in the Senate Republican bill are somewhat less draconian than the House bill. Thus, savings are likely to be less than the House bill. The assumptions used with regard to implementation of the one-year limit will be a critical factor in determining the level of savings and number of immigrants affected (i.e., whether and to what degree INS enforces deportation, and whether refugees will be deported). These analyses are currently being completed in conjunction with program staff and INS staff.

WR - Immig.

Congressional Hispanic Caucus **NEWS RELEASE**



244 Ford Building, Washington, D.C. 20515 • (202) 226-3430

FOR IMMEDIATE RELEASE
June 14, 1994

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CAUCUS EXPRESSES "DEEP CONCERN" OVER PROVISIONS OF ADMINISTRATION'S WELFARE REFORM PROPOSAL

WASHINGTON, D.C. -- June 14 -- "The Congressional Hispanic Caucus will actively oppose those provisions harmful to the goal of self-sufficiency of low-income Americans," Congressman José E. Serrano said today in response to the Administration's proposal for welfare reform.

Caucus Chair Serrano said, "We support welfare reform that will place low-income families on the path toward self-sufficiency.

"However, provisions of the plan would jeopardize the lives of those in most need by cutting food stamps programs, emergency aid, Aid to Families with Dependent Children and Supplemental Security Income."

"By cutting these programs we would be placing the financial burden of welfare reform on the poor, legal immigrants, the homeless, disabled, and the aged," he said.

Congresswoman Nydia Velázquez said, "I support the President's goal of real welfare reform. However, I cannot support a plan that is financed on the backs of immigrants, that fails to guarantee real jobs with benefits, or that punishes women and children unfairly." Velázquez, a member of the Caucus, is also Chair of the CHC taskforce on welfare reform.

"The Caucus does applaud the effort to increase job training and child care which would provide welfare recipients with the tools to become self-sufficient. Our communities will greatly benefit from increased education and training opportunities," Serrano said.

"However, we will work through the legislative process to ensure that there are opportunities for education and training beyond the high school level and placement into jobs that provide a living wage and benefits."



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Assistant Secretary
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Washington, D.C. 20201

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

DATE: June 15, 1994

RE: Congresssional Hispanic Caucus News Release on Welfare Reform

PAGES: 2 (including cover)

NON-CITIZENS PROVISIONS

UR -
Immigrants

A. ELIGIBILITY FOR NON-CITIZENS

1. Apply a Uniform Standard for Determining Alien Eligibility for Non-Citizens Under AFDC, Supplemental Security Income, and Medicaid

Current Law:

Assuming they meet all other eligibility requirements, foreign nationals residing in the United States must be lawfully admitted for permanent residence or "permanently residing in the United States under color of law" (PRUCOL) to qualify for benefits of the AFDC, Supplemental Security Income (SSI), or Medicaid programs.

The term PRUCOL applies to certain individuals who are neither U.S. citizens nor aliens lawfully admitted for permanent residence. Aliens who are PRUCOL entered the United States either lawfully in a status other than lawful permanent residence or unlawfully. PRUCOL status is not a specific immigration status but rather includes many other immigration statuses. Under the SSI statute, PRUCOL aliens include those who hold parole status. The AFDC statute defines aliens who have been granted parole, refugee, or asylum status as PRUCOL, as well as aliens who had conditional entry status prior to April 1, 1980. The Medicaid statute uses the term PRUCOL but provides no guidance as to the meaning of the term.

In addition to the revisions in the regulations reflecting the interpretation of section 1614(a)(1)(B) of the Social Security Act resulting from the court in the Berger and Sudomir decisions discussed below, PRUCOL status also is defined in AFDC, SSI and Medicaid regulations as including aliens:

- *who have been placed under an order of supervision or granted asylum status;*
- *who entered before January 1, 1972, and continuously resided in the United States since then;*
- *who have been granted "voluntary departure" or "indefinite voluntary departure" status; and*
- *who have been granted indefinite stays of deportation.*

In the case of Berger v. Secretary, HHS, the U.S. Court of Appeals for the 2d Circuit interpreted PRUCOL for the SSI program to include 15 specific categories of aliens and also those aliens whom the Immigration and Naturalization Service (INS) knows are in the country and "does not contemplate enforcing" their departure. SSA follows the Berger court's interpretation of the phrase "does not contemplate enforcing" to include aliens for whom the policy or practice of the INS is not to enforce their departure as well as aliens whom it appears the INS is otherwise permitting to reside in the United States indefinitely. The Medicaid regulations include the same Prucol categories as the SSI regulations.

The Sudomir v. Secretary, HHS decision, which focused on AFDC eligibility for asylum applicants, was less expansive. The U.S. Court of Appeals for the 9th Circuit determined that AFDC eligibility would extend only to those aliens allowed to remain in the United States with a "sense of permanence." Applicants for asylum are thus specifically excluded from receiving AFDC benefits by this decision even though they would not necessarily be disqualified for SSI due to the Berger decision.

Specifications

- (a) Eliminate any reference to PRUCOL as an eligibility category in titles IV, XVI, and XIX of the Social Security Act (the Act). Standardize the treatment of aliens under these titles by identifying in the statute the specific immigration statuses in which non-citizens must be classified by INS in order to qualify to be considered for AFDC, SSI, or Medicaid eligibility. Specifically, provide that only aliens in the following immigration statuses could qualify--
- lawfully admitted for permanent residence within the meaning of section 101(a)(20) of the Immigration and Nationality Act (INA);
 - residing in the United States with lawful temporary status under sections 245A and 210 of the INA (relating to certain undocumented aliens legalized under the Immigration Reform and Control Act of 1986);
 - residing in the United States as the spouse or unmarried child under 21 years of age of a citizen of the United States, or the parent of such citizen if the citizen is over 21 years of age, and with respect to whom an application for adjustment to lawful permanent resident is pending; or
 - residing in the United States as a result of the application of the provisions listed below:
 - sections 207 of the INA (relating to refugees) or 203(a)(7) of the INA (relating to conditional entry status as in effect prior to April 1, 1980);
 - section 208 of the INA (relating to asylum);
 - section 212(d)(5) of the INA (relating to parole status) if the alien has been paroled for an indefinite period;
 - section 902 of Public Law 100-202 granting extended voluntary departure as a member of a nationality group [NOTE: this provision may be excluded]; and
 - section 243(h) of the INA (relating to a decision of the Attorney General to withhold deportation).
- (b) The proposal would continue the eligibility of those aliens eligible for AFDC, SSI, or Medicaid on the effective date of the amendment who began their periods of eligibility before enactment for as long as they remain continuously eligible.
- (c) The proposal would also allow state and local programs of assistance to utilize the same criteria for eligibility.

Rationale

Some aliens currently considered PRUCOL did not enter the United States as immigrants under prescribed immigration procedures and quotas, but entered illegally. Others entered legally under temporary visas but did not depart. The courts have determined some of these aliens to be eligible for benefits under the definition of PRUCOL, even though such individuals have not received from INS a deliberate immigration decision and status for permanent presence in the United States. In essence, these aliens are similar to illegal aliens except that they have been caught, which under current law can ironically improve an alien's situation. That is, if they are caught, INS will likely grant them one of the "PRUCOL statuses"--such as voluntary departure or suspended deportation--which allows them

to be eligible for SSI, AFDC, and/or Medicaid. If they are not caught, they are simply undocumented and are not eligible for any benefits other than emergency medical services. Therefore, it is reasonable to restrict AFDC, SSI, and Medicaid eligibility to specific categories of aliens who have entered the United States lawfully or who are likely to obtain permanent resident status.

Determining which aliens must be considered for eligibility for Social Security Act programs has become excessively confusing due to judicial actions, and it is subject to ongoing challenge in the courts. This confusion--characterized by the different treatment by different programs of similar individuals--would be remedied by establishing in statute a uniform definition of alien eligibility. The proposal would provide such a uniform definition by listing the immigrant statuses and specifically citing the provisions of the INA under which they are granted, thereby eliminating the ongoing uncertainty about the precise scope of the eligibility conditions and potential inconsistencies regarding alien eligibility in the three programs. Additionally, the alien eligibility categories proposed for AFDC, SSI, and Medicaid would be consistent with the proposed categories in the Administration's Health Security Act. The Food Stamp program has avoided similar problems because the categories of aliens eligible for assistance under the program have been specifically listed in law. This proposal seeks to do the same for AFDC, SSI, and Medicaid. The proposal would save administrative resources and costs. The case development required to determine if an alien is considered PRUCOL generally is time-consuming because SSA and state AFDC and Medicaid agencies must verify the alien's status with INS. In many cases, an alien's status as PRUCOL must be re-verified annually.

B. SPONSOR-TO-ALIEN DEEMING

Current Law: Under immigration law and policies, most aliens lawfully admitted for permanent residence and certain aliens paroled into the United States are required to have sponsors.

As a condition of entry as a lawful permanent resident, almost all immigrants must satisfy the admitting officer that they are not likely to become a public charge in the United States. For many immigrants, this requirement is met by having a relative who is a U.S. citizen or legal permanent resident agree to "sponsor" the immigrant. Sponsors sign affidavits of support or similar agreements provided by the Department of State or the Immigration and Naturalization Service affirming that they will be responsible for supporting the immigrants and ensuring that the immigrants will not become public charges. However, these pledges are not enforceable and, by themselves, have no effect on whether the immigrants can qualify for public assistance. Therefore, Congress has enacted provisions in certain public assistance programs, including Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), and the Food Stamp program, to limit sponsors' shifting their responsibilities to the programs. The affidavit of support informs the sponsor and the immigrant of the deeming rules that will be applied to the immigrant by the SSI, AFDC, and Food Stamp programs.

Sections 1614(f)(3), 1621(a), and 415 of the Social Security Act provide that in determining SSI and AFDC eligibility and benefit amount for an alien, his sponsor's (and sponsor's spouse's) income and resources are deemed to the alien for 3 years after the alien's entry into the United States. Public Law 103-152 extends the period of sponsor-to-alien deeming in the SSI program from 3 to 5 years for those applying for benefits beginning January 1, 1994 and ending October 1, 1996. For the SSI program, these deeming provisions do not apply to an alien who becomes blind or disabled after entry into the U.S. The Food Stamp program currently provides for a three-year sponsor-to-alien deeming period. In general, most SSI and AFDC recipients are eligible for Medicaid benefits. However, title XIX of the Act--governing the Medicaid program--does not have provisions on sponsor-to-alien deeming. Immigration law provides generally that an alien who has resided continuously in the United States for at least 5 years after being lawfully admitted for permanent residence may file an application for U.S. citizenship.

Specifications

- (a) Extend sponsor-to-alien deeming under the SSI, AFDC, and Food Stamp programs to ten years, or citizenship, whichever occurs first.
- (b) Allow state and local programs of assistance to disqualify from participation in general assistance any alien who is disqualified from participation in the SSI, AFDC, and Food Stamp programs due to sponsor-to-alien deeming.
- (c) Effective with respect to applications filed and reinstatements of eligibility following a month or months of ineligibility on or after October 1st 1994.
- (d) Exempt from sponsor-to-alien deeming under SSI, AFDC, and Food Stamps the amount or value of any needs-based assistance received by a sponsor.
- (e) Allow the Secretary to alter or suspend the sponsor-to-alien deeming provisions on an individual case basis where it is determined that application of the standard sponsor-to-alien deeming provisions would be inequitable under the circumstances.
- (f) Exempt from sponsor-to-alien deeming under the Food Stamp program any sponsored alien who becomes blind or disabled after entry into the U.S.
- (g) Raise the Food Stamp resource limit under sponsor-to-alien deeming to conform with the general resource limit under Food Stamps.

Rationale

The number of immigrants entering the U.S. has been increasing recently and has had effects on the number of persons receiving benefits. For example, in the SSI program the number of immigrants who received SSI in December 1992 was more than double the number who received benefits in December 1987. Twenty-four percent of aliens lawfully admitted for permanent residence on the SSI rolls in December 1992 came onto the rolls within 12 months after their 3-year sponsor-to-alien deeming period ended, indicating that the deeming provision is instrumental in delaying alien eligibility for SSI. Extending the deeming period to ten years for lawfully admitted permanent residents for whom an affidavit of support has been signed avoids increases in benefit program costs which would otherwise occur as a result of increasing immigration into the United States.

For example, under the SSI program, many elderly immigrants are sponsored by their children who have signed affidavits of support. It seems equitable to require the children to continue to support their relatives beyond the 3-year (or 5-year) period, rather than allow the parents to obtain welfare entitlement benefits solely on the basis of age, particularly if the sponsors are financially able to continue supporting the immigrants they have sponsored. Sponsors generally have sufficient income and resources to support their alien relatives as indicated by the fact that only 9 percent of sponsored aliens on the SSI rolls in December 1992 became recipients within their first 3 years in the United States. Nothing in this proposal would prohibit a sponsored alien from becoming eligible for benefits if the sponsor's income and resources were depleted sufficiently to meet eligibility criteria--as is the case with current law. This proposal merely requires sponsors to continue for a longer period of time to accept financial responsibility for those immigrants they choose to sponsor.

Once aliens become citizens, it is appropriate to discontinue sponsor deeming. Aliens generally can apply for citizenship after 5 years' residence in the United States.

SEC. . UNIFORM ALIEN ELIGIBILITY CRITERIA FOR PUBLIC ASSISTANCE PROGRAMS.

Subsection (a) amends the Social Security Act to establish uniform alien eligibility criteria for the AFDC, SSI, and Medicaid programs. Under the amendment, only aliens who fall into one of the following categories could receive assistance under those programs:

- o lawful permanent residents;
- o refugees;
- o asylees;
- o individuals whose deportation is withheld by the Attorney General;
- o conditional entrants;
- o parolees;
- o lawful temporary residents;
- o individuals granted extended voluntary departure as a member of a nationality group by the Attorney General; or
- o certain close relatives of citizens who have pending an application for adjustment to lawful permanent residence status.

Subsection (b) would authorize States and political subdivisions to use the same alien eligibility criteria in their administration of general assistance programs.

Subsection (c) provides that subsection (a) is effective with respect to benefits payable on the basis of applications filed after the date of enactment, and subsection (b) is effective upon the date of enactment.

SEC. . UNIFORM ALIEN ELIGIBILITY CRITERIA FOR PUBLIC ASSISTANCE PROGRAMS.

(a) Federal and Federally-Assisted Programs.--

(1) Program eligibility criteria.--

(A) Aid to Families with Dependent Children.--

Section 402(a)(33) of the Social Security Act is amended by striking "(A) a citizen" and all that follows and inserting the following:

"(A) a citizen or national of the United States, or

"(B) a qualified alien (as defined in section 1101(a)(10)), provided that such alien is not disqualified from receiving aid under a State plan approved under this part by or pursuant to section 210(f) or 245(h) of the Immigration and Nationality Act or any other provision of law;"

(B) Supplemental Security Income.--Section 1614(a)(1)(B)(i) of such Act is amended to read as follows:

"(B)(i) is a resident of the United States, and is either (I) a citizen or national of the United States, or (II) a qualified alien (as defined in section 1101(a)(10)), or"

(C) Medicaid--

(i) Section 1903(v)(1) of such Act is amended to read as follows:

"(v)(1) Notwithstanding the preceding provisions of this section, (A) no payment may be made to a State under this section

for medical assistance furnished to an individual who is disqualified from receiving such assistance by or pursuant to section 210(f) or 245(h) of the Immigration and Nationality Act or any other provision of law, and (B) except as provided in paragraph (2), no such payment may be made for medical assistance furnished to an individual who is not a (i) citizen or national of the United States, or (ii) qualified alien (as defined in section 1101(a)(10))."

(ii) Section 1903(v)(2) of such Act is amended by--

(I) striking "paragraph (1)" and inserting "paragraph (1)(B)"; and

(II) striking "alien" each place it appears and inserting "individual".

(iii) Section 1902(a) of such Act is amended in the last sentence by striking "alien" and all that follows and inserting "individual who is not (A) a citizen or national of the United States, or (B) a qualified alien (as defined in section 1101(a)(10)) only in accordance with section 1903(v)".

(iv) Section 1902(b)(3) of such Act is amended by inserting "or national" after "citizen".

(2) Definition of term "Qualified Alien"--Section 1101(a) of such Act is amended by adding at the end the following new paragraph:

"(10) The term 'qualified alien' means an alien--

"(A) who is lawfully admitted for permanent residence within the meaning of section 101(a)(20) of the Immigration and Nationality Act;

"(B) who is admitted as a refugee pursuant to section 207 of such Act;

"(C) who is granted asylum pursuant to section 208 of such Act;

"(D) whose deportation is withheld pursuant to section 243(h) of such Act;

"(E) who is granted conditional entry pursuant to section 203(a)(7) of such Act as in effect prior to April 1, 1980;

"(F) who is paroled into the United States pursuant to section 212(d)(5) of such Act for an indefinite period;

"(G) who is lawfully admitted for temporary residence pursuant to section 210 or 245A of such Act, or section 902 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1988 (Public Law 100-202);

"(H) who has been granted extended voluntary departure as a member of a nationality group by the Attorney General; or

"(I) who is the spouse or unmarried child under 21 years of age of a citizen of the United States, or the parent of such a citizen if the citizen is 21 years of age or older, and with respect to whom an application for adjustment to lawful permanent residence is pending;

such status not having changed."

(b) State and Local Programs.--A State or political subdivision therein may provide that an alien is not eligible for any program of assistance based on need that is furnished by such State or political subdivision unless such alien is a "qualified alien" within the meaning of section 1101(a)(10) of the Social Security Act (as added by subsection (a)(2) of this section).

(c) Effective Date.--

(1) The amendments made by subsection (a) are effective with respect to benefits payable on the basis of any application filed after the date of enactment of this Act.

(2) Subsection (b) is effective upon the date of enactment of this Act.

SEC. . ELIGIBILITY OF SPONSORED ALIENS FOR CERTAIN PROGRAMS.

Subsection (a)(1) would extend to 10 years the period during which the income and resources of an individual who sponsored an alien's entry into the United States (by executing an affidavit of support for the alien) is deemed to the alien for purposes of determining the alien's eligibility for the Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), and Food Stamp programs. (Currently, a sponsor's income and resources are deemed to an alien for 3 three years under the AFDC and Food Stamp programs, and 5 years*/ under the SSI program.)

Subsection (a)(2) would clarify that the continuing obligation imposed by current law on an alien to repay any overpayment arising as a result of a failure to provide correct information about a sponsor's income and resources is not terminated upon a change of status to that of naturalized citizen.

Subsection (b) would authorize States and political subdivisions to disqualify from participation in general assistance programs any alien who is disqualified from participation in the SSI, AFDC, or Food Stamp program because of his or her sponsor's income.

Subsection (c)(1) provides that the amendments made by subsection (a)(1) are effective with respect to benefits for months beginning after September 30, 1994, that are payable on the basis of an application filed after such date, or an application filed on or before such date by an individual who is still subject to the deeming period imposed by applicable law on such date.

Subsection (c)(2) provides that the clarifications made by subsection (a)(2) are effective upon enactment.

Subsection (c)(3) provides that subsection (b) is effective on October 1, 1994.

*/ The period during which a sponsor's income and resources are deemed to an alien for purposes of determining SSI eligibility is scheduled under current law to be reduced to 3 years on October 1, 1996.

SEC. . ELIGIBILITY OF SPONSORED ALIENS FOR CERTAIN PROGRAMS.

(a) Extension to 10 Years of the Period During Which a Sponsor's Income and Resources are Deemed to an Alien for Purposes of Eligibility Determinations Under the Aid to Families with Dependent Children, Supplemental Security Income, and Food Stamp Programs.--

(1) In general.--

(A) AFDC.--Section 415 of the Social Security Act is amended by striking "three years" each place such phrase appears and inserting "10 years".

