



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

*WR-Massachusetts*

WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL CELLUCCI  
LEUTENANT GOVERNOR

For Release: Thursday, May 23, 1996  
Contact: Bob Bliss  
Ilene Hoffer  
(617) 727-2759

WELD, CELLUCCI REFILE WAIVER FOR WELFARE TIME LIMITS

Governor William Weld and Lieutenant Governor Paul Cellucci today announced they are refileing with the Clinton Administration their waiver to implement a two-year time limit on cash welfare benefits.

"No one is entitled to an endless hand out from the government," Weld said. "A strict two-year time limit draws the line in the sand and lets people know there is a point in time when the only one who can help you support yourself is yourself."

"An end to welfare dependency means a limit to benefits. It also means moving parents off the welfare rolls and onto payrolls, bringing the work ethic, self-esteem and pride back into thousands of Massachusetts families," Cellucci said.

The measure to limit Aid to Families with Dependent Children (AFDC) cash benefits to two years was passed into law as part of Massachusetts' major welfare reform overhaul last year. However, the Clinton Administration, which, under current law, must approve state changes to welfare programs, rejected the Massachusetts waiver to implement a strict two year time limit.

-more-

"We are hopeful that the Clinton Administration will move fast to approve welfare time limits in Massachusetts," Weld said. "But this battle for a waiver also underscores the critical need for federal welfare reform. States like ours, which are ending welfare as we know it, should not have to go to Washington on bended knee to enact the will of the people and the legislators of our state."

Secretary of Health and Human Services Gerald Whitburn noted he was hopeful the federal government would approve the renewed waiver request in light of President Clinton's support last week for a Wisconsin welfare reform plan that could cut off benefits after two years in that state. "If President Clinton's action matches his rhetoric, we should get our waiver for time-limited welfare benefits, and soon," he said.

The Massachusetts limit on welfare benefits would cut off AFDC cash grants to able-bodied recipients after 24 months once the youngest child in a family reaches age two. The Commissioner of Transitional Assistance would have the authority to grant extensions in extreme circumstances.

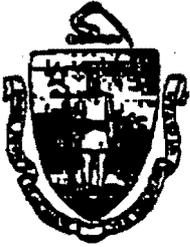
Massachusetts, together with Indiana, leads the nation in AFDC caseload reduction. The AFDC caseload in Massachusetts has dropped 29 percent since 1993. It has dropped more than 16 percent since the welfare reform bill was passed into law in February 1995.

###

HULL-02-1995 17:45 FROM

TO

6905673 P.02

**THE COMMONWEALTH OF MASSACHUSETTS****EXECUTIVE DEPARTMENT**

STATE HOUSE • BOSTON 02133

(617) 727-2850

**WILLIAM F. WELD**  
GOVERNOR**ARGEO PAUL CELLUCCI**  
LIEUTENANT-GOVERNOR**VIA FAX - COPY BY SURFACE MAIL****August 2, 1995**

**The Honorable William Jefferson Clinton**  
**President of the United States**  
**The White House**  
**Washington, DC 20500**

**Dear Mr. President:**

I am writing to follow up on our brief conversation in Vermont on Monday concerning the Commonwealth's pending welfare reform waivers and also to respond to Secretary Shalala's letter to me of July 29th.

As you pointed out in your April 11th letter to one of our mutual constituents in Lynn, Massachusetts, "Welfare should be a transitional program". I agree and for that reason feel unable to accept a reform which does not hold to that straightforward principle.

As you know, Massachusetts has always had one of the nation's strongest commitments to assisting at-risk populations. Our AFDC benefit is among the highest in America, our Medicaid investment is near the top and, on a per capita basis, we invest more in subsidized child care than any other state. We have no intention of moving back from our willingness to assist our citizens in search of self-sufficiency.

As you suggested in your remarks in Burlington, the apparent major stumbling block in the waiver negotiations has been the question of conditions under which recipients are permitted to continue in the program.

It is worth noting that under our plan, a first time mother who joins the AFDC rolls during her third trimester will be eligible for 48 to 50 months of benefits prior to the expiration of her time limit, because under our plan the 24-month clock does not begin running until the youngest child is two years of age. For an able bodied individual who is capable of work, four years on welfare ought to be enough. I suspect you agree that as policy makers we should put in place, now, a program that does call for the end of benefits at some point.

As you may or may not have been advised, during our negotiations we have agreed to a provision that will result in extensions being given to recipients in counties where extended unemployment at 10% or more makes successful job searches more challenging.

AUG-02-1995 17:45 FROM

TO

6905673 P.03

Further, we have agreed to special provisions under which extensions can be given where recipients "demonstrate circumstances that temporarily prevent the individual from being competitive for employment opportunities" or where individuals have "encountered unique personal life disruptions that make a required immediate entrance to the job market unreasonable".

Finally, our plan authorizes the Commissioner to grant extensions in any other instance where significant hardship is apparent.

We all share your concern about the need for appropriate supports for families, but at the same time I cannot shake the feeling that as we reform the welfare system, we must remove the perverse incentives that trap generation after generation in a terrible situation.

Our statute - which, as you know, passed with overwhelming bipartisan support - 31 to 3 in our Senate and 133 to 21 in our House - does not provide for (nor should it) another layer of bureaucratic paternalism at a time when we should be stressing straightforward, unambiguous, personal responsibility. We have not expected enough of welfare recipients in the past. The consequence is a system that I believe you and I both want to end.

Individuals who know they will have to work will be motivated in a very different way than individuals who will have access to indefinite extensions by indicating that a job is not available or is just out of reach.

I was pleased that you have moved waiver approval to a 30-day process in your Administration and I hope, now, that our waiver - which has been at HHS for more than four months - will be expeditiously approved.

The Commonwealth is anxious to go forward with the nation's broadest reform to date, and I look forward to this partnership with you in authorizing its implementation.

Respectfully,



William F. Weld  
Governor



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

AUG 4 1995

The Honorable William F. Weld  
Governor of Massachusetts  
Boston, Massachusetts 02133

Dear Governor Weld:

The President has asked me to respond to your letter of August 2, 1