(B) SSI.--

(i) Section 1621 of the Social Security Act is amended by striking "5 years" each place such phrase appears and inserting "10 years".

(ii) Subsection (b) of section 7 of the Unemployment Compensation Amendments of 1993 (Public Law 103-152) is repealed.

(C) Food Stamps.--Section 5(i) of the Food Stamp Act of 1977 is amended by striking "three years" each place such phrase appears and inserting "10 years".

(2) Clarification regarding the continuing obligation of naturalized citizens to repay certain overpayments received prior to naturalization.--

(A) AFDC.--Section 415(d) of the Social Security Act (as previously amended by paragraph (1)(A)) is further amended by adding at the end the following sentence: "If an individual who is an alien subject to

this subsection is naturalized as a citizen of the United States, such naturalization shall have no effect upon the continued application of this subsection to such individual or to such individual's sponsor."

(B) SSI.--Section 1621(e) of the Social Security Act (as previously amended by paragraph (1)(B)) is further amended by adding at the end the following sentence: "If an individual who is an alien subject to this subsection is naturalized as a citizen of the United States, such naturalization shall have no effect upon the continued application of this subsection to such individual or to such individual's sponsor."

(C) Food Stamps.--Section 5(i)(2)(D) of the Food Stamp Act of 1977 (as previously amended by paragraph (1)(C)) is further amended by adding at the end the following sentence: "If an individual who is an alien subject to this subparagraph is naturalized as a citizen of the United States, such naturalization shall have no effect upon the continued application of this subparagraph to such individual or to such individual's sponsor."

(b) State and Local Programs.--A State or political subdivision therein may provide that an alien is not eligible for any program of assistance based on need that is furnished by such State or political subdivision for any month if such alien has

been determined to be ineligible for such month for benefits under--

(1) the program of aid to families with dependent children authorized by part A of title IV of the Social Security Act, as a result of the application of section 415 of such Act;

(2) the program of supplemental security income authorized by title XVI of the Social Security Act, as a result of the application of section 1621 of such Act; or

(3) the Food Stamp Act of 1977, as a result of the application of section 5(i) of such Act.

(c) Effective Date.--

(1) The amendments made by subsection (a)(1) are effective with respect to benefits under the program of aid to families with dependent children authorized by part A of title IV of the Social Security Act, the program of supplemental security income authorized by title XVI of the Social Security Act, and the program authorized by the Food Stamp Act of 1977, payable for months beginning after September 30, 1994, on the basis of--

(A) an application filed after such date, or

(B) an application filed on or before such date by or on behalf of an individual subject to the provisions of section 1621(a) or section 415(a) of the Social Security Act or section 5(i)(1) of the Food Stamp Act of 1977 (as the case may be) on such date.

(2) The amendments made by subsection (a)(2) are effective upon the date of enactment of this Act.

(3) Subsection (b) is effective on October 1, 1994.

WR - Irving

THE WHITE HOUSE
OFFICE OF DOMESTIC POLICY

CAROL H. RASCO

Assistant to the President for Domestic Policy

CC's: Bruce

To: Kathi
Rahm

Draft response for POTUS
and forward to CHR by: _____

Draft response for CHR by: _____

Please reply directly to the writer
(copy to CHR) by: _____

Please advise by: _____

Let's discuss: _____

For your information: _____

Reply using form code: _____

File: _____

Send copy to (original to CHR): _____

Schedule ? : Accept Pending Regret

Designee to attend: _____

Remarks: Should we let this
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**NEW YORK
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SENATE**

ALBANY, NEW YORK 12247



Washington Office
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Suite 20536
444 North Capitol St., N.W.
Washington, D.C. 20001

T R A N S M I T T A L

**NEW YORK STATE SENATE
WASHINGTON OFFICE**

TO: CAROL RASCO

FROM: RICH BACHMANN - who is he?

NUMBER OF PAGES FOLLOWING THIS ONE: 1

COMMENTS:

Playing Switcheroo With Welfare

By James J. Lack

'AMERICA IS for Americans!'
"American dollars for American Citizens!"

Once again Fortress America arises and the alongeering begins. Confronted with the reality that welfare reform, like health reform, doesn't come cheap, President Bill Clinton and a disturbing number of Republicans and Democrats on Capitol Hill have seized upon — what is to them — a perfect scapegoat: noncitizens.

After all, public-opinion polls consistently show that Americans want less immigration and less welfare, but the clincher is that noncitizens can't vote. No one, goes their argument, no one who "counts" will be hurt. Right?

Wrong!

The Clinton administration and congressional supporters are thinking of putting a new twist on the old "three card monte" con game. Who would be the victims? Who would be left holding the bag? The states. Or, more precisely, state taxpayers.

The con game would work like this: Congress withholds federal assistance from noncitizens, including legal immigrants and refugees, on a broad range of programs: food stamps, Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC) and others. One version of the Clinton administration's plan says Washington saves \$8 billion. Saves who? When Washington "saves," we in New York pay and pay and pay.

The State of New York and our cities and counties will immediately become responsible for more than \$1 billion in additional social-service costs if the administration plan is enacted. We, the taxpayers of New York, will have to pick up the entire federal tab.

"Wait a minute," you say. New York should follow the example set by Washington and pass its own laws to do the same thing.



Lee Kautzsch

But we can't. The law prohibits us.

For one, the New York State constitution (Article XVII) emphatically declares that "the aid, care and support of the needy are public concerns and shall be provided by the state . . ." And two unanimous Court of Appeals rulings have made it crystal clear that neither the State Legislature nor the State Department of Social Services can deny public assistance to noncitizens.

OK. Why not just amend the state constitution (this provision is, after all, more than 50 years old) so that we will give public assistance dollars only to citizens? Even if we could, it won't help and the folks in Washington know it. Why?

Twenty-three years ago, the U.S. Supreme Court, in a case entitled *Graham vs. Richardson*, unanimously concluded that both Pennsylvania's and Arizona's attempt to limit welfare benefits to their own residents violates the Equal Protection

Clause — the 14th Amendment to the U.S. Constitution. The court also restated that the federal government, not the states, controls noncitizens from the moment they enter the United States to the day they are either naturalized or leave.

In fact, the court further declared that not only can't a state prevent a noncitizen from going on welfare, but that "Congress has not seen fit to impose any burden or restriction on aliens who become indigent . . . [and] . . . lawfully admitted resident aliens who become public charges for causes arising after their entry are not subject to deportation, and . . . are entitled to the full and equal benefit of all state laws . . ."

The Clinton administration proposes to ignore the effect of this ruling. It wants to shift the burden of the cost from the federal government to the states, knowing that the states are bound by the *Graham* decision.

And officials in Washington aren't nearly finished. In addition to SSI, AFDC, etc. they want to either extend or create deeming provisions for other programs including Medicaid. "Deeming" is the number of years the sponsor of a legal immigrant is required to be responsible for the noncitizen.

Under federal law, the sponsor's income is "deemed" available to the noncitizen in determining eligibility for benefits. In New York, an extension of deeming only serves to increase state costs as New York courts have held that the federal deeming provisions can't be used to reduce state-funded assistance.

Eliminating federal funding doesn't eliminate need. Billing huge costs to New York taxpayers can only result in either less money for normal state expenses such as school aid or force new taxes to pay for the mandated costs.

Washington must get the message that toying with immigration policy in the guise of welfare reform is a shameful way of avoiding its responsibility to pay for its promises.



State Sen. James J. Lack (R-East Northport) is vice president of the National Conference of State Legislatures.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

WR - Immigrants

May 4, 1994

THE DIRECTOR

The Honorable Daniel Rostenkowski
Chairman
Ways and Means Committee
U.S. House of Representatives
Washington, D.C. 20515-6348

Dear Mr. Chairman:

I am writing to express the Administration's strong opposition to the amendment Representative Santorum is expected to offer at the full committee markup of H.R. 4277. This is a major amendment, substantially different from anything the Committee has previously passed. It would eliminate Supplemental Security Income (SSI) benefits for all noncitizens with the exception of certain refugees and some permanent residents over the age of 75.

The Administration recognizes that the number of noncitizens receiving SSI has grown rapidly in recent years and appreciates the Committee's interest in reducing this growth. We plan to submit our own proposal to tighten the rules under which aliens qualify for assistance in late May or early June. However, we believe the currently proposed amendment is seriously flawed. It would eliminate benefits for almost all noncitizens, including those who have no other source of support and those who have spent many years in this country working and paying taxes. In addition, those denied SSI are likely to then require other forms of assistance from the States in which they reside, imposing significant new cost burdens on the States, especially those with large numbers of immigrants. Finally, these immigrants are a diverse group, with the top five countries of origin for SSI recipients who are legal aliens being Mexico, Philippines, Cuba, China, and the former Soviet Union. We believe this diversity is a benefit to our country, in both economic and social terms. Put simply, a "citizens only" eligibility policy is inconsistent with this nation's history and traditions.

The Administration supports the Committee's interest in making Social Security an independent agency. However, we believe this bill is not the appropriate place in which to enact a major change in low income programs and would prefer to take up this issue in the context of welfare reform later in the spring.

We look forward to working with the Congress on these issues.

Sincerely,

A handwritten signature in black ink, appearing to be "Leon E. Panetta", written over a horizontal line. The signature is stylized with loops and a long horizontal stroke extending to the right.

Leon E. Panetta
Director



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

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Sincerely,

Leon E. Panetta

WL-Immigrants

The Progressive Way to Pay For Welfare Reform

by Will Marshall and Robert Shapiro

President Clinton soon will unveil a bold redesign of the welfare system that will create new opportunities for poor people to work and escape dependence. The political dilemma is to find a progressive way to finance a reform package expected to cost \$10 to \$15 billion over five years. It's a tough problem, because stringent budget rules dictate that Congress can pay for welfare reform only by increasing revenues, cutting other entitlement programs, or some combination of the two.

Conservatives say no to higher taxes, arguing that the spirit of the budget's "pay-as-you-go" rules dictate that new initiatives be financed by cutting current programs of the same type. Many liberals, however, vehemently oppose cutting other entitlements to pay for a welfare overhaul, as the social-policy equivalent of robbing Peter to pay Paul.

There is a third way: Finance welfare reform under the budget rules by raising revenues, not from middle-class taxpayers but by cutting tens of billions of dollars in special tax subsidies flowing to powerful industries.

This approach also offers an alternative to the solution of the moment, paying for welfare reform by ending social benefits for most non-citizens. House Republicans, for example, propose to eliminate all legal immigrants except political refugees and people over age 75 from the rolls of 61 social programs -- including Social Security Insurance for the aged, blind and disabled (SSI), Medicaid and food stamps, as well as Aid to Families with Dependent Children (AFDC), the main welfare program.

5x over

To be sure, social spending for non-citizens *does* warrant close scrutiny. Between 1982 and 1992, the number of non-citizens receiving SSI soared from 127,900 to more than 600,000. Most are elderly but not disabled or blind, brought to the U.S. by their children with the tacit guarantee that American taxpayers would help support them. Nearly half of all elderly immigrants in California receive social-programs benefits, as compared to 9 percent of all elderly citizens. Many elderly immigrants live with their adult children while claiming benefits, fully half in households with income of \$50,000 or more. Curbing such abuses makes sense -- that's why the Administration and the Democratic members of the House Mainstream Forum also have considered restricting benefits for non-citizens. *

Such proposals nonetheless draw fire from Hispanics and others who see a disturbing rise of nativism across America. They also remind us that blanket restrictions on social spending for legal immigrants may backfire. Cutting Medicaid,

for example, would deprive these immigrants of preventive care and so force them to expensive hospital-emergency-room treatment for minor problems.

Liberals are right that low-income people, whether they are U.S. citizens or people waiting for that prized status, should not bear the entire burden of financing welfare reform. But conservatives are also right in rejecting a general tax increase or, even worse, relaxing the budget rules to allow more deficit financing.

If welfare reform is to embody a new compact of mutual obligation between society and its least fortunate members, other beneficiaries of government largess should share that burden. In accordance with both budget discipline and progressive politics, welfare reform should be financed by curbing special tax subsidies for powerful industries.

The Progressive Policy Institute recently identified more than 65 tax and spending subsidies for particular industries that cost American taxpayers \$225 billion over five years. Repealing or reforming these subsidies would provide the resources to finance not only welfare reform and other public investment but also more deficit reduction. This approach also would pay real dividends for the overall economy. It would, in effect, create an incentive for formerly subsidized firms to figure out how to make themselves more innovative and productive, and thereby more competitive. It also would level the playing field for other firms operating today without the taxpayers' help, making the entire economy more efficient.

For instance, we could fund welfare reform -- and a great deal more -- by paring current tax subsidies for home construction. Just lowering the ceiling on deductible interest from the first \$1 million of a mortgage to \$300,000 would raise more than \$20 billion over five years, and affect only 4 percent of homeowners. Or we could pay for much of welfare reform by rewriting the special tax exemption for corporate profits produced by American firms from their operations in U.S. possessions, so that, for example, pharmaceutical and other firms could no longer cut their taxes simply by shifting ownership of their profitable patents to Puerto Rican subsidiaries.

The President could also find \$12 billion by charging industries the full cost of certain government services which they receive gratis or at cut rates. For example, utilities would pay the full price of government disposing of their nuclear wastes; slaughterhouses and chicken processors would pay for inspections certifying the safety of their products; inland-waterway operators would reimburse taxpayers for maintaining and upgrading their routes; and airlines would pay the marginal costs of FAA air-traffic control services.

There are also billions of dollars in special tax subsidies for the energy industry. Welfare reformers can find \$5 to \$7 billion over five years by paring back

a special tax credit for firms producing fuel from "non-conventional" sources -- most of which now goes to well-established firms producing natural gas from certain specified geological formations -- and ending the special tax break for ethanol fuel, nearly three-quarters of which goes to one corporation, Archer Daniels Midland.

Ending these subsidies only asks of industry what welfare reform demands of poor parents: Assume responsibility for your own success -- or failure. That's the New Democrat way to pay for welfare reform.

Will Marshall and Robert Shapiro are, respectively, President and Vice President of the Progressive Policy Institute in Washington, D.C.

LABOR

Hispanic Protests Fail To Alter Emergency Jobless Benefits

It was a difficult two weeks for a \$1.1 billion measure to provide emergency jobless benefits to the long-term unemployed.

First, the Congressional Hispanic Caucus temporarily derailed the bill (HR 3167), objecting to one means of financing it. Then, House members defied the Democratic leadership and rejected a rule governing floor debate that had been crafted to meet the Hispanic caucus's complaints.

That vote left many Hispanic members feeling angry and upset as they accused other members of immigrant bashing.

The bill eventually passed Oct. 15 by a vote of 302-95. It would provide either seven or 13 weeks of additional compensation to unemployed workers who have used up their 26 weeks of basic benefits.

Long-term unemployed workers would qualify for the extra benefits until Feb. 5 of next year. The bill would replace an emergency benefits program that expired Oct. 2 while lawmakers argued over how to pay for an extension.

Currently, 2.8 million people receive basic unemployment benefits; approximately 250,000 people a month exhaust those benefits without finding a job. The previous emergency program still is providing benefits to 1.3 million unemployed workers who qualified before the Oct. 2 cutoff, according to the Labor Department.

The bill now goes to the Senate, where its future remains in doubt.

Overcoming Reversals

As the bill was about to go to the floor Sept. 30, the Hispanic caucus discovered that the Ways and Means Committee proposed to finance \$331 million of the program's cost by limiting the ability of recent legal immigrants to receive Supplemental Security Income (SSI) payments.

These benefits go to poor people who also are aged, blind or disabled. The bill would require immigrants to wait five years — not three as under existing law — to be eligible for SSI benefits. The change would be in ef-

By Jill Zuckman

BOXSCORE

Bill: HR 3167 — H Rept 103-268 — Emergency unemployment compensation.

Latest action: House passed, 302-95, on Oct. 15.

Next likely action: Senate floor.

Background: Bill would renew a federal program providing benefits for the long-term unemployed who have exhausted their state-provided benefits. Eligibility expired Oct. 2.

Reference: Weekly Report, pp. 2746, 2650, 2562; how unemployment benefits work, p. 2651; prior 1993 action, pp. 519, 465; background, 1992 Almanac, p. 346; 1991 Almanac, p. 301.



Rostenkowski

fect temporarily from Jan. 1, 1994, until Oct. 1, 1996.

Hispanic members complained to the Democratic leadership, and Ways and Means Chairman Dan Rostenkowski, D-Ill., met with Hispanic caucus members just before floor debate was to begin. Because of Hispanic members' concerns, House leaders pulled the bill.

For two weeks, the House remained paralyzed on the issue. Rostenkowski refused to drop the provision, and Hispanic members remained opposed to it.

Speaker Thomas S. Foley, D-Wash., decided Oct. 8 to send the bill to the floor under a "self-executing rule" governing floor debate. The rule automatically would have dropped the offending provision and scale back the unemployment program by five weeks, so it would end New Year's Day.

But when the measure came to the floor the afternoon of Oct. 14, the House voted down the rule (H Res 273) by a vote of 149 to 274. (Vote 505, p. 2844)

Republicans did not like the rule because they wanted to keep the SSI provision. Republicans also have repeatedly voted against rules that limit their ability to offer amendments.

Many Democrats opposed the rule because they did not want the unemployment program to expire at the end of the year holiday season, when Congress would be in recess.

Hispanic members, however, complained that many of their colleagues were attacking legal immigrants and confusing their right to benefits with the issue of illegal aliens.

"I found the tone of the floor debate on this bill offensive, misleading and antithetical to everything this country stands for," said Jose E. Serrano, D-N.Y., chairman of the Hispanic caucus.

After the roll call, Foley said he thought he had the votes when debate began. He blamed the defeat on Rostenkowski, who spoke against the rule on the House floor. "When a chairman of a committee takes the unusual position of opposing a rule, members are cautious," Foley said.

Rostenkowski said he did not solicit one member's vote.

SSI Limitations Preserved

Rostenkowski said the SSI provision would hurt many fewer Hispanics than would cutting off unemployment benefits. But he noted that the debate pointed up a hard fact for Congress: "There is no place to find revenue. The cupboard is bare."

After the first rule was rejected, the House dropped the self-executing procedure and adopted a new rule the morning of Oct. 15 that left the SSI provision in the bill.

The House then rejected, 128-277, an amendment by Nancy L. Johnson, R-Conn., to prohibit workers in states with unemployment rates below 5 percent to collect emergency benefits. The amendment would have kept workers in 10 states from receiving the compensation.

When the bill reaches the Senate the week of Oct. 18, it is again likely to face a tough road.

It is possible that an opposing senator could force supporters to round up a three-fifths majority of 60 votes to overcome a procedural hurdle. The bill technically violates pay-as-you-go budget rules that require a spending bill's offsetting revenue to be raised the same year that the money is spent.

The unemployment bill costs \$1.1 billion in fiscal 1994 and raises its revenue over a five-year period.

HOUSE VOTES 497, 498, 500, 501, 502, 503, 504, 505

497. HR 2351. National Endowments for the Arts and the Humanities/Previous Question. Beilenson, D-Calif., motion to order the previous question (thus ending debate and the possibility of amendment) on adoption of the rule (H Res 264) to provide for House floor consideration of the bill to authorize \$174.6 million for the National Endowment for the Arts, \$177.5 million for the National Endowment for the Humanities and \$28.8 million for the Institute of Museum Services in fiscal 1994 and such sums as necessary in fiscal 1995. Motion agreed to 240-185: R 1-172; D 238-13 (ND 166-3, SD 72-10); I 1-0, Oct. 14, 1993. (Story, p. 2818)

498. HR 2351. National Endowments for the Arts and the Humanities/Rule. Adoption of the rule (H Res 264) to provide for House floor consideration of the bill to authorize \$174.6 million for the National Endowment for the Arts, \$177.5 million for the National Endowment for the Humanities and \$28.8 million for the Institute of Museum Services in fiscal 1994 and such sums as necessary in fiscal 1995. Adopted 225-195: R 1-171; D 223-24 (ND 159-8, SD 64-16); I 1-0, Oct. 14, 1993. (Story, p. 2818)

500. HR 2351. National Endowments for the Arts and the Humanities/NEA Authorization. Crane, R-Ill., amendment to eliminate the authorization for the National Endowment for the Arts (NEA). Rejected in the Committee of the Whole 103-326: R 89-85; D 14-240 (ND 6-165, SD 8-75); I 0-1, Oct. 14, 1993. A "nay" was a vote in support of the president's position. (Story, p. 2818)

501. HR 2351. National Endowments for the Arts and the Humanities/Spending Cut. Dornan, R-Calif., amendment to cut by 40 percent the bill's fiscal 1994 authorization levels for the National Endowment for the Arts, the National Endowment for the Humanities and the Institute of Museum Services. Rejected in the Committee of the Whole 151-281: R 126-48; D 25-232 (ND 8-166, SD 17-66); I 0-1, Oct. 14, 1993. A "nay" was a vote in support of the president's position. (Story, p. 2818)

502. HR 2351. National Endowments for the Arts and the Humanities/Illegal Aliens. Cunningham, R-Calif., motion to recommit the bill to the Education and Labor Committee with instructions to report the bill back with an amendment to prohibit the National Endowment for the Arts from providing assistance to illegal aliens. Rejected 210-214: R 163-10; D 47-203 (ND 20-148, SD 27-55); I 0-1, Oct. 14, 1993. (Story, p. 2818)

503. HR 2351. National Endowments for Foundation on the Arts and the Humanities/Passage. Passage of the bill to authorize \$174.6 million for the National Endowment for the Arts, \$177.5 million for the National Endowment for the Humanities and \$28.8 million for the Institute of Museum Services in fiscal 1994 and such sums as necessary in fiscal 1995. Passed 304-119: R 68-106; D 235-13 (ND 162-5, SD 73-8); I 1-0, Oct. 14, 1993. A "yea" was a vote in support of the president's position. (Story, p. 2818)

504. HR 3167. Unemployment Benefits Extension/Previous Question. Bonior, D-Mich., motion to order the previous question (thus ending debate and the possibility of amendment) on adoption of the rule (H Res 273) to provide for House floor consideration of the bill to extend emergency benefits for the long-term unemployed. Motion agreed to 235-187: R 2-171; D 232-16 (ND 159-8, SD 73-8); I 1-0, Oct. 14, 1993. (Story, p. 2816)

505. HR 3167. Unemployment Benefits Extension/Rule. Adoption of the rule (H Res 273) to provide for House floor consideration of the bill to extend emergency benefits for the long-term unemployed. The rule included a self-executing amendment to the bill that would have shortened the emergency benefits program by one month from Feb. 5, 1994, to Jan. 1, 1994, and eliminated the financing provisions of the bill that limit the availability of certain welfare benefits to new immigrants. Rejected 149-274: R 2-171; D 146-103 (ND 111-57, SD 35-46); I 1-0, Oct. 14, 1993. (Story, p. 2816)

KEY

- Y Voted for (yea).
- # Paired for.
- + Announced for.
- N Voted against (nay).
- X Paired against.
- Announced against.
- P Voted "present."
- C Voted "present" to avoid possible conflict of interest.
- ? Did not vote or otherwise make a position known.
- D Delegates ineligible to vote.

Democrats Republicans
Independent

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STATE	497	498	500	501	502	503	504	505
ALABAMA								
1 Callahan	N	N	Y	Y	Y	N	N	N
2 Everett	N	N	Y	Y	Y	N	N	N
3 Browder	N	N	Y	Y	Y	Y	Y	N
4 Bevil	N	N	Y	Y	Y	Y	Y	N
5 Cromer	N	N	Y	Y	Y	Y	Y	N
6 Bachus	N	N	Y	Y	Y	Y	Y	N
7 Hilliard	Y	Y	N	N	N	Y	Y	Y
ALASKA								
AL Young	N	N	N	Y	Y	Y	N	N
ARIZONA								
1 Coppersmith	Y	Y	N	N	N	Y	Y	Y
2 Postor	Y	Y	N	N	N	Y	Y	Y
3 Stump	N	N	Y	Y	Y	N	N	N
4 Kyl	N	N	Y	Y	Y	N	N	N
5 Kolbe	N	N	Y	Y	Y	N	N	N
6 English	Y	Y	N	N	N	Y	Y	Y
ARKANSAS								
1 Lambert	Y	Y	N	N	N	Y	Y	N
2 Thornton	Y	Y	N	N	N	Y	Y	Y
3 Hutchinson	N	N	Y	Y	Y	N	N	N
4 Dickey	N	N	Y	Y	Y	N	N	N
CALIFORNIA								
1 Hamburg	Y	Y	N	N	N	Y	Y	Y
2 Heger	N	N	Y	Y	Y	N	N	N
3 Fazio	Y	Y	N	N	N	Y	Y	Y
4 Doollittle	N	N	Y	Y	Y	N	N	N
5 Matsui	Y	Y	N	N	N	Y	Y	Y
6 Woolsey	Y	Y	N	N	N	Y	Y	Y
7 Miller	Y	Y	N	N	N	Y	Y	N
8 Pelosi	Y	Y	N	N	N	Y	Y	Y
9 Dellums	Y	Y	N	N	N	Y	Y	Y
10 Baker	N	N	Y	Y	Y	N	N	N
11 Pamba	N	N	Y	Y	Y	N	N	N
12 Lantos	Y	Y	N	N	N	Y	Y	N
13 Stark	Y	Y	?	N	N	Y	N	N
14 Eshoo	Y	Y	N	N	N	Y	Y	Y
15 Mineta	Y	Y	N	N	N	Y	Y	Y
16 Edwards	Y	Y	N	N	N	Y	Y	Y
17 Farr	Y	Y	N	N	N	Y	Y	Y
18 Condit	Y	Y	N	Y	Y	Y	N	N
19 Lehman	Y	Y	N	Y	Y	Y	N	N
20 Dooley	Y	Y	N	Y	Y	Y	N	N
21 Thomas	N	N	N	Y	Y	N	N	N
22 Huffington	N	N	Y	Y	Y	N	N	N
23 Gallegly	N	N	Y	Y	Y	N	N	N
24 Beilenson	Y	Y	N	N	N	Y	Y	N
25 McKeon	N	N	Y	Y	Y	N	N	N
26 Bernon	Y	Y	N	N	N	?	Y	Y
27 Moorhead	N	N	Y	Y	Y	N	N	N
28 Dreier	N	N	Y	Y	Y	N	N	N
29 Woxman	Y	Y	N	N	N	Y	Y	Y
30 Becerra	Y	Y	N	N	N	Y	Y	Y
31 Martinez	Y	Y	N	N	N	?	?	?
32 Dixon	Y	Y	N	N	N	Y	Y	Y
33 Roybal-Allord	Y	?	N	N	N	Y	Y	Y
34 Torres	Y	Y	N	N	N	Y	Y	Y
35 Waters	Y	Y	N	N	?	Y	Y	Y
36 Harmon	Y	Y	N	N	N	Y	Y	Y
37 Tucker	Y	Y	N	N	N	Y	Y	Y
38 Horn	N	N	N	Y	Y	N	N	N
39 Royce	N	N	Y	Y	Y	N	N	N
40 Lewis	N	N	N	Y	Y	N	N	N
41 Kim	N	N	Y	Y	N	N	N	N

497 498 500 501 502 503 505

42 Brown	Y	Y	N	N	N	N	N	N
43 Calvert	N	N	Y	Y	Y	N	N	N
44 McCandless	N	N	Y	Y	Y	N	N	N
45 Rohrabacher	N	N	Y	Y	Y	N	N	N
46 Dornan	N	N	Y	Y	Y	N	N	N
47 Cox	N	N	Y	Y	Y	N	N	N
48 Packard	N	N	Y	Y	Y	N	N	N
49 Schenk	Y	Y	N	N	N	N	N	N
50 Filner	Y	Y	N	N	N	N	N	N
51 Cunningham	N	N	Y	Y	Y	N	N	N
52 Hunter	N	N	Y	Y	Y	N	N	N
COLORADO								
1 Schroeder	Y	Y	N	N	N	N	N	N
2 Skaggs	Y	Y	N	N	N	N	N	N
3 McInnis	N	N	Y	Y	Y	N	N	N
4 Allard	N	N	Y	Y	Y	N	N	N
5 Hefley	N	N	Y	Y	Y	N	N	N
6 Schaefer	N	N	Y	Y	Y	N	N	N
CONNECTICUT								
1 Kennedy	Y	Y	N	N	N	N	N	N
2 Jejdenson	Y	Y	N	N	N	N	N	N
3 Delouro	Y	Y	N	N	N	N	N	N
4 Shays	N	N	Y	Y	Y	N	N	N
5 Franks	N	N	Y	Y	Y	N	N	N
6 Johnson	N	N	Y	Y	Y	N	N	N
DELAWARE								
AL Castle	N	N	N	N	Y	N	N	N
FLORIDA								
1 Hutto	N	N	Y	Y	Y	N	N	N
2 Peterson	Y	Y	N	N	N	Y	N	N
3 Brown	Y	Y	N	N	N	Y	N	N
4 Fowler	N	N	Y	Y	Y	N	N	N
5 Thurman	Y	Y	N	N	N	Y	N	N
6 Stearns	N	N	Y	Y	Y	N	N	N
7 Mico	N	N	Y	Y	Y	N	N	N
8 McCollum	N	N	Y	Y	Y	N	N	N
9 Bilirakis	N	N	Y	Y	Y	N	N	N
10 Young	N	N	Y	Y	Y	N	N	N
11 Gibbons	Y	Y	N	N	N	Y	N	N
12 Canady	N	N	Y	Y	Y	N	N	N
13 Miller	N	N	Y	Y	Y	N	N	N
14 Goss	N	N	Y	Y	Y	N	N	N
15 Bacchus	Y	Y	N	N	N	Y	N	N
16 Lewis	N	N	Y	Y	Y	N	N	N
17 Meek	Y	Y	N	N	N	Y	N	N
18 Ros-Lahtinen	N	N	Y	Y	Y	N	N	N
19 Johnston	Y	Y	N	N	N	Y	N	N
20 Deutsch	Y	Y	N	N	N	Y	N	N
21 Diaz-Balart	N	N	Y	Y	Y	N	N	N
22 Shaw	N	N	Y	Y	Y	N	N	N
23 Hostings	Y	Y	N	N	N	Y	N	N
GEORGIA								
1 Kingston	N	N	Y	Y	Y	N	N	N
2 Bishop	Y	Y	N	N	N	Y	N	N
3 Collins	N	N	Y	Y	Y	N	N	N
4 Linder	N	N	Y	Y	Y	N	N	N
5 Lewis	Y	Y	N	N	N	Y	N	N
6 Gingrich	N	N	Y	Y	Y	N	N	N
7 Darden	Y	Y	N	N	Y	Y	N	N
8 Rowland	Y	N	Y	N	Y	Y	N	N
9 Deal	Y	N	Y	Y	Y	N	N	N
10 Johnson	Y	Y	N	N	N	Y	N	N
11 McKinney	Y	Y	N	N	N	Y	N	N
HAWAII								
1 Abercrombie	Y	Y	N	N	N	Y	N	N
2 Mink	Y	Y	N	N	N	Y	N	N
IDAHO								
1 LaRocco	Y	Y	N	N	N	Y	N	N
2 Crapo	N	N	Y	Y	Y	N	N	N
ILLINOIS								
1 Rush	Y	Y	N	N	N	Y	N	N
2 Reynolds	Y	Y	N	N	N	Y	N	N
3 Lipinski	Y	Y	Y	Y	Y	N	N	N
4 Gutierrez	Y	Y	N	N	N	Y	N	N
5 Rostenkowski	Y	Y	N	N	N	Y	N	N
6 Hyde	N	N	Y	Y	Y	N	N	N
7 Collins	Y	Y	N	N	N	Y	N	N
8 Crane	N	N	Y	Y	Y	N	N	N
9 Yates	Y	Y	N	N	N	Y	N	N
10 Porter	N	N	Y	Y	Y	N	N	N
11 Sangmeister	Y	Y	N	N	N	Y	N	N
12 Costello	Y	Y	N	N	N	Y	N	N
13 Fawell	N	N	Y	Y	Y	N	N	N
14 Hastert	N	N	Y	Y	Y	N	N	N
15 Ewing	N	N	Y	Y	Y	N	N	N
16 Manzullo	N	N	Y	Y	Y	N	N	N
17 Evans	Y	Y	N	N	N	Y	N	N

ND Northern Democrats SD Southern Democrats

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5 Sabo Y Y N N N Y Y Y
6 Grams N N N Y Y N N N
7 Peterson Y Y N N N Y Y N
8 Oberstar Y Y N N N Y Y Y

MISSISSIPPI
1 Whitten Y Y N N N ? Y Y
2 Thompson Y Y N N N Y Y Y
3 Montgomery Y Y N N N Y Y N
4 Parker Y Y N N N Y Y N
5 Taylor N N Y Y Y N N N

MISSOURI
1 Clay Y Y ? N N Y Y Y
2 Talent N N Y Y Y N N N
3 Gephardt ? ? ? ? N Y Y Y
4 Skelton Y N Y Y Y N Y N
5 Wheat Y Y N N N Y Y Y
6 Daner Y N N N Y Y N N
7 Hancock N N Y Y Y N N N
8 Emerson N N Y Y Y N N N
9 Volkmer Y Y N N Y Y Y N

MONTANA
Al Williams Y Y N N N Y Y N

NEBRASKA
1 Berouter N N N N Y Y N N
2 Hoagland Y Y N N N Y Y N
3 Barrett N N N Y Y Y N N

NEVADA
1 Bilbroy Y Y N N N Y Y N
2 Vucanovich N N Y Y Y N N N

NEW HAMPSHIRE
1 Zeliff N N N N Y Y N N
2 Swett Y Y N N N Y Y N

NEW JERSEY
1 Andrews Y Y N N N Y Y Y
2 Hughes Y Y N N N Y Y N
3 Saxton Y Y N N N Y Y N
4 Smith N N Y Y Y N N N
5 Roukema N N N N Y Y N N
6 Pallone Y Y N N N Y Y Y
7 Franks N N N N Y Y N N
8 Klein Y Y N N N Y Y Y
9 Torricelli Y Y N N N Y Y Y
10 Payne Y Y N N N Y Y Y
11 Gallo N N N N Y Y N N
12 Zimmer N N N Y Y Y N N
13 Menendez Y Y N N N Y Y Y

NEW MEXICO
1 Schiff N N N N Y Y N N
2 Skeen N N N N Y Y N N
3 Richardson Y Y N N N Y Y Y

NEW YORK
1 Hochbrueckner Y Y N N N Y Y N
2 Lazio N N N N Y Y N N
3 King N N N Y Y N N N
4 Levy N N Y Y Y N N N
5 Ackerman Y Y N N N Y Y N
6 Flake Y Y N N N Y Y Y
7 Mantan Y Y N N N Y Y Y
8 Nadler Y Y N N N Y Y Y
9 Schumer Y Y N N N Y Y Y
10 Towns Y Y N N N Y Y Y
11 Owens Y Y N N N Y Y Y
12 Velazquez Y Y N N N Y Y Y
13 Molinari N N N Y Y Y N N
14 Maloney Y Y N N N Y Y Y
15 Rangel Y Y N N N Y Y Y
16 Serrano Y ? N N N Y Y Y
17 Engel ? Y N N N Y ? ?
18 Lowy Y Y N N N Y Y Y
19 Fish N N N N Y Y N N
20 Gilman N N N N Y Y N N
21 McNulty Y Y N N Y Y N N
22 Solomon N N Y Y Y N N N
23 Boehlert N N N N Y Y N N
24 McHugh N N Y Y Y N N N
25 Walsh N N N N Y Y N N
26 Hinchey Y Y N N N Y Y Y
27 Paxon N N Y Y Y N N N
28 Slaughter Y Y N N N Y Y Y
29 LaFalce Y Y N N N Y Y N
30 Quinn N N N Y Y N N N
31 Houghton N N N N N Y N N

NORTH CAROLINA
1 Clayton Y Y N N N Y Y Y
2 Valentine Y N N N Y Y Y N

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3 Lancaster Y Y N N N Y Y N
4 Price Y Y N N N Y Y N
5 Neal ? ? N N N Y Y N
6 Cable N N Y Y Y N N N
7 Rose Y Y N N N Y ? ?
8 Helmer Y Y N N N Y Y N
9 McMillan N N N N N Y N N
10 Ballenger N N N Y Y Y N N
11 Taylor N N N Y Y N N N
12 Watt Y Y N N N Y Y Y

NORTH DAKOTA
Al Pomeroy Y Y N N N Y Y N

OHIO
1 Mann Y Y N N N Y Y Y
2 Portman N N N Y Y N N N
3 Hall Y Y N N N Y Y Y
4 Oxley N N N Y Y N N N
5 Gillmor N N N Y Y N N N
6 Strickland Y Y N N N Y Y N
7 Hobson N N N Y Y Y N N
8 Boehner N N Y Y Y N N N
9 Kaptur Y Y N N N Y Y Y
10 Hoke N N N N Y Y N N
11 Stokes Y Y N N N Y ? ?
12 Kasich N N N Y Y N N N
13 Brown Y Y N Y Y Y Y Y
14 Sawyer Y Y N N N Y Y Y
15 Pryce N N N N Y Y N N
16 Regula N N N N Y Y N N
17 Traficant Y Y N N N Y Y N
18 Applegate Y Y N N N Y Y N
19 Fingerhut Y Y N N N Y Y N

OKLAHOMA
1 Inhofe N N Y Y Y N N N
2 Synor Y Y N N N Y Y Y
3 Brewster Y Y N N N Y Y N
4 McCurdy Y Y N N N Y ? ?
5 Istook N N Y Y Y N N N
6 English N N N N N Y Y N

OREGON
1 Furse Y Y N N N Y Y Y
2 Smith N N Y Y Y N N N
3 Wyden Y Y N N N Y Y Y
4 DeFazio Y Y N N N Y Y N
5 Kopetski Y Y N N N Y Y Y

PENNSYLVANIA
1 Foglietta Y Y N N N Y Y Y
2 Blackwell Y Y N N N Y Y Y
3 Borski Y Y N N N Y Y N
4 Klink Y Y N N N Y Y N
5 Clinger N N N N Y Y N N
6 Holden Y Y Y Y Y N N N
7 Weldon N N N Y Y N N N
8 Greenwood N N N Y Y N N N
9 Shuster N N Y Y Y N N N
10 McDade ? ? ? ? ? ? ? ?
11 Kanjorski Y Y N N N Y Y Y
12 Murtha ? ? ? ? ? ? ? ?
13 Margalies-Mezv. Y Y N N N Y N N
14 Coyne Y Y N N N Y Y N
15 McHale Y Y N N N Y Y N
16 Walker N N Y Y Y N N N
17 Gekas N N N Y Y N N N
18 Santorum N N N N Y Y N N
19 Goodling N N N Y Y Y N N
20 Murphy N N N N ? Y N N
21 Ridge N N N N Y Y N N

RHODE ISLAND
1 Machley N N N N Y Y N N
2 Reed Y Y N N N Y Y Y

SOUTH CAROLINA
1 Ravenel N N Y Y Y N N N
2 Spence N N N Y Y N N N
3 Derrick Y Y N N N Y Y Y
4 Inglis N N Y Y Y N N N
5 Spratt Y Y N N N Y Y N
6 Clyburn Y Y N N N Y Y Y

SOUTH DAKOTA
Al Johnson Y Y N N N Y Y N

TENNESSEE
1 Quillen N N Y Y Y N N N
2 Duncan N N Y Y Y N N N
3 Lloyd Y Y N N ? Y Y N
4 Cooper N N N Y Y Y N N
5 Clement Y Y N N N Y Y N

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6 Gordon Y Y N N N Y Y Y
7 Sundquist N N N Y Y N N N
8 Tanner Y Y N Y Y N N N
9 Ford Y Y N N N Y Y Y

TEXAS
1 Chapman Y Y N Y Y Y Y N
2 Wilson N ? N N N Y Y Y
3 Johnson N N Y Y Y N N N
4 Hall N N Y Y Y N N N
5 Bryant Y Y N N Y Y N N
6 Barta N N Y Y Y N N N
7 Archer N N Y Y Y N N N
8 Fields N N Y Y Y N N N
9 Brooks Y Y N N N Y Y N
10 Pickle Y Y N N N Y Y N
11 Edwards Y Y N N N Y Y Y
12 Geren Y Y N Y Y Y Y N
13 Sarpolius Y N Y Y Y N N N
14 Laughlin Y N Y Y Y Y Y Y
15 de la Garza Y Y N N Y Y Y Y
16 Coleman Y Y N N N Y Y Y
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19 Combest N N Y Y Y N N N
20 Gonzalez Y Y N N N Y Y Y
21 Smith N N Y Y Y N N N
22 Delay N N Y Y Y N N N
23 Bonilla N N Y Y Y N N N
24 Frost Y Y N N N Y Y Y
25 Andrews Y Y N N N Y Y N
26 Arme Y Y N Y Y N N N
27 Ortiz Y Y N N N Y Y Y
28 Tejeda Y Y N N N Y Y Y
29 Green ? ? ? ? ? ? ? ?
30 Johnson Y Y N N N Y Y Y

UTAH
1 Hansen ? X N Y Y Y N N
2 Shepherd Y Y N N N Y Y N
3 Orton Y Y Y N N N Y N

VERMONT
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VIRGINIA
1 Bateman N N N N Y Y N N
2 Pickett Y Y N N N Y Y N
3 Scott Y Y N N N Y Y Y
4 Sisisky Y Y N N N Y Y N
5 Payne Y Y N N N Y Y N
6 Goodlatte N N N Y Y N N N
7 Bliley N N Y Y Y N N N
8 Moran Y Y N N N Y Y N
9 Boucher Y Y N N N Y Y Y
10 Wolf N N N Y Y Y N N
11 Byrne Y Y N N N Y Y N

WASHINGTON
1 Cantwell Y Y N N N Y Y Y
2 Swift Y Y N N N Y Y Y
3 Unsoeld Y Y N N N Y Y Y
4 Inslie Y Y N N N Y Y Y
5 Foley Y Y N N N Y Y Y
6 Dicks Y Y N N N Y Y Y
7 McDermott Y Y N N N Y ? Y
8 Dunn N N N N Y Y N N
9 Kreidler Y Y N N N Y Y Y

WEST VIRGINIA
1 Mollohan Y Y N N N Y Y Y
2 Wise Y Y N N N Y Y Y
3 Rahall Y Y N N N Y Y N

WISCONSIN
1 Barca Y Y N N N Y Y N
2 Klug N N N N Y Y N N
3 Gunderson N N N N Y Y N N
4 Kleczka Y Y N N N Y Y Y
5 Barrett Y Y N N N Y Y Y
6 Petri N N Y Y Y N N N
7 Obey Y Y N N N Y Y Y
8 Roth N N Y Y Y N N N
9 Sensenbrenner N N Y Y Y N N N

WYOMING
Al Thomas N N N Y Y N N N

DELEGATES
de Lugo, V.I. D D N N D D D D
Faleomavaega, Am.S. D D N N D D D D
Norton, D.C. D D N N D D D D
Romero-B., P.R. D D ? ? D D D D
Underwood, Guam D D N N D D D D

Some states - Ala., Ark., Fla., Ga., Ky., La., Miss., N.C., Okla., S.C., Tenn., Texas, Va.
Some votes are quorum calls, which CQ does not include in its vote charts.

WR-Immigrants

February 25, 1994

President William J. Clinton
The White House
Washington, D.C.

Dear Mr. President:

We are writing to express our profound concern that the Administration's task force on welfare reform is considering cutting the availability of SSI and possibly other essential benefits to immigrants legally in the United States in order to finance its welfare reform initiative. This proposal severely threatens the health and well being of the most vulnerable members of our communities, particularly the elderly, blind and disabled immigrant family members of U.S. citizens. It is unacceptable to finance a legitimate public policy aimed at reducing poverty in the United States by creating and exacerbating poverty in major U.S. ethnic communities.

Sensationalized media coverage has suggested that recent increases in the number of immigrants receiving SSI benefits are an indication of "SSI abuse" by citizens who allegedly bring in their elderly parents with the intention of dumping their support onto the U.S. taxpayers as soon as possible. Such reports make a mockery of the struggles of immigrant and refugee families, many of whom are among the working poor who legitimately need assistance in supporting their households. Increases in SSI use among immigrants reflect increases in the overall immigrant population; a wide body of research shows that immigrant use of public services is in fact lower than that of the general U.S. population.

Family reunification is the cornerstone of the nation's immigration policy; studies conducted by the Department of Labor as well as a wide range of credible academic institutions are nearly unanimous in showing that immigrants pay more in taxes than they use in benefits. The nation enriches itself economically and culturally by reuniting immigrant families. By proposing to cut essential benefits to elderly, blind and disabled immigrants, the Administration will put many families in the untenable position of having to choose between family reunification and poverty. Such a choice offends the basic values of this nation and the broad array of ethnic communities which make it strong.

The suggestion that immigrants are taking advantage of the system at best does a great disservice to hard working members of U.S. ethnic communities, and at worst panders to xenophobia by perpetuating an "us versus them" dichotomy between U.S. citizens and newcomers. We were appalled by proposals to cut benefits to legal immigrants, which were supported by Republican members of Congress in an unscrupulous attempt to link immigration control with welfare reform. We are alarmed that the Administration -- which has thus far

engaged the immigration debate constructively -- would perpetuate an atmosphere which can only be interpreted by our communities as a threat to legal immigrants and Americans alike. We urge you in the strongest possible terms to reject any proposal which would finance welfare reform by cutting benefits to legal immigrants.

Sincerely,

American Jewish Committee

Asian American Legal Defense and Education Fund

Asian Law Caucus

Asian Pacific American Labor Alliance, AFL-CIO

Asian Pacific American Legal Center of Southern California

Catholic Charities USA

Chinese for Affirmative Action

Council of Jewish Federations

Hebrew Immigrant Aid Society

International Ladies Garment Workers Union

Japanese American Citizens League

Jewish Community Federation of San Francisco, Peninsula, Marin, and Sonoma Counties

Jewish Federation of Metropolitan Chicago

Mexican American Legal Defense and Educational Fund

National Asian Pacific American Legal Consortium

National Asian Pacific Center on Aging

National Association for the Education and Advancement of Cambodian, Laotian, and Vietnamese Americans

National Council of La Raza

National Jewish Community Relations Advisory Council

Organization of Chinese Americans

United Jewish Appeal - Federation of Jewish Philanthropies of New York

United States Catholic Conference, Migration and Refugee Service

NCLR

NATIONAL COUNCIL OF LA RAZA

National Office
810 First Street, N.E., Suite 300
Washington, DC 20002-4205
Phone: (202) 289-1380
Fax: (202) 289-8173

Raúl Yzaguirre, President

FAX COVER MEMO

DATE: 2/25/94

TIME: 4:36 PM

COST CENTER #: 16

TO: NAME Bruce REED

COMPANY White House

CITY D.C. FAX # 456-2878

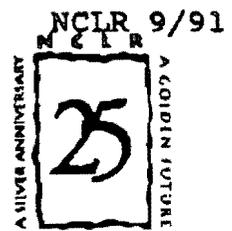
FROM: NAME C. MUNOZ

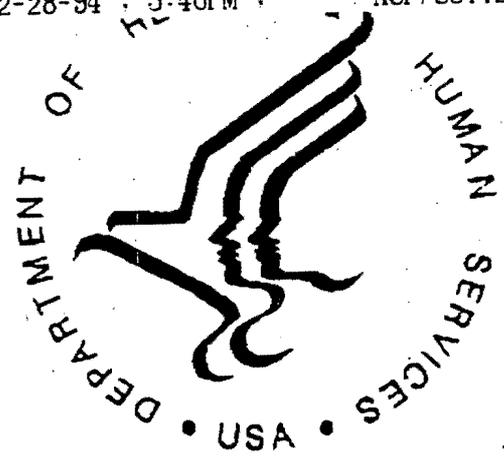
FAX # (202) 289-8173

PHONE # (202) 289-1380

OF PAGES IN TRANSMISSION, INCLUDING COVER 3

MESSAGE:





*WR-
Immigration*

**FACSIMILE TRANSMISSION COVER SHEET
 ADMINISTRATION FOR CHILDREN AND FAMILIES
 OFFICE OF THE ASSISTANT SECRETARY
 370 L'ENFANT PROMENADE, S.W.
 WASHINGTON, D.C. 20447**

FAX: (202) 401-5770 CONFIRM: (202) 401-9200

DATE: 2/28/94

TO NAME: Kathy Mays / Bruce Reed
 OFFICE: Domestic Policy
 PHONE: 456-6516
 FAX NO: 456-7431

FROM NAME: Patricia S...
 PHONE: 401-9261
 COVER + 2 PAGES

MESSAGE:

*Bruce:
 Chairman Strauss told Rich Lopez I send the
 letter. He doesn't want to schedule a meeting
 with the work group until we have time to
 digest the letter.
 Patricia S...*

OFFICE
 USE
 ONLY

TIME SENT: _____
 OPERATOR: _____

DATE: _____

José E. Serrano (D-NY)
Chairman

Lucille Roybal-Allard (D-CA)
Vice-Chair

Ed Pastor (D-AZ)
Secretary-Treasurer



Congress of the United States
Congressional Hispanic Caucus
103rd Congress

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Nydia Velázquez (D-NY)
Robert Underwood (D-Guam)

Richard V. López
Executive Director

February 24, 1994

President William J. Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

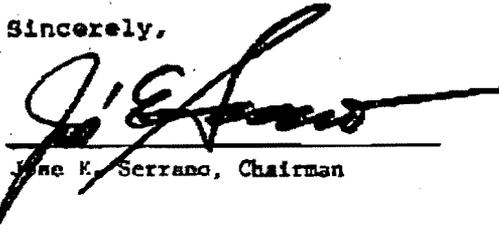
We are writing to express our deep concern about recent reports that the Administration continues to consider paying for welfare reform by cutting programs targeted to low-income individuals. Among the proposals recently mentioned in the press are the taxation of welfare benefits and housing assistance programs and the elimination of aid to elderly, blind, or disabled legal immigrants.

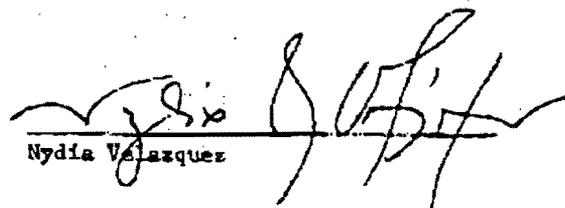
Welfare reform promises to assist millions of low-income families on the path toward self-sufficiency. It makes little sense to cut programs currently available to assist low-income families in order to pay for a newly designed welfare system. The benefits of that improved welfare system -- decent jobs and a better standard of living -- would be offset by reductions in other vital programs that permit low-income families to survive.

If the plan submitted to Congress includes such cuts, the Congressional Hispanic Caucus would be forced to oppose attempts to finance welfare reform on the backs of the poor.

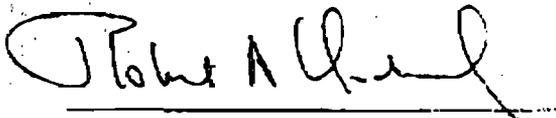
We look forward to working with you to develop welfare reform which is worthy of our best efforts and the hopes of millions of poor families.

Sincerely,


José E. Serrano, Chairman


Nydia Velázquez

President William J. Clinton
February 24, 1994
Page 2



Robert Underwood



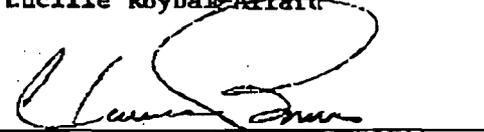
Esteban E. Torres



Lucille Roybal Allard



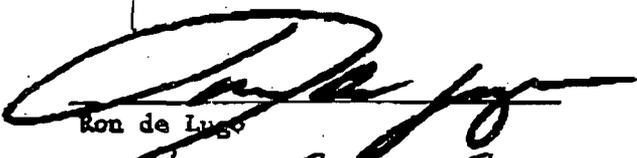
Ed Pastor



Xavier Becerra



Luis Gutierrez



Ron de Lugo



Robert Menéndez



Carlos Romero-Barcelo



Bill Richardson



NATIONAL ASIAN PACIFIC
CENTER ON AGING

MELBOURNE TOWER
1511 THIRD AVENUE
SUITE 914
SEATTLE, WA 98101-1622
TEL: (206) 624-1221
FAX: (206) 624-1023

February 24, 1994

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NAPCA
EXECUTIVE DIRECTOR

Don Watanabe

Bruce Reed
White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. Reed:

On behalf of the National Asian Pacific Center on Aging, this is written in opposition to President Clinton's proposal to cut aid to legal immigrants who are elderly and disabled to help finance the welfare reform plan as reported in the New York Times on Sunday, February 13 and the Wall Street Journal on Monday, February 14, 1994

It is a well recognized fact that Asian and Pacific Islander elderly are underserved now in proportion to our population who are eligible for Supplemental Security Income, for example. According to estimates from some sources, approximately, 30-50 percent of the eligible API fall into the underserved category who do not receive benefits from the SSI program. The proposal in question would escalate and exacerbate the hardship on the API elderly. It would increase the number who would be forced into the growing number of the population who subsist on incomes that are below the federal poverty guidelines. In other words, the proposal would amplify the problem, attack a very vulnerable group of elderly community of color, and make the solution more difficult

You are urged to reconsider the proposal and revise it so that, more of the Asian and Pacific Islander elderly and other recent immigrants are not punished in the process to reform the welfare system--which unquestionably needs to be reformed--and brandished into poverty.

Sincerely,

Don Watanabe
Executive Director

SEP 24 1993

SUMMARY FACT SHEET ON IMMIGRATION

Population Estimates

Number of illegal aliens ----- 3.2 million (1992 INS estimate)

Number of legal aliens ----- No reliable estimate for this group
Probably around 11.5 million (1993 INS estimate)

47% of US pop.

▶ INS estimates that in 1993 there are 10.5 million legal permanent residents (individuals with valid "green cards"), and guesstimates that there are another 1 million "other" legal aliens. These "other" legal aliens are similar to the "PRUCOL" individuals discussed in the paper "Alien Eligibility For HHS Entitlement Programs".

} Refugee Asylee

▶ The Census Bureau estimates that in 1990 there were 19.7 million individuals in the U.S. who were "foreign born". However, this estimate includes illegal aliens, legal aliens, and immigrants who may have achieved naturalized citizenship.

Number of "foreign born" entering ----- 8.7 million (Census) the U.S. between 1980 and 1990.

[NOTE: This estimate is subject to the same limitations noted above due to the definition of "foreign born".]

▶ Seventy-six percent of these individuals settled in six states. Over half settled in either California or New York. The distribution among these six states was the following--

California -----	38%	(3,225,000)
New York -----	14%	(1,190,000)
Texas -----	8%	(718,000)
Florida -----	8%	(660,000)
New Jersey -----	4%	(385,000)
Illinois -----	4%	(371,000)

For a summary of recent immigration flows into the U.S.-- including the effect of the Immigration Reform and Control Act of 1986 (IRCA)--see Table 1 attached.¹

¹ IRCA essentially created a "one-time" process whereby previously illegal aliens could become legal residents. These "IRCA-aliens" are prohibited from becoming eligible for Medicaid (with some exceptions) and AFDC for five years from the date of their legalized status. These legal residents have the potential to create a large impact on various government programs starting around 1994-95. The huge jump in total immigration beginning in 1989 is largely attributed to IRCA; non-IRCA immigration has

- amnesty aliens

Effect on Welfare Programs

SSI

- ▶ There were 601,430 legal aliens receiving SSI payments in December 1992. Of the total number of legal aliens, 372,930 (62%) were aged and 228,500 (38%) were blind or disabled.
- ▶ Legal aliens represented 11 percent of the total number of individuals receiving SSI (5,496,030). Illegal aliens are not eligible for SSI. *Nearly triple
Double the
% of US pop.*
- ▶ It has been estimated for FY 1993 that legal aliens will receive a total of \$2.5 billion in SSI benefits, out of total Federal SSI outlays of \$21.8 billion. Thus, legal aliens received about 11.5 percent of all Federal SSI payments.²
- ▶ Out of the total number of legal aliens receiving SSI, 455,650 (76%) were lawfully admitted, and 145,780 (24%) were admitted under color of law (PRUCOL).
- ▶ Eighty-two percent of all aliens receiving SSI payments (491,570 out of 601,430) resided in six states--California, New York, Florida, Texas, New Jersey, and Illinois. California alone had almost half of all legal alien SSI recipients (262,850, or 44 percent).

The number of alien SSI recipients in each of the six states are--

California -----	262,850
New York -----	89,770
Florida -----	58,440
Texas -----	42,160
New Jersey -----	19,410
Illinois -----	18,940

shown a relatively small and steady increase over the years.

² In addition to these Federal SSI payments, many states provide a supplemental payment to SSI recipients. The total amount of FY 1993 state supplemental payments is estimated at \$3.6 billion. The eligibility requirements and amount of supplemental payment varies by state. For example, California and New York are relatively "high supplemental" states. They also have large immigrant populations. Thus it is likely that a disproportionate share of these supplemental payments are going to legal aliens.

AFDC

- ▶ In FY 1992, there were 324,425 non-citizen cases receiving AFDC in 1992.³ This represented about 7 percent of the total AFDC caseload (4,768,572). Illegal aliens are not eligible for AFDC.
- ▶ In 1992, all non-citizens received an estimated \$2.2 billion in AFDC benefits out of a total of \$21.5 billion, or about 9.4% of all AFDC benefits. *= Double the % of pop.*
- ▶ Eighty-two percent of all non-citizen cases receiving AFDC (265,127 out of 324,425) resided in six states--California, New York, Florida, Texas, Massachusetts, and New Jersey. California alone had almost half of all non-citizen AFDC cases (148,573, or 46 percent). The number of non-citizen AFDC cases in each of the six states are--

California -----	148,573
New York -----	61,379
Florida -----	17,026
Texas -----	16,961
Massachusetts -----	13,049
New Jersey -----	8,139

- ▶ In addition, AFDC recipients who were the U.S.-born citizen children of aliens who themselves were ineligible for AFDC accounted for an estimated 2.4 percent of all AFDC cases in FY 1992.

Medicaid

The Health Care Financing Administration does not collect data on the alienage of Medicaid recipients. However, all persons who are eligible for AFDC and SSI are also eligible for Medicaid. In addition, pregnant women and children up to age 6 with incomes up to 133 percent of poverty are eligible for Medicaid benefits. States may at their option cover pregnant women and infants up to 185 percent of poverty.

Food Stamps

Out of the total number of households receiving food stamps in 1991 (9,204,00), **1.6 percent (or 145,000)** had at least one member

³ The caseload count is not a count of individuals. The number of individuals receiving AFDC would be larger than the caseload count by some factor (the national average for all AFDC cases with non-citizens was 3 in FY 1992). Also, the category "non-citizen" is the same as legal alien.

who was a legal alien who met eligibility requirements.⁴

⁴ Similar to the caseload data for AFDC, "households" do not represent individuals. The count of individuals would be higher.

TABLE 1

Immigration Flows - Yearly Admissions

Number of immigrants admitted to the U.S. for Fiscal Years 1985-92 by type of immigrant

Type of Immigrant	1985	1986	1987	1988	1989	1990	1991	1992
Total, all Immigrants	570,009	601,708	601,516	643,025	1,090,924	1,536,483	1,827,167	1,973,977
Total, IRCA	0	0	0	0	478,814	880,372	1,123,162	163,342
Total, non-IRCA	570,009	601,708	601,516	643,025	612,110	656,111	704,005	810,635
Family-sponsored Immigrants ¹	213,257	212,939	211,809	200,772	217,092	214,550	216,088	213,123
Employment-based Immigrants	53,446	56,617	57,519	58,727	57,741	58,192	59,525	116,198
Immediate Relatives of U.S. citizens ²	204,368	223,468	218,575	219,340	217,514	231,680	237,103	235,484
Refugees	90,040	99,383	86,840	76,274	79,143	92,427	116,415	106,379
Asylees	5,000	5,000	5,000	5,445	5,145	4,937	22,664	10,658
Other ³	3,898	4,301	21,773	82,467	35,475	54,325	52,210	128,793

↑
IRCA dependents

¹ Spouses of alien residents and siblings of U.S. citizens represent over 80 percent of this category. Also includes married and unmarried sons/daughters of U.S. citizens.

² Spouses and parents represent over 80 percent of this category. Also includes children and orphans.

³ Includes Cuban/Haitian entrants, Amerasians, nationals of adversely affected countries, parolees from the Soviet Union or Indochina, and starting in 1992 dependents of IRCA-legalized immigrants (of which there were 52,272 in that year).

ALIEN ELIGIBILITY FOR HHS ENTITLEMENT PROGRAMS

ISSUE: Should the Department have a uniform policy on the eligibility of aliens for benefits from our various entitlement programs? Can such a uniform policy be developed?

BACKGROUND: The treatment of aliens under HHS' entitlement programs has tended to evolve in an ad hoc manner and has consequently become somewhat complicated. This is due to a number of factors, including--

- ▶ The complexity of immigration law and the number of different immigration statuses;
- ▶ The lack of uniform definitions and treatment of aliens in the Social Security Act that would apply to all of our major entitlement programs;
- ▶ The differences in the goals, purposes, and structures of the entitlement programs themselves which can lead to different eligibility standards for aliens (e.g., providing emergency medical services, but not welfare support payments, to illegal aliens); and
- ▶ Changing political and economic realities that may affect perceptions about social/health policy directed towards aliens (e.g., the congruence between California's recent recession and state budget problems and public concern over the costs associated with illegal aliens--such as emergency medical services).

It is useful to establish some basic definitions of terms. The word "alien" is a technical, legal term for a person who is not a U.S. citizen. There are "legal" and "illegal" aliens. In general, a legal alien is an individual who is not a U.S. citizen but has been provided by the INS a document that authorizes his/her presence in the U.S., and the document has not expired. A legal alien must be in possession of such document at all times. There are permanent and temporary legal aliens. Temporary legal aliens include groups such as students and tourists that receive non-immigrant visas and are not eligible for entitlement benefits. For purposes of understanding alien eligibility for entitlements, permanent legal aliens comprise basically two groups--

- ▶ Lawful permanent resident aliens, or "regular immigrants" (those possessing valid "green cards"). In order to be granted regular immigrant status, a U.S. citizen must submit a petition to the INS on behalf of the immigrant. The petition is a request that a foreign individual be granted regular immigrant status. Such petitions can be submitted by either relatives or employers.

If a relative submits the petition, he/she agrees to become that immigrant's sponsor for purposes of AFDC and SSI eligibility (i.e., agrees to have his/her income and resources deemed as available to the immigrant for purposes of determining program eligibility). An employer-submitted petition does not impose a similar sponsorship requirement on the employer.

- ▶ Aliens "permanently residing in the U.S. under color of law" (PRUCOL). A PRUCOL individual is defined generally as an alien who is residing in the U.S. with the knowledge and permission of the INS, and whose departure the INS does not contemplate enforcing. While this is not a formal status *per se* granted by the INS, it is a term used by four Federal benefit programs to determine alien eligibility for benefits (AFDC, SSI, Medicaid, and unemployment insurance).¹ This category of legal aliens covers a wide variety of statuses, such as refugee, asylee, parolee, conditional entrant, etc. Refugees represent the largest group of individuals under PRUCOL.

An illegal alien is an individual who is residing in the U.S., is not a U.S. citizen, and does not possess a valid INS document.

In general, subject to certain restrictions, permanent legal aliens are eligible for benefits under the major HHS entitlement programs (AFDC, SSI, Medicaid, Medicare, and social security insurance) if they meet program eligibility requirements. However, regular immigrants face more restrictions on entitlement eligibility than individuals that fall under PRUCOL. For the most part, PRUCOL aliens are eligible for entitlements on the same basis as citizens immediately upon arrival. Regular immigrants must have their sponsor's income and resources deemed as available to them for three years after entry for purposes of AFDC and SSI eligibility (see "Current Status" section below). This different treatment of refugees and immigrants under HHS entitlement programs can be viewed as a reflection of overall, post-World War II immigration policy.

In reviewing the history of immigration policy, the distinction between refugees and immigrants became firmly established during the period following World War II, and has continued until the present time. Defined broadly, refugees flee, generally in large groups, from political or religious persecution; immigrants come voluntarily, generally on an individual basis and in an orderly fashion. A third group, illegal or undocumented aliens, come outside the law, generally for economic reasons.

¹ The Food Stamp program does not make statutory reference to PRUCOL for eligibility purposes. Regulations governing the program specify precise categories of aliens eligible for Food Stamps, thus avoiding the vague "color of law" language.

The distinction between immigrants and refugees was unheard of during the mass migrations of the 19th century; no difference was perceived between the Irish fleeing the potato famine and the German "forty-eighters" fleeing political persecution. It developed in the wake of World War II, primarily as a means of reconciling our traditional ideal of asylum with restrictions in the immigration law that began to emerge in the 1920s. Since the 1940s, the goals and purposes of our immigration policy have diverged regarding admission of refugees and immigrants. In the case of refugees, humanitarian concerns and foreign policy considerations have been dominant, and admission of refugees has tended to be in reaction to events beyond the control of either the receiving society or the refugees themselves. On the other hand, domestic--as opposed to foreign--policy considerations have been paramount in the admission of immigrants.

Reforms in immigration law instituted since 1965 have expanded both the numbers and diversity of immigrants and refugees entering the U.S. Because of this, the percentage of the population that is foreign-born has grown sharply in the last 20 years, from an all-time low of 4.9 percent in 1970 to over 7 percent today. Congress' most recent overhaul of immigration law, the Immigration Act of 1990, allows for a substantial increase in immigration.²

CURRENT STATUS: The following is a summary of the restrictions on program eligibility that apply to permanent legal aliens under the Department's major entitlement programs.

- ▶ Each of our major entitlement programs (AFDC, SSI, Medicaid, Medicare, and social security insurance programs) are available to lawful permanent resident aliens who meet the program eligibility requirements, subject to the following conditions--
 - o **OASDI** -- Except for the following exceptions, OASDI extends to all individuals who are engaged in covered employment. An alien who has been deported is ineligible for benefits nor is a lump sum benefit payable on the alien's death, unless the alien has been readmitted as a permanent resident. Payments to an otherwise eligible alien who has been outside the United States for longer than 6 months may be terminated unless the alien qualifies under an exception to the nonpayment rule. Additionally, nonresident dependents and survivors cannot receive benefits for more than 6 months unless the relationship upon which the claim is based existed for

² For example, excluding immigrants who were legalized under the Immigration Reform and Control Act of 1986 (IRCA--see description below), there was an increase in total immigration from 612,000 in 1989 to 810,000 in 1992.

at least 5 years during which time the dependent or survivor lived in the U.S.

- o **AFDC and SSI** -- a sponsored lawful permanent resident alien who applies for benefits is evaluated by having the sponsor's income and resources deemed available to the alien for three years from the alien's date of entry.
- o **Medicaid** -- eligibility standards vary among states. However, states must provide Medicaid to all persons receiving cash assistance under AFDC, as well as to AFDC-related groups who do not actually receive cash assistance; SSI recipients; and pregnant women and infants with family incomes below the Federal Poverty Level.
- o **Medicare** -- a lawful permanent resident alien must meet the age requirement and be eligible for Social Security or Railroad Retirement benefits, or eligibility for disability benefits under the Social Security or Railroad Retirement Acts for more than 24 consecutive months. Given these requirements, an alien generally must be a relatively long-term resident of the U.S. before becoming entitled to Medicare Part A.

Individuals over age 65 but otherwise ineligible for Medicare Part A benefits may purchase Part A benefits at cost. To be eligible to purchase Part A, the individual must be a U.S. resident, and either a U.S. citizen or an alien lawfully admitted for permanent residence who has resided in the U.S. for five consecutive years. Such individuals must also purchase Part B benefits for a monthly premium. Approximately 75% of the cost of basic Part B coverage is subsidized by general revenues, with enrollees paying the remaining 25% of costs.

- o **The Immigration Reform and Control Act of 1986 (IRCA)**, which created a process whereby previously illegal aliens could become legal residents, prohibits such individuals from being eligible for Medicaid (with exceptions) and AFDC for five years from the date of their legalized status.
- ▶ PRUCOL individuals are eligible for entitlement benefits on the same basis as citizens. They do not face the same type of restrictions as sponsored lawful permanent residents due primarily to the fact that PRUCOL individuals are not required to have a sponsor whose income is deemed.³ For example, refugees--

³ Refugees are typically "sponsored" by various voluntary organizations or agencies, but are exempt from the deeming provisions applied to legal immigrants.

subject to meeting eligibility requirements--are eligible for AFDC, Medicaid, and/or SSI upon arrival.

- o In addition, refugees who do not qualify for assistance under our entitlement programs--due primarily to the fact that they do not fall into a category eligible for benefits, such as a single parent with dependent--may receive special medical and cash assistance through the discretionary Refugee Resettlement program. Eligible refugees must meet certain income and resource criteria to receive such assistance, similar to those under entitlement programs. Currently, discretionary appropriations for this program allow for 8 months of assistance.

Illegal aliens are not eligible for entitlement benefits, subject to the following two exceptions--

- ▶ An individual need not be a lawful resident to be eligible for Medicaid benefits for emergency medical services including labor and delivery services for pregnant women. All aliens who, except for their alien status, are qualified to receive Medicaid benefits may receive emergency care. The Federal government reimburses states for these benefits.
- ▶ An individual need not be a lawful resident to be eligible for benefits under the social security insurance programs. In general, benefits are provided to any individual who has contributed sufficiently to the program and otherwise meets program eligibility requirements. However, the ability of certain aliens to receive benefits is limited (see discussion in "OASDI" subsection above).

While the potential exists for illegal aliens to obtain benefits through fraudulent means, the states' experience with the Systematic Alien Verification for Entitlements (SAVE) program indicates that very few illegal aliens even apply for entitlement benefits. Whenever it is a condition of eligibility, including issuing a Social Security number, states routinely verify applicants' immigration documents and alien status.

DISCUSSION/OPTIONS: The coverage of aliens under the various HHS entitlement programs, and Federal policy towards aliens in general, has recently received increased attention by the Congress and media. Much of this attention has revolved around the treatment of illegal aliens under Medicaid and the policy regarding asylees. The issue of asylees gained prominence particularly in the wake of well-publicized smuggling of Chinese into the United States.

The Department has also considered a number of changes in the treatment of aliens under our entitlement programs. These changes are being considered in a variety of venues,

from health and welfare reform to the fiscal year 1995 budget and legislative process. The following discussion is organized around major policy areas that affect the treatment of aliens under our major entitlement programs. The discussion advances for consideration options to lend greater uniformity to Departmental policy with respect to aliens (e.g., proposals to make uniform in Social Security Act the definition of PRUCOL). At the same time, the discussion also indicates the difficulty of imposing complete uniformity on Departmental policy in some areas (e.g., the treatment of illegal aliens).

Illegal Aliens

The issue of providing emergency medical services to illegal aliens has surfaced recently in different forums. The President's Budget package included a provision to increase Federal payments by \$400 million to states disproportionately affected by the costs of providing emergency medical services to illegal aliens. States that would have received additional funding under this proposal were: California, Texas, New York, Illinois, Florida, Arizona, and Washington. This proposal was dropped in the final conference version of the reconciliation bill.⁴ A proposal by Senator Boren to discontinue Federal payments for emergency medical services provided to illegal aliens was also introduced within the FY 1994 Budget process. This proposal was estimated by the Congressional Budget Office to achieve Federal savings of \$400 million in FY 1995 (increasing to \$700 million by FY 1998 for a five-year total savings of \$2.2 billion). Boren's proposal was never approved by the Senate. More recently, an open letter by Governor Pete Wilson (R-CA) appeared in several newspapers calling for--among other things--eliminating the provision of emergency medical services to illegal aliens and denying citizenship to children born in the U.S. whose parents are illegal aliens.⁵

⁴ However, an amendment was included in the budget bill that disallows payment for organ transplant procedures under the Medicaid emergency medical services for aliens provisions.

⁵ Currently, any child born in the United States is a U.S. citizen, regardless of the alienage of the parent(s). While there are no Federal data on the number of children who attain citizenship in this manner, a survey--done by Westat for the INS--of legalized IRCA-alien children show that roughly 45 percent of all aliens legalized under IRCA reported having children who were born in the United States. This represented an estimated 1 million citizen children born to approximately 1.6 million legalized aliens. These births occurred over a prolonged period of time (median period of entry was 1979). This represented a general fertility rate about the same as that for the total Hispanic population in the United States in 1987. The estimated U.S. rate for all Hispanics in 1987 was 93.0 births per 1,000

There are both public health and immigration policy issues involved in addressing the question of whether the Federal government should reimburse states for the provision of emergency medical services to illegal aliens. For example, Governor Wilson and other observers have approached the subject from primarily an immigration policy viewpoint, with seemingly little regard for public health aspects of the issue. They contend that the Federal government should be doing more to stem the flow of illegal immigration into the U.S., and that the policy of providing emergency medical services encourages rather than discourages illegal immigration. Such a view draws heavily on the perception that the majority of illegal aliens using such emergency medical services are pregnant women who cross the border to deliver their children in a U.S. hospital. While this perception may be valid in Southern California, it may not be valid in Washington. No Federal data are available on what types of illegal aliens are using these emergency services (i.e, pregnant women versus male construction workers), or on what types of services are used. While states may have better data on this, they are neither required nor have offered to submit such data to HCFA.⁶

The most rational interpretation of a policy that would deny emergency medical services to illegal aliens is that such a policy would form part of a larger, more effective strategy to stem overall illegal immigration. Precisely what constitutes such a larger strategy has not always been presented fully. Although recently Senator Feinstein (D-CA) has proposed charging a \$1 border-crossing fee with the resulting revenues used to support additional Border Patrol personnel, and Senator Boxer (D-CA) has called for using National Guard troops to patrol the US-Mexico border.

women 15 to 44 years of age. The INS has estimated the illegal alien population in the United States in 1992 at 3.2 million. Also, it has been estimated that in FY 1991, AFDC recipients who were the U.S.-born citizen children of aliens who themselves were ineligible for AFDC accounted for 3 percent of all AFDC cases in that year. However, the patterns and characteristics of IRCA-legalized aliens are not necessarily the characteristics of all illegal aliens, and thus generalizing the survey data to all illegal aliens has inherent problems. For example, most illegal aliens who legalized under IRCA were long-term residents of the United States, often called "settlers" in immigration literature. These people are more likely to exhibit higher rates of fertility than some other illegal aliens, such as short-term, work-based illegal aliens who may return to their country of origin. A further complicating factor is how one counts children who are the product of a union between a citizen and an illegal alien.

⁶ However, the survey of legalized IRCA-alien referenced in footnote 5 yields some data that may be indicative of the use of medical services by illegal aliens. Only 10 percent of all legalized aliens were hospitalized in the 12 months before applying for legalization, and of these half--or 5 percent of the total--were for reasons of pregnancy. However, the limitation of generalizing this data to all illegal aliens applies here in the same manner as explained in footnote 5.

However, there are significant public health problems associated with a policy that would deny illegal aliens emergency medical services. For example, if illegal immigration was not consequently reduced, the result of not treating seriously-ill illegal immigrants could be large numbers of individuals dying on American streets due to denial of medical care. Not only would the ethical implications of such a policy be troublesome, but there would also be potentially adverse public health consequences associated with such a policy (i.e., the health of the general public could be adversely affected). Further, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA 85) requires hospitals that participate in Medicare to screen all those who present themselves to the emergency department to determine if there is an emergency, including women in active labor, and to treat such a patient to the best of their ability or transfer the patient to a more appropriate hospital. Any policy that required hospitals to certify the immigrant status of patients prior to providing them emergency care would be extremely difficult to implement. There would be a very real risk of falsely identifying an individual as an illegal alien (due to lack of identification, etc.), and it is extremely doubtful that hospitals would be able to effectively comply with both COBRA 85 requirements and a new policy that would deny emergency medical care to illegal aliens. These problems are likely to continue to exist even if upcoming health care reform provisions were to provide all citizens and legal aliens with some sort of universal "health card".

In sum, even if one is sympathetic to the policy goal of reducing illegal immigration, the negative effects on public health resulting from denying emergency medical services to illegal aliens, and the difficult implementation issues of such a policy, would seem to clearly outweigh any marginal contribution such a policy might have in reducing illegal immigration.

Illegal Aliens -- Options:

- (a) Maintain Federal reimbursements to states for the costs associated with the provision of emergency medical services to illegal aliens.
- (b) Increase Federal reimbursements to states disproportionately affected by costs associated with the provision of emergency medical services to illegal aliens.
- (c) Discontinue Federal reimbursements to states for the costs associated with the provision of emergency medical services to illegal aliens.

Illegal Aliens -- Recommendation:

(a)_____ (b)_____ (c)_____

Definition of PRUCOL

There are many gray areas in trying to define which aliens fall under the definition of

"permanently residing in the United States under color of law" (PRUCOL). Four Federal benefit programs--three of which are managed by HHS--use this term in defining alien eligibility (AFDC, SSI, Medicaid, and unemployment insurance). The PRUCOL category was first adopted for SSI in 1972; then for AFDC, by regulation in 1973 and by statute in 1981; for unemployment insurance in 1978; and for Medicaid, by regulation in 1982 and by statute in 1986. None of these statutes clearly defines the term PRUCOL, nor is the term defined in the Immigration and Nationality Act (the INA) or in INS' regulations. Consequently, specific regulations governing eligibility for each of these benefit programs have set distinct and separate guidelines for determining PRUCOL status and for defining this term. PRUCOL status has also been an issue that has been subject to, and defined by, various litigation.

Given the lack of a fixed meaning, only seven categories of aliens are universally accepted by Federal agencies as PRUCOL. These are refugees, asylees, conditional entrants, aliens paroled into the U.S., aliens granted suspension of deportation, Cuban-Haitian entrants, and applicants for registry.

Other categories of aliens may or may not be eligible for public benefits, depending upon agency interpretation of the term PRUCOL and litigation that determines whether particular aliens or classes of aliens are eligible for benefits from particular programs. Such categories include aliens granted indefinite, extended, or renewable voluntary departure; aliens on whose behalf an immediate relative petition has been filed or approved; aliens who have filed for adjustment of status; aliens granted voluntary departure because they have a visa priority date within 60 days of being current; aliens granted a stay of deportation; aliens granted deferred action status; and aliens with pending applications for suspension of deportation or asylum.

The fact that there is no common definition of PRUCOL in the Social Security Act (the Act) that would apply to the AFDC, SSI, and Medicaid programs has led to different eligibility requirements for PRUCOL aliens for these programs. In general, AFDC has a more restrictive, or narrow definition of which aliens can qualify for benefits under PRUCOL, while SSI and Medicaid use a less restrictive definition. For example, AFDC statute and regulations define PRUCOL to include refugees, asylees, conditional entrants, and parolees. SSI regulations--on the other hand--define PRUCOL broadly to include some thirteen different alien statuses, including the "catch-all" category of aliens residing with INS knowledge and permission or whose departure the agency does not contemplate enforcing. SSI regulations have attempted to define this last category stating that the INS "does not contemplate enforcing your departure if it is the policy or practice of that agency not to enforce the departure of aliens in the same category or if from all the facts and circumstances in your case it appears that the [INS] is otherwise permitting you to reside in the United States indefinitely."

The lack of a common definition for PRUCOL in the Act has also spawned much litigation, which in turn has contributed to the different definitions of PRUCOL applied

by the three programs. For example, in a 1977 case *Holley v. Lavine*, a Federal appeals court held that deportable aliens who resided in the U.S. with the continuing knowledge of the INS can qualify as PRUCOL for AFDC purposes. In this case, the INS had stated in writing that it would not deport an alien who had overstayed her visa, as long as her U.S. citizen children were financially dependent upon her. Under the facts in *Holley*, the possibility of future deportation did not prevent the alien from establishing that she was "permanently" residing in the U.S. *Holley* was the first major case to define the term "color of law" for public benefits eligibility.⁷

In another case, however, asylum applicants were found ineligible for AFDC benefits. A Federal court of appeals determined that although asylum applicants were residing "under color of law," their residence was temporary rather than permanent, because it was "solely dependent upon the possibility of having [their] application acted upon favorably." HHS subsequently promulgated a transmittal applying that decision on a national level. The court's holding, however, has been limited to eligibility for AFDC. For example, later courts have not relied on this reasoning when considering asylum applicants' eligibility for unemployment benefits.

The broader PRUCOL category used by the SSI program is substantially the result of litigation. In 1985 the parties in a Federal appeals court case, *Berger v. Secretary of HEW*, entered into a consent decree specifying certain categories of aliens who qualify as PRUCOL. The *Berger* case also included the category of "any other alien residing in the U.S. with the knowledge and permission of the INS and whose departure...the [INS] does not contemplate enforcing." SSI regulations were issued in 1987 implementing the *Berger* decision and specifying the multiple categories of aliens considered to be PRUCOL, as described above.

Over the past several fiscal years, HHS has proposed legislation to establish a common definition of PRUCOL in the Social Security Act that would apply to all three programs-- AFDC, SSI, and Medicaid. A proposal was submitted by SSA for consideration in the FY 1995 legislative cycle. The Office of General Counsel-Legislation is currently working with SSA to ensure that a final proposal takes into account recent changes in immigration law that occurred in 1990. The general effect of this proposal would be to

⁷ In this particular case, the citizenship of the children was based on their being born in the U.S. to the illegal woman. AFDC policy will provide benefits to eligible citizens. In such cases the eligible children can receive benefits but the ineligible mother cannot, thus leading to reduced benefits. The importance of this particular case was in beginning to define what it meant to "permanently reside" in the U.S. By virtue of the INS letter stating that it would not deport her--a rare circumstance since most illegal aliens do not obtain such a letter--the court determined that the mother fell under PRUCOL, thereby making her (as well as the children) eligible for benefits.

tighten the PRUCOL definition for the SSI and Medicaid programs, effectively excluding some of the categories that were added as a result of the *Berger* decision. The proposal would also limit the current AFDC definition of PRUCOL, although to a lesser extent than SSI and Medicaid. This proposal is estimated to achieve total program savings of \$842 million over five years (savings are in the SSI, AFDC, and Medicaid programs).

[Note: OMB has circulated previous HHS PRUCOL proposals for review by other Departments, and it has been objections raised in this process that has prevented proposals from being submitted to the Congress. The Departments of Justice and Labor have been the most interested in our proposals in the past. As mentioned in footnote 1, the Department of Agriculture avoids making reference to PRUCOL in its statute governing food stamps by listing specific statuses in the INA, thus avoiding the problems experienced by our programs due to interpretation and lack of definition for PRUCOL. We will be sharing our final draft proposal with the Departments of Agriculture, Labor, and Justice to determine whether it is possible to use our definition of PRUCOL for eligibility purposes across all relevant Federal programs.]

Another potential option would be to delete from the statute any reference to PRUCOL for eligibility determinations in the SSI and AFDC programs. That is, no longer would the programs need to determine whether or not an alien was included in the amorphous category of "PRUCOL". Instead, this proposal would provide that only certain non-citizens would be eligible for AFDC and SSI: (1) legal resident aliens; (2) refugees; or (3) asylees. Savings would result in the SSI, AFDC, and Medicaid programs (estimates being developed).

PRUCOL -- Options:

- (a) Develop final version of FY 1995 PRUCOL proposal, circulate within HHS--as well as Agriculture and Labor--for resolution of issues and concurrence--and submit to OMB by October 1, 1993.
- (b) Develop proposal that would allow eligibility for AFDC and SSI benefits for non-citizens who are: (1) legal permanent residents, (2) refugees, or (3) asylees.
- (c) Do nothing.

PRUCOL -- Recommendation:

(a)_____ (b)_____ (c)_____

Alien Deeming

For purposes of benefit eligibility for three Federal programs (AFDC, SSI, and food stamps), the income and resources of an alien's sponsor are "deemed" attributable to the

alien for three years. This three-year period begins from the date the alien adjusts status or first enters the U.S. as a lawful permanent resident. A sponsor is a person who has signed an affidavit of support on behalf of an alien seeking permanent residence. The alien and sponsor are jointly and severally liable for any benefit overpayment. This provision prevents sponsored legal aliens from being eligible for entitlement benefits for three years, unless the sponsor's income and resources meet eligibility requirements and the legal alien also meets eligibility requirements. Deeming requirements do not apply to PRUCOL aliens. Also, there is no sponsor deeming requirement in Medicaid.

In general, deeming applies even if the sponsor is not actually supporting the alien. To receive benefits, a sponsored alien must provide information and documentation on the sponsor's income and resources, even if the sponsor refuses to cooperate. Income and resources of both the sponsor and the sponsor's spouse (if living with the sponsor) is deemed to the sponsored alien. An application for benefits may be denied if the required information is not reported to the agency.

For the AFDC program, the three-year deeming provisions may also apply to immigrants who were sponsored by a public or private agency or organization, unless the agency no longer exists or is no longer able to meet the alien's needs. Also for AFDC, if a sponsor is not actually supporting the sponsored alien, the sponsor's income and resources will not be counted when determining whether un-sponsored members of the alien's family--such as U.S. citizen children--are eligible for AFDC. There are no comparable provisions for SSI or food stamps.

For the SSI program, if the alien is the sponsor's child or spouse, the regular SSI parent-to-child or spouse-to-spouse deeming rules are applied instead of the three-year alien deeming rules. Also, deeming does not apply to aliens who become blind or disabled after admission to the U.S. as permanent residents.

Not all legal permanent resident aliens have a sponsor who signs an affidavit of support. For example, in 1992 a little over 20% of non-PRUCOL, permanent legal aliens were issued visas based on an employer submitted petition. This type of petition signed by an employer does not designate the employer or any other individual as the alien's sponsor for the purpose of alien deeming rules. Also, some aliens may become eligible for immigration due to an individual petitioning INS, but may subsequently have a visa issued on a basis other than a signed affidavit of support (e.g., based on a letter from a U.S. employer). This is generally more likely in cases of working-age sibling sponsors, or parents sponsoring working-age children. In sum, INS does not compile aggregate data to determine the number of legal permanent residents who have had an affidavit of support signed by a sponsor.

There is an issue that has gained some prominence in the media, and is related to the alien deeming provisions under the SSI program. There have been cases publicized recently of legal resident aliens or naturalized citizens sponsoring their older parents for immigration into the U.S., and after the three year deeming period the parents

immediately apply for SSI benefits on the basis of age. The perception exists that these families are abusing the system since the children sponsors often have sufficient income and resources to continue to support their immigrant parents, but instead take advantage of the current rules to gain access to entitlement benefits. SSI program data confirms that this type of situation is occurring. For example, of all current alien SSI recipients who have been--or are--potentially subject to the alien deeming rules, fully 25 percent--or 107,470 individuals--applied for benefits in their fourth year of residency in the U.S. The remaining 75 percent applied for benefits in a relatively evenly dispersed pattern among the remaining one-year increments (see Attachment I--aliens "Lawfully admitted" between 36 and 47 months). Further, of the 107,470 recipients applying for SSI in the fourth year of residency, almost 85 percent--or 89,510 individuals--applied for benefits based on age (see Attachment II)

An FY 1995 legislative proposal has been submitted that would address this problem by increasing the time period for sponsor-to-alien deeming from three years to six years. This proposal would place greater responsibility for the financial well-being of non-citizens on the sponsor (SSI program savings estimated at \$1 billion over five years).

Another potential option would be to maintain alien deeming rules for as long as the alien is in immigrant status. Legal permanent resident aliens are eligible to apply for naturalized citizenship after five years of residence. This proposal would still place greater responsibility on the sponsor, but it would link the termination of alien deeming rules to the alien becoming a naturalized citizen. At a minimum, this proposal would extend the period of time for alien deeming from three years to five years, although if an immigrant decided not to become a naturalized citizen, the alien deeming rules could apply indefinitely. This proposal would result in program savings of \$2.7 billion over five years (savings are in the SSI, AFDC, and Medicaid programs).

Alien Deeming -- Options:

- (a) Increase the time period for sponsor to alien deeming from three years to six years--or some other fixed time period.
- (b) Maintain sponsor to alien deeming for as long as an alien is in legal permanent resident status.
- (c) Do nothing.

Alien Deeming -- Recommendation:

- (a) _____ (b) _____ (c) _____

DISCUSSION OF POLICY OPTIONS OUTSIDE THE PURVIEW OF HHS

Finally, some general observations should be highlighted on the effect of immigration--both legal and illegal--on HHS entitlement programs. On average, immigrants and refugees have less wealth and are worse off upon arrival than American citizens. This fact is usually the primary force behind both legal and illegal immigration. Thus, to the extent that more of these individuals enter the United States, there will be a relatively greater burden on our various entitlement programs, subject to the limitations discussed above. The Department has very little influence on the overall immigration/refugee policies that determine the overall flow of legal and illegal immigrants. The Departments of Justice--including the INS--and State, as well as the Congress, have much more influence on immigration policy per se. For example, the Congress expanded the number of eligible legal immigrants as recently as 1990.

Thus, as long as the numbers of immigrants and refugees continues to increase, the costs under our entitlement programs directly related to these individuals and families are likely to increase. The INS has estimated recently (1992/93) that there were approximately 11.5 million legal aliens, and 3.2 million illegal aliens, in the United States. The Census Bureau has found a slightly higher rate of participation in welfare programs--defined as General assistance, AFDC, and SSI--for immigrants than native born (5.9% for immigrants and 5.2% for native born). Whether the increase in economic activity generated by immigrants compensates completely for these increased costs is not clear.⁸

⁸ Various studies have shown that the increased economic activity and tax contributions outweigh the increased costs on social service systems. Other studies have shown the opposite. In general, there are methodological problems with cost-benefit analyses in this area. For example, most analyses are static rather than dynamic and cannot answer certain relevant questions, such as, "If immigrants access entitlement programs, do they receive benefits for a longer or shorter period of time than native citizens?" Similarly, most immigrants--like the welfare population in general--make the transition from welfare to self-support, and a recent study has found that the average income of long-term immigrants (those who immigrated between 1970 and 1980) have higher average incomes than the general population. Finally, one needs to be careful in attributing costs/revenues to "immigrants" in general without distinguishing between refugees and other immigrants. Refugees are usually more needy than other legal immigrants, and many of the high rates of participation in some programs are likely due to the impact of refugees (e.g., if one controlled for refugees the higher rates of participation of "immigrants" may disappear). This is relevant because--as mentioned earlier--admission of, and policy towards, refugees is separate from general immigration policy due to a host of factors such as history, law, humanitarian concerns, shifting foreign policy priorities, etc.

While it cannot be determined unequivocally if immigrants represent a net economic benefit or cost to society, some general points emerge from the various research in this area. For example, it is clear that a disproportionate share of the costs of meeting the needs of immigrants is borne by local and state governments, while a disproportionate share of the revenues resulting from immigrants accrues to the Federal government. The implications of this situation are important since the Federal government is the only level of government with the constitutional authority to set immigration policies. Thus, to the extent the Federal government does not bear a proportional share of the costs of immigration policies, it may tend towards more open immigration policies than if those costs were more evenly shared. Further, localities--by virtue of being at the bottom of the hierarchical "pecking order"--are generally left with the greatest proportion of costs avoided by the Federal and state governments. This is especially true in tight budget times as the Federal and state governments seek to pass as many costs as possible "downward". This phenomenon was particularly pronounced in the 1980s. Finally, different states and localities are affected differently by immigration, with the Mexican border region being one obvious example of an area of the country that has high levels of immigration. Out of an estimated 8.7 million immigrants who entered the country between 1980 and 1990, more than half settled in two states: California with about 3.3 million (38%); and New York with almost 2 million (14%) (see Figure 1 attached).⁹ Similarly, some immigrant groups may be more of a burden on social systems than other immigrant groups. Thus, estimates that rely on national averages or per capita measures should be viewed with caution.

Regardless, it is clear that an important part of this country's social and political traditions have rested on the principle that we are an open society of opportunity and a melting pot of different peoples. It is also clear that the current Administration wants to maintain that tradition.

At the same time, the Administration has proclaimed recently the goal to reduce the flow of illegal immigrants and to reform the process of granting asylum--which would effectively limit the number of asylees granted entry into the U.S. If these goals are achieved, then the costs to our entitlement programs would also be reduced. Fewer illegal aliens would likely mean less costs associated with emergency medical services for those aliens. Fewer asylees would likely mean fewer PRUCOL aliens eligible for entitlement benefits.

Other policies that could lessen the impact of aliens on our entitlement programs are similarly outside the strict purview of HHS. For example, with regard to alien deeming

⁹ These are Bureau of the Census estimates of "foreign born entrants", and are thus not adjusted by the number of immigrants who may have left between 1980 and 1990 (i.e., not adjusted for out-migration). Also, the Census category of "foreign born" includes illegal aliens and legal aliens who may have adjusted to citizenship status.

discussed above, if the INS required all legal permanent resident aliens to have a signed affidavit of support identifying a sponsor, this would likely reduce the number of aliens eligible for entitlement benefits.

Table 8. Number of Current Alien SSI Recipients who Applied since September, 1980: by Legal Status and Length of Time Between Date of U.S. Residency and Date of the SSI Application, December 1992

Months	All persons	Color of law	Lawfully admitted
Total.....	549,600	129,170	420,430
0-11 months....	80,950	65,100	15,850
12-23 months....	28,290	14,170	14,120
24-35 months....	26,720	9,580	17,140
36-47 months....	113,770	6,300	107,470
48-59 months....	37,820	5,050	32,770
60-71 months....	28,750	3,970	24,780
72-83 months....	24,840	3,220	21,620
84-95 months....	24,310	2,910	21,400
96-107 months...	22,650	2,520	20,130
108-119 months..	21,330	2,310	19,020
120-131 months..	20,330	1,910	18,420
132-143 months..	18,320	1,430	16,890
144 months & over.	93,130	2,340	90,790
Unknown residence	8,390	8,360	*

Source: SSI 10-Percent Sample File, December 1992

Attachment II

Table 8. Number of current alien recipients who applied since September 1980; by legal status, program category, length of time between residency and SSI application: December 1992

Aged			
Months	All persons	Color of law	Lawfully admitted
Total	338,970	66,960	272,010
0-11 months	52,290	43,520	8,770
12-23 months	12,770	5,140	7,630
24-35 months	12,680	3,810	8,870
36-47 months	91,790	2,280	89,510
48-59 months	23,430	1,470	21,960
60-71 months	16,980	1,150	15,830
72-83 months	13,700	650	13,050
84-95 months	13,130	600	12,530
96-107 months	12,420	560	11,860
108-119 months	10,600	500	10,100
120-131 months	10,680	320	10,360
132-143 months	9,400	270	9,130
144 months+	53,350	940	52,410
unknown residence	5,750	5,750	0

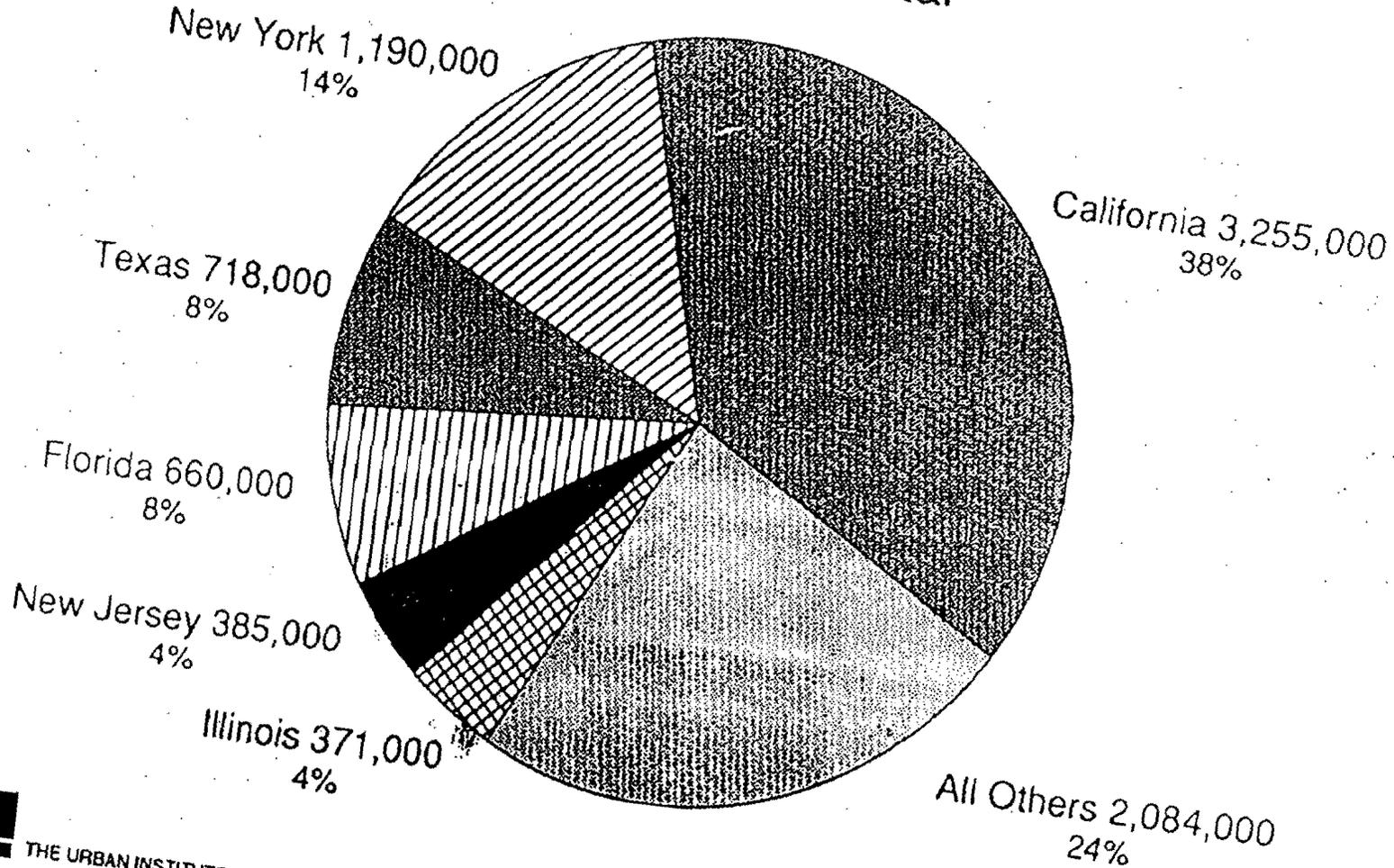
Disabled

Months	All persons	Color of law	Lawfully admitted
Total	210,630	62,210	148,420
0-11 months	28,660	21,580	7,080
12-23 months	15,520	9,030	6,490
24-35 months	14,040	5,770	8,270
36-47 months	21,980	4,020	17,960
48-59 months	14,390	3,580	10,810
60-71 months	11,770	2,820	8,950
72-83 months	11,140	2,570	8,570
84-95 months	11,180	2,310	8,870
96-107 months	10,230	1,960	8,270
108-119 months	10,730	1,810	8,920
120-131 months	9,650	1,590	8,060
132-143 months	8,920	1,160	7,760
144 months+	39,780	1,400	38,380
unknown residence	2,640	2,610	30

FIGURE 1

Immigration by State: 1980-1990

8.7 Million, Total



MEMORANDUM

To: Paul Weinstein
Fr: Timothy Fong
Re: Response to Heritage Foundation criticism -- DRAFT

● *"The Zones would be micromanaged from Washington. To obtain a federal designation (and thus tax incentives) state and local officials would have to supply a federal "Enterprise Board" with full details of a "coordinated economic, human, community, and physical development plan" for the zone...they would force their views on local communities."*

The grants are awarded through a competitive process to ensure innovation and responsibility. The plan submitted must be comprehensive, bringing together the private sector, local government, and the community. Together with the one-stop waiver authority given to an Enterprise Board comprised of relevant Cabinet secretaries, communities can effectively and efficiently use existing federal programs and resources.

● *"The White House still sees enterprise zones as experimental, despite the successes of state zones."*

The use of demonstration projects shows prudence on several counts: 1) given the limited resources of the government, rather than providing a mediocre program for many, the proposal allows significant incentives for a targeted few; 2) the results from state zones have not been universal and unambiguous successes; 3) even those successes in state-level experiments cannot be generalized to federal enterprise zones because of the different tax structures between the state and national level.

● *"One hundred 'enterprise communities' would also be established, but these would have few enterprise incentives."*

Tax incentives have been included for the 100 'enterprise communities,' and include: 1) expanded low-income housing credit; 2) bonds for zone businesses are tax-exempt up to \$3 million per business per zone; 3) tax credits to encourage savings and employer contributions to retirement plans.

● *"The zone incentives are not right for start-up small firms...What they need is investor incentive, such as capital gains relief, to encourage others to provide them with seed capital."*

In addition to the tax-exempt bond financing, empowerment zone business receive: 1) employment and training credit (ETC) for employing zone residents; 2) expensing for depreciable property has been expanded.

The Clinton proposal goals beyond basic tax incentives, which surveys have demonstrated are low on the list of factors that influence business location decisions. Other components include: 1) \$500 million for community policing; 2) priority for such programs as Community Partnerships Against Crime, "One Stop" Career and Opportunity Centers, and Drug Prevention and Rehabilitation to Work -- all of which address some of the top characteristics influencing business decisions: "community characteristics," "government cooperation," and "site characteristics."

The Clinton proposal achieves the following: 1) encourages responsibility through a challenge grant system; 2) permits greater community flexibility by allowing for waivers through the Enterprise Board; 3) uses appropriate tax incentives to encourage hiring of zone employees and to attract business financing; 4) uses comprehensive and bottom-up strategies to address other factors that influence business development.

Even Stuart Butler admits that incentives, alone, do not make a successful enterprise zone: "You have to go in and use zone incentives as an advertising tool, and also a good base on which to build other kinds of strategies. Working with community-based organizations to address a lot of social problems within the zone -- crime and that kind of thing -- seems to be very important."

December 5, 1993

Dear Cokie Roberts,

Re: "This Week With David Brinkley"

Your discussion of health care and welfare reform was absent any reference to the most critical question about getting outlays under control: **Unbridled entry of legal and illegal immigrants into the U.S., a great number of whom are bearing illegitimate children here or acquiring marriages of convenience to garner permanent legal residency, presents the gravest threat to recovering America's long-term economic and social health.**

A great majority of both illegal and legal immigrants entering the U.S. is homeless and needs social services. And many illegal residents with false permits (a great number have them) and legal foreign-nationals are sending for their elderly parents who, if over 65 and have resided in the U.S. for at least two years, are eligible for social security benefits.

Foreigners who've never paid a cent into the system are getting a free ride on the backs of U.S. citizens, merely because non-citizens are paying something into the system. Added to this formula for disaster are all the other exceptional cases our government makes for eligibility.

Did I hear you make the comment "**put mother in charge and you get disaster**"? "Mother" has been in charge for nearly six decades, via the efforts of liberal Democrats in the House of Representatives and courts, and she's still in charge. Things are going to get much worse!

America is in rapid decline. The enclosed hypothesis reveals the root cause.

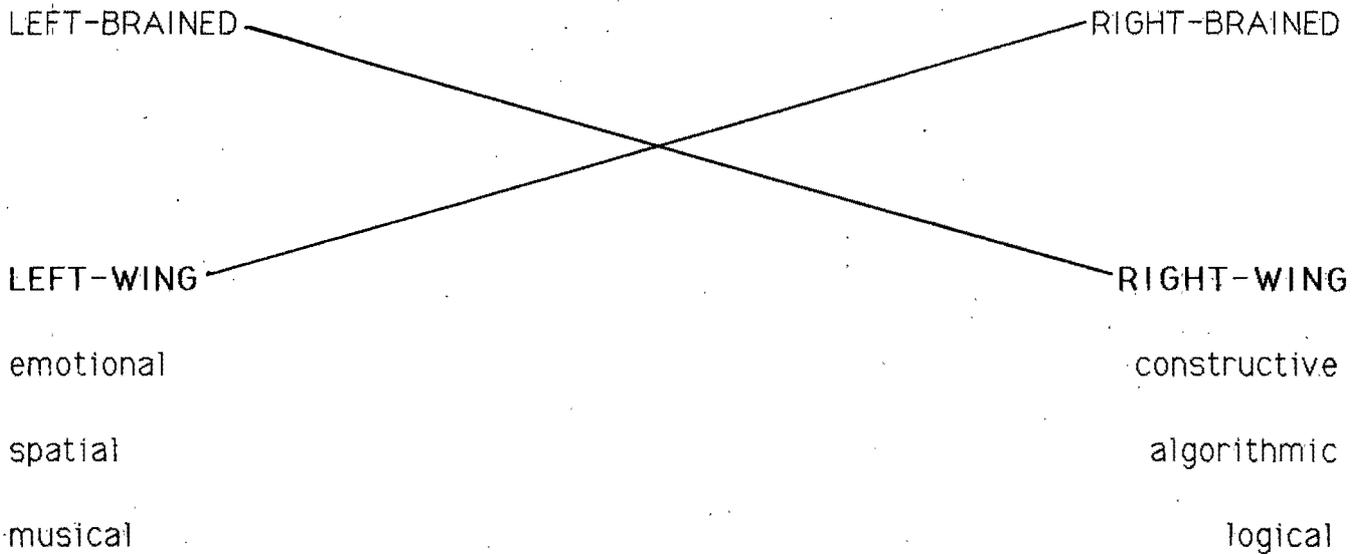
Sincerely,

Richard Brulé

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UNDERSTANDING THE DONAHUE SYNDROME:
the emotionally irrational response to issues requiring rational thought

"POLITICAL LATERALIZATION"



The world is left-brained oriented. It requires a constructive, algorithmic, and logical brain to run it. Nonetheless, the world also requires an emotional, spatial, and musical brain (right hemisphere) to enjoy it and to help create new possibilities for enhancing it.

Because individuals are either left-brained dominant or right-brained dominant, society must be careful where each type expresses their dominance.

Presently, right-brained people (emoters) are gaining ascendance over left-brained people (reasoners) in American politics, news media, and education -- and Western culture and American society are crumbling from their influence.

My explanation of the Donahue Syndrome is an attempt to alert the reader to a dangerous trend in America.

THE DONAHUE SYNDROME (a.k.a. Kennedy Syndrome)

"This is another law [law proscribing prostitution] which is costing us a lot of money to chase down because of old moralistic, religiously engendered values that have no business on the books."

-- Phil Donahue (9/21/93)

Everywhere in Liberal America is glorification of the ignoble, with immorality excused as "just another lifestyle," a trend begot during the hysterical Sixties when leftists rebelled against millennia of Greco-Roman and Judeo-Christian history -- a history rich with hard-won lessons on how a people may best live together in peace and prosperity.

For what did the Liberal-New-Left ravage that legacy? -- for easy divorces, povertization of women and children, public pornography, child pornography, *Man/boy* clubs (after liberals exchanged procreative sex for "sex is fun," children became fair game for homosexuals and pedophiles), pandemic STDs, rampant teen pregnancies, abortion on demand, abrogation of parental authority, recreational drug use, value-free education, pop-culture curriculum, grade inflation (with special grading systems for minorities), welfareism, socialism, special civil rights for minorities, diminution of democratic influence abroad (greatly reversed by Presidents Reagan and Bush), and in whatever order or direction they found the strongest *emotional* stimulus. Every major social-ill facing America today can be traced directly to the dysfunctional nature of the emoting feminine mind.

That's what drives the liberals' engine of destruction - *feminine emotion*. Individuals who are reared (there may be a genetic component here) to react too emotionally on issues requiring critical thinking (the rational analysis of ideas) are not well suited for discovering long-term solutions to personal and societal problems. If their emotion is strong enough, then no degree of rational argument persuades them, and no matter the present or historical evidence.

Generally, liberal-minded citizens depend on emotion to persuade others to support their agenda. They present emotion-filled, exceptional cases against time-proven rules to convince you that the rules are unfair. They whine hysterically for accommodation of the exceptional case, pleading for "justice, fairness, and compassion," until the emotional trigger abates or they get their way, and no matter the long-term consequences of their "cure."

For example, America now suffers value-free public education, and children murdering children in the streets, because one atheist sought to protest prayer in public schools. America suffers abortion-on-demand, and the slaughter of millions of wombed babies, because a relatively few women sought back-alley abortions for their one-night stands; suffers porn-proliferation, and the sexual molestation of women and children, because Hugh Hefner wanted to publish *Playboy*; suffers the abrogation of parental authority, and children getting abortions without their parents' knowledge, because a few parents couldn't control their unruly children; suffers easy divorces, and the povertization of millions of women and children, because a few spouses couldn't control their adultery or anger; suffers the dumbing of school texts, and a plummeting literacy among the citizenry, because a few slow learners couldn't keep pace; suffers unbridled sexual license, and pandemic venereal diseases, because "two consenting adults" demanded privacy for their sexual deviancy; suffers political protection for the deadly HIV, and a rising death-toll, because a minority special-interest group demanded special rights. And America suffers much, much more because of the irrational demands of the emoting feminine mind, which seduces the many into social deviancy by making an exception for a few individuals, who won't abide the necessary restrictions for preserving good civil society.

In each case, the accommodation through emotional "justice" has multiplied these exceptional cases into full-blown social ills. The exceptional case was accommodated by liberal courts and/or legislatures, then time-proven rules became ineffectual at keeping savagery at bay; rules adopted by western societies after thousands of dark and often bloody years of personal

and social experimentation; lessons sacrificed on the altar of hysterical emotionalism where liberals promote the works of the emoting feminine mind: *to make the good appear bad and the bad good.*

Emotion and reason are the real combatants shaping America today, and citizens generally unmask their predilection for one or the other through liberal and conservative politics. Rationalism is like a baby to the power of emotion, in giving response to challenges of living, because emotion is more primitive in humans than reason. **And like the battle that must have emerged ages ago on the European continent between the tall Cro-Magnon and the stooped Neanderthal, rationalism must fight emotionalism at every turn, if social problems are to be solved, and if humanity is to evolve to higher states of living and awareness.**

Presently, America is well-steeped in an age of emotionality -- such a condition destroys civil society -- and a battle is being waged between two political camps: **thinkers and feelers (reasoners and emoters).** It is a conflict upon which the fate of this nation and Western civilization rests.

Emotionality in American politics and education is a product of the rise of feminism, which finds its most powerful allies in the emotion-based industries of entertainment and news. Generally, individuals in these professions access emotion first, then reason, when confronted with an issue. If the emotion is strong enough, then no amount of reasoning will persuade them. Reasoners hold their emotions at bay in their decision-making, in order to fend off tragedy.

America is dying from the bad effects of the emoting feminine mind. Its dissolution will not abate in the face of burgeoning feminism, which emasculates men by goading them toward sentimentality and emotionality, and the abrogation of their rational-minded role in building and maintaining civil society.

Understanding the psychology underlying political affiliation, explains why liberals and conservatives are at odds: Generally, liberals are "right-brained" or emotional, spatial, and musical in relating to the world while conservatives are "left-brained" or logical, constructive and algorithmic.

A majority of women join a minority of men as emotionally right-brained liberals (feminine), and a majority of men join a minority of women as rationally left-brained conservatives (masculine).

The political monikers "left-wing" and "right-wing" correlate like the body's cross-lateralization (see cover page), so that the right hemisphere (feminine) controls the left side of the body politic and the left hemisphere (masculine) the right. I've labeled the phenomenon "political lateralization," and believe its etiology is gender-based. Hemispheric dominance may be genetic yet amenable, in some degree, by factors like child-rearing practices, education, music, movies and books.

For example, the great shift toward emotionality in America occurred after women began voting. Their influence now is having a tremendous effect on American life as they rear their children without fathers, who would counterbalance feminine emotionality with rationality.

This world is left-brained oriented. It requires a logical, constructive, and algorithmic brain to run it and survive in it. And it needs an emotional, spatial, and musical brain to enjoy it and motivate the logical side to create new possibilities for improving it. But liberals are too emotional to be entrusted with finding solutions to America's problems --- because an ideally patterned brain employs much less emotion and more reason for reaching higher states of living and awareness.

Throughout human history, the battle between feminine and masculine, left and right, emotion and reason played out in great human tragedy and achievement, in the rise and fall of civilizations, and in humanity's quest for meaning to existence.

Presently, liberal emoters dominate in politics, education, and the news media-- and Western culture and

American society are crumbling from their influence. This is why liberal Bill Clinton and company will worsen America's problems, why liberals misuse their intelligence, and why Rush Limbaugh has tied up half of his brain -- not to be fair but right.

Emoters have a more juvenile memory/logic function. The highest function of memory allows one to employ deductive and inductive reasoning in relating past experiences to the present, and for discovering possible outcomes of present conditions and trends projected into the future. Emoters react in the moment. And as long as the emotion drives them, it impedes consideration for the rationalism that memory may serve. Recent trends suggest that emoters have the upper hand; **emotion is a powerful foe and readily drives rational faculties under by shifting any discussion from facts to feelings.**

A recent example of liberals' inability to relate current events to historical evidence is their call for sanctions, rather than a military strike, after Saddam Hussein invaded Kuwait. **Senator Ted Kennedy and other emoters in Congress were wrong about the effectiveness of sanctions -- as politicians of their emotional bent have been wrong on virtually every national issue facing America these past sixty-years -- and yet a significant portion of voters keep sending emotionally irrational men like Ted Kennedy back to Congress.** It's an indication of just how many voters are emotion-dependent and lack reason in their decision-making.

Emoters' favorite arenas for venting their feelings are the U.S. Congress and the literary, movie, music, and news industries, or any vehicle for communicating their emotions about certain social and political causes. **They may be addicted to the emotion that the conflict provides, and their "solutions" ensure that the problems won't go away, because their emotionality clouds their rational mind.**

Emoters are entrenched in news organizations and align themselves with emoters in the entertainment industry. Because their collective liberal mind may become uneasy when the extreme effects of their agenda can no longer be reconciled, ignored, or excused, they wake up momentarily to undo some of the social damage, as with their current involvement in efforts to quell the epidemic drug use they encouraged for years in their personal lives and in their movies, music, books, and television sitcoms. And very shortly, liberals will be scrambling to undo their sexual revolution, with its broken marriages and sick and sterile bodies, attendant deaths, and abandoned children.

While irrational Phil Donahue whined these past twenty-five years for accommodation of exceptional cases, Norman Lear's sitcoms (especially *All In The Family*), along with other liberal TV-programming and movies swayed public attitudes away from civility, by using humor to denigrate morality and Western values. **Humor is a powerful tool for making the irrational seem reasonable, the immoral seem right.** Norman Lear is an unabashed manipulator of the emotional mind. His and other liberals' dictum to "tune in and drop out" proclaimed the good as bad, and praised the bad as enlightenment while the liberal media, a much smaller contingent thirty-years ago, embraced and promoted the cause.

America's decline in civility is a decline in rationalism. And like what the social drink is for an alcoholic, the emotional weakness once accommodated leads to despair and possibly death. If only the emotionally driven mind could understand the value of rules which evolved the highest civilization humanity has ever witnessed, so that the importance of passing that understanding and legacy from one generation to the next would not be lost on citizens who give their support to the *American "Civil" Liberties Union* and *People For The American Way* -- two liberal organizations that are hellbent on removing that esteemed knowledge from America's classrooms.

As the current battle rages between unbridled emotionalism (liberal populace) and retreating rationalism (conservative populace), we can only wonder at the outcome of such a conflict. It's a battle for human survival, for learning to live in health, peace, and prosperity -- to be rationally civilized or retreat to the raw savagery of emotionalism. **The lesson liberal emoters need to learn is that accommodating**

weakness in any aspect of human living is to encourage it and undermine the general welfare of the citizenry; to be compassionate is to discourage frailty in human character for the sake of personal and domestic tranquility.

Compassion is the heart of reasonable minds, but there are two kinds -- *compassion to destroy* and *compassion to uplift*-- the latter being the compassion of a rational mind. Lyndon Johnson and the liberal emoters of his day had the compassion to destroy. And through their Great Society agenda, they doomed generations of white and Afro-American families by stealing their souls -- self-pride through self-reliance.

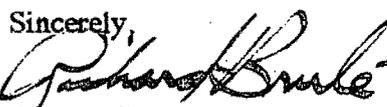
Veterans of Alcoholics Anonymous know the name for those who would seduce others to weakness through accommodation - *enablers*.

Today's enablers, **Liberal Democrats**, continue the work of their predecessors. They've created a permanent under-class. It is so vast and so prodigious in bearing young for each successive generation of dependent citizens that there is no solution but for the system eventually to collapse under its own weight, and take a once-great nation with it.

Every social component the enablers apply their "compassion" to -- crime, public education, health care, government, civil rights, marriage, human sexuality, child care, national defense, the homeless, religious freedom, sexually transmitted diseases (especially AIDS), hunger abroad, legal and illegal immigration -- ensures a worsening outcome.

There are few noble (rational) men and women in America today. America has become a nation of lechers and whores. Listen to her music, read her literature, watch her TV broadcasts, and watch her youth being corrupted at ever younger and younger ages by it all. Witness the rapid decline of a once-great nation.

The **emoting feminine mind** is seductive and guileful; it seduces us to weakness through accommodation, so that we'll become dependent: dependent on everyone but ourselves for meeting our every need, until there are no more providers; until only the wretched poor are left in America to lobby their degenerate government. And so it goes with this nation, and with those liberals who champion the cause of emotionalism, welfarism, socialism, and the poor -- victims of the **Donahue Syndrome: the emotionally irrational response to issues requiring rational thought.**

Sincerely,

Richard Brulé
9101 Patterson Av. #54
Richmond, Va. 23229

WR-Immigration

MEMORANDUM

To: Bruce Reed
Fr: Timothy Fong
Re: Economic Impact of Immigrants

According to the Huddle Report, as reported in the Wall Street Journal, immigrants incur a net cost to the taxpayers. But his report must be examined with some skepticism.

1) Huddle incorporates labor displacement cost estimates.

Of the major economists who study economic impact of immigration, however, Huddle is the only one who factors in displacement costs. The only citation he includes regarding this cost is himself, found in an article for the No Population Growth (NPG) Forum.

According to Huddle, at least 25 native-born Americans are unable to work as a result of the presence of 100 immigrant workers. This element of his analysis accounts for \$447.8 million total displacement costs due to legal immigrants in 1992; costs for the 1970-1992 stock of legal immigrants was \$6,519 million.

These figures were based on studies he had conducted in 1983, 1985, and 1990. What has not been discussed is the size and nature of the samples for those studies. The approximate sample sizes were, respectively, 130, 200, and 80 persons. Apparently, the persons selected were those who were, at the time, unemployed and searching for jobs. Those who were unable to find jobs given a certain influx of immigrants were considered "displaced."

2) Huddle attributes the largest costs to primary and secondary education.

For legal immigrants in 1992, public outlays were \$8,031 million; for the 4.8 million illegal aliens, outlays were \$3,909 million.

This analysis, however, does not treat education as an investment. As a form of building human capital and improving individual wages over the long-term, spending on education need not be seen simply as a cost. But potential revenues (taxes on higher incomes earned) or savings (education has correlations to criminal activity, unemployment, and time spent on welfare) are not typically included in this analysis.

Growing demand for education, however, can be seen as providing public service jobs. Teachers, administrators, janitors, or bus-drivers become in greater demand as the public school system tries to expand with population growth.

3) Huddle uses high-end figures for the number of immigrants.

Partly driving the high cost-estimate are the figures for the inflow and total stock of immigrants. INS doesn't keep official figures for illegal immigration, but other sources suggest that the figures used by Huddle's report are on the high-end.

For example, Huddle uses an estimate of 4.8 million illegals. That estimate was probably derived from the 6 million in 1987, minus 3 million granted amnesty. By assuming an annual inflow of 300,000 for the six years following 1987, we arrive at the 4.8 million figure (3 mil. + 6 x .3 mil. = 4.8 mil.). The 300,000/yr, however, is probably a good estimation for the current year, which has seen an exceptionally high number of illegal immigration. But using such a high figure for the earlier years inflates the total figure. INS, in fact, has unofficial estimates of total number of immigrants to range from 2.0 million to 4.0 million.

Huddle presumes an annual influx of 810,000 immigrants. There are two problems with that figure. 1) INS also has 810,000 arriving in 1992 under the status of "non-legalized immigrants." Presuming this is the same figure

and category that Huddle intends to use, it is the highest figure for the past three years. According to INS, in 1991 that figure was 704,005; in 1990, 656,111; and in 1989, 612,110. 2) The category of "non-legalized immigrants" captures three groups of immigrants: recent arrivals, refugees adjusting status, and visitors on temporary visas (tourists, students, temporary workers) applying for adjustment to immigrant-status. Only the first group can be considered "influx"; the remainder may have already been residing in the country, yet are still captured in a figure that has been used to measure immigrant inflow.

4) Huddle uses a study produced in Los Angeles County, one which the Urban Institute suspects of overstating the burden on local public finance.

The Los Angeles study makes certain assumptions which could have contributed to its overestimation of costs.

1) When determining revenues, immigrants arriving before 1980 were considered as "rest of the population." Yet for some administrative costs, these same groups were lumped together with the recent immigrants. This, however, may not significantly inflate costs; 2) when looking at revenues, although the county receives a total of \$3 billion, not including state/federal passbacks, the modeling was based on residential property taxes, which total \$1.4 billion, and sales tax, which added another \$0.039 billion. But because full costs were considered, the sampled population would show a shortfall. Because the revenues considered in the model fall short of the total costs, however, every segment of the population would show net costs under this methodology.

5) Huddle does not acknowledge that, according to some studies, the presence of immigrants creates job.

One study shows that, in areas with an influx of immigrants, job growth exceeds the increase in immigrant population. Most of these studies do not include the indirect effects of immigrants creating jobs or paying business taxes and commercial property taxes.

Huddle's report should probably not be too seriously taken when formulating policy. Other studies may give a better and more balanced view of the economic affects of immigrants.

MEMORANDUM

TO: Bruce Reed
FR: Tim Fong
RE: Impact of immigrants on welfare system
DT: 6/22/93

Background

"Immigrants" can be broken down into four categories: refugees, legalized aliens, undocumented aliens, and documented. The recent wave of Chinese immigrants in both California and New York includes refugees -- those claiming political oppression because of the one-child policy -- and illegal immigrants, those smuggled in by boat.

Welfare Use

Primarily because illegal aliens are afraid of being deported, they have relatively low rates of welfare use. Refugees, on the other hand, tend to have higher rate of welfare use because: 1) they qualify for relocation assistance programs; 2) refugees migrate for political, rather than economic reasons, leaving wealth behind.

While it is important to keep that distinction, most of the survey literature referring to immigrants do not always articulate the difference. The "conservative" line has been pulled by analysts such as Stephen Moore: "Immigrants don't tend to be users of public services any more than the native population. In fact, immigrants tend to pay more in taxes than they use in social and public services."

Other research suggests that the more recent waves of immigrants are more likely to enter welfare than earlier cohorts and even natives:

<u>year</u>	<u>immigrants on welfare</u>	<u>natives on welfare</u>
1970	5.9%	6.1%
1980	8.8%	7.9%

But according to one study, country of origin was the dominant factor in determining welfare use. Welfare participation in the 1980 between natives and immigrants from China break down as follows:

<u>country</u>	<u>all households</u>	<u>male-head</u>	<u>female-head</u>
native	7.9%	4.8%	16.2%
China	8.7%	7.5%	15.0%

In a study of amnesty applicants in California, some of the myths about welfare use by immigrants seem disputed. Although not explicitly so, many of these immigrants were from Latin America. According to that study, of those amnesty applicants:

- 1) more than 90% never collected food stamps;
- 2) more than half lack health insurance;

3) more than 90% never sought GA, AFDC, SSI or Social Security

Costs

Particularly with illegal immigrants, determining the net costs and benefits of immigrants into this country poses many difficulties, primarily because of data collection problems. One study estimates that \$13,552 in welfare payments are collected by immigrants, which is 71% higher than lifetime welfare payments for natives. Under this study, the total welfare costs for immigrants (who entered between 1975 and 1980) is \$11.2 billion; for the native cohorts, that estimate is \$6.5 billion. This same study did not produce revenue estimates.

When considering costs, however, one should look carefully at who incurs the costs and receives the revenues. Particularly for social services, counties bear the costs, while the federal and state often receive significant portions of revenues. In Los Angeles county, revenues from undocumented aliens in 1990-91 to the county equalled \$137.6 million; the cost to the county was \$413.8 million. According to this report, however, the total revenues received equalled \$2.96 billion.

Summary

Much of the studies on immigrants remain inconclusive. Recent research suggests that more recent immigrants may have higher costs than earlier cohorts, but the net contributions could still be higher. Two important considerations when looking at the effect of immigrants on the welfare state are: 1) the country of origin; and 2) who receives revenues and bears the costs.

Mark Lefcowitz

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To: Bruce Reed	For Information Call: Mark Lefcowitz
From : Mark Lefcowitz	At: 719-0751
Pages: 11	Fax Number : 719-0569

Mr. Reed:

For your information.

If you have any questions, or if I can help in any way, please do not hesitate in asking.

MJL

ORAL TESTIMONY BEFORE THE
SUBCOMMITTEE ON HUMAN RESOURCES
COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
MONDAY, NOVEMBER 15, 1993
RAYBURN HOUSE OFFICE BUILDING, ROOM B-318
BY MARK J. LEFCOWITZ
ON THE IMPACT OF IMMIGRATION ON WELFARE PROGRAMS

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to testify before you today. My name is Mark J. Lefcowitz. I come before this subcommittee as a private citizen, as well as a welfare caseworker specializing in benefit programs for almost fourteen years. Beginning in 1978, I was employed for ten years with the Pennsylvania Department of Public Welfare, and subsequently have been employed with the Fairfax County Department of Human Development for the past four years. Additionally, I am a freelance writer specializing in public welfare issues.

At present, I handle a caseload of approximately 1,400 cases. I estimate that 80% - 90% of my caseload consists of individuals and families who have immigrated to this country within the past ten years.

I make eligibility decisions that determine whether applicants will receive cash, Food Stamp, and Medicaid benefits every day. And every day, I watch as the welfare system is plundered by individuals who have been sponsored by both U.S. citizens and non-citizens to be allowed to live and benefit from the social services of this country.

Before going further, let me make it clear that I am not a xenophobe. I am not motivated to give testimony today for the

purpose of immigrant bashing. Indeed, one of the reasons I have kept silent on this issue outside the confines of my own agency is due to my fears that any report I might give might be misused in the hands of non-professionals. I feared a report on the abuse of, and the problems associated with, the administration of public welfare programs for immigrant populations might be used inappropriately by hate-mongers and others for their own political purposes.

I further stress that not all Fairfax County offices of the Department of Human Development have as high a ratio of immigrant clients as does my office, nor do all eligibility workers. My office handles approximately 800 intakes each month; of those cases approximately 50% are recently arrived immigrants and permanent resident aliens. An additional 25% are U.S. citizens of foreign extraction. I do not have any statistics on the ratio of Aid to Families with Dependant Children (AFDC) recipients who are U.S.-born, and whose parents are non-citizens. In my limited experience in this particular program, involving this specific population, I would estimate that the ratio would be extremely high, possibly three to one or higher.

My co-workers are as diverse a group of individuals as I have ever worked with. Many are not U.S. born, a few not even U.S. citizens, and a fair number of them have sponsored relatives and friends themselves so they might live in this country. Based on discussions with my colleagues, regardless of their individual background, a majority would agree with the substance of the testimony that I give today.

Finally, I emphasize that many of the problems associated with the administration of welfare benefits for immigrant populations

are the same problems associated with non-immigrant populations. There is a lack of sufficient staffing; a lack of a clear and practical social vision which is translated into a clear and practical social policy; overly complicated and sometimes contradictory regulation; undue judicial interference; lack of data collection which is consistent and accurate; lack of leadership and ability at the state and local level; and what I feel is the worst of all, a welfare system which ultimately encourages economic and social dependence and dysfunctional behavior.

These problems cut across political party lines and political ideology. These problems have existed for decades in the federal government, as well as in each of the states. There is plenty of blame to go around.

As I have stated, every day I watch the welfare system taken advantage of by individuals who have been sponsored into this country. But it is worse than that. Every day my fellow workers and I are forced to deny benefits to elderly and disabled individuals who have worked extremely hard for nickels and dimes all their life. These are people who have contributed to this country; who have paid taxes, who have supported welfare programs and disability programs through wage contributions. These are people who need help; people who are getting perhaps \$500 or \$600 dollars in Social Security and retirement benefits every month, and from this meager income are expected to "spendown" through the payment of out-of-pocket medical expenses to a semi-annual net income of \$1950 before they are eligible to receive full medicaid benefits.

And every day, my fellow workers and I are forced to approve benefits to individuals who have been sponsored into this country

within the past three years; many of them elderly and automatically eligible for full medicaid benefits; individuals who have never contributed a single dime to this country and who will be effectively wards of the state for the remainder of their lives in this country.

How can this happen? Congress has built piece-meal immigration and welfare systems which encourage sponsored aliens, many of them elderly, to be brought into this country and to live off the welfare system.

And ultimately, there can be no doubt, it is the federal government which is responsible. It is the federal government which interprets the welfare laws of this land and which sets welfare policy and goals. It is the federal government who makes immigration policy. And it is the inconsistencies among these policies which allow sponsored immigrants to have access to this country, its resources, its welfare system, and the welfare system's entitlements.

To paraphrase Field of Dreams: If you build it, they will come.

DIVIDED AGENCY RESPONSIBILITY

There are a number of federal agencies responsible for welfare policy. Each agency promulgates its own regulations, and this cumulative body of federal policy and regulations is in turn interpreted by each individual state's Department of Welfare or Department of Social Services to ensure entitlement program compliance. It is then promulgated to the individual local agencies as state policy.

These federal regulations are often so inconsistent with one another that they frequently contradict and negate one another.

One prime example is the issue of confidentiality. Due to strict non-disclosure laws, it is virtually legally impossible to notify authorities of deceptive practices by any applicant of welfare benefits.

Unfortunately, it is not unusual for a newly arrived sponsored alien to come to a welfare office within weeks - - sometimes days - - of entering this country to apply for benefits. In Virginia, this problem in the past revolved around the State's General Relief program. Only recently has this problem been rectified by requiring the "deeming" of sponsor income and resources in the determination of eligibility.

Obviously, state funded programs are beyond the scope of this committee and the federal government. But it illustrates the point that the sponsors of permanent status aliens often lie to the Immigration and Naturalization Service (INS). Individuals - - sponsored by others who have promised to support them financially for a three year period - - routinely apply for and are eligible for Welfare benefits.

From the line worker's perspective - - and I think, too, from the perspective of most taxpayers- - this reality is rather incomprehensible. Our first inclination is to report the sponsor to INS. The problem is we can't; federal and state policies regarding confidentiality prohibits the reporting by my agency of any information obtained in the process of application for welfare benefits.

To my mind, and the mind of most of my fellow caseworkers, this just plain doesn't make any sense. We administer federal entitlement programs, we routinely get both immigration status and financial information from a variety of federal agencies, but we

are prohibited from revealing information which indicates that an individual has lied to immigration authorities in order to get someone into the United States as a permanent status alien.

Another example is that despite sponsored status, any individual 65 years of age or older is eligible for Medicaid, provided they meet income and resource requirements. That means that elderly parents and grandparents of sponsors are eligible for full Medicaid coverage within weeks of entering the United States, although they have neither contributed a single nickel, or done anything to earn the privilege of that eligibility.

Yet at the same time, as noted in my introduction, my fellow caseworkers and I have no option but to deny Medicaid benefits to elderly individuals who have worked, paid taxes, and served their country, but who are marginally over the net income limit of \$325.00 a month.

For many of us, this is an unbearable situation.

PLAYING THE SYSTEM

This country is allowing individuals to enter this country who are already aware of and are planning to use this nation's welfare system. Rather than relying on the financial support of their sponsors until they are able to become self supporting, many of these individuals are counting on the welfare system to support them, and never become self-supporting.

The current procedure of "deeming" a sponsor's income is mitigated because there is no limit to the number of people a sponsor can bring into this country.

It is obvious, also, to most of us on the line that there is a good deal of deception taking place when sponsors declare income and resources to the INS, and a great deal of deception when these

very same sponsors report depleted resources and lost income to intake welfare caseworkers, soon thereafter.

If a sponsor successfully hides income and resources, there is little the line intake worker can do, except authorize benefits.

One particular case of playing the system comes to mind:

A permanent status alien sponsored his mother-in-law into this country three years ago. This woman was well over 65 years of age, and therefore eligible for Medicaid benefits.

While ineligible for Supplemental Security Income (SSI) benefits due to excess "deemed" sponsor income, the mother-in-law applied for and was granted General Relief benefits, which at the time of application made no provision for sponsor income and resources. When the Virginia General Relief program changed its policy toward sponsor income, this mother-in-law was "grandfathered" into the program because she was already receiving benefits.

Several months ago, she celebrated her third anniversary in this country. Because sponsor income is no longer "deemable" after three years, this woman became immediately eligible for SSI benefits because she is aged. She also applied for and has been determined eligible for Food Stamp benefits because she now claims that she eats separately from the rest of her family.

Her sponsors - - her son-in-law and her daughter - - have now returned to their home country permanently, leaving the mother-in-law in the care of one of their college-age daughters. The mother-in-law, however, continues to collect SSI benefits, Medicaid, and Food Stamps.

Recently, this woman flew back to her home country to visit

her daughter and son-in-law for several weeks and returned back to this country, her benefits intact.

GENERAL POLICY RECOMMENDATIONS

I urge this subcommittee to further explore, in much greater detail, the issue of the impact of immigration on welfare programs. I ask that the committee consider recommending the adoption of much more restrictive language for welfare benefits for non-U.S. citizens and their dependents, both permanent status aliens entering the United States under sponsored status as well as refugees who I have refrained from mentioning in this testimony here today.

Specifically, I recommend the following:

1. That the time limit for sponsorship responsibility be extended from three years to at least five years for immigrants under the age of 55. For individuals over the age of 55, where the possibility of gainful employment is extremely low, sponsorship should be a lifetime commitment.

2. That sponsors of immigrants attest that the individuals they sponsor into this country will not apply for welfare benefits - - either federal, state, or municipally funded entitlement programs - - or Supplemental Security Income (SSI) benefits, and that each sponsor be bonded as a condition of sponsorship, in the event that a sponsored individual under their financial responsibility does apply for welfare benefits of any kind.

3. That permanent status aliens not be eligible for welfare benefits or SSI benefits until they have demonstrated self-sufficiency through the reporting of earned income to the Internal Revenue Service for a three year period. That in all such cases where self-sufficiency has not been demonstrated, sponsorship

responsibility be extended until such time as self-sufficiency has been demonstrated.

4. That the minor dependents - - whether U.S. born or non-U.S. born -- of a sponsored alien be considered dependents of the sponsor until such time as they become emancipated adults.

5. That the number of individuals that can be sponsored by any one individual or married couple -- both at any one time or during their lifetime - - be finite.

6. That confidentiality regulations regarding divulging information about sponsors and/or their sponsored immigrants be lifted in such a way as to encourage the free flow of information between the local agencies and the regional offices of the INS, particularly as it relates to possible fraud. And that INS be encouraged to collect and pursue immigration fraud allegations vigorously.

7. That sponsor fraud be made a criminal offense, punishable either by fine and/or imprisonment. And that sponsored immigrant fraud also be made a criminal offense punishable by deportation.

8. That local agencies who have inordinately high caseloads of non-U.S. citizens be acknowledged to have special problems associated with the handling of such caseloads, including the need for translators, the need for federal assistance in obtaining more line workers, and the need for federal mandated caseloads which are lower in number than agencies which do not serve such populations.

9. Last, I recommend that this subcommittee make a concerted effort to encourage and mandate the codification of all welfare regulations among the many federal agencies so that there is consistency, uniformity, and as much simplicity as possible among the many federal regulations having to do with immigrants and

their eligibility for welfare benefits.

I will be more than happy to answer any questions I can on these issues at the pleasure of this subcommittee.

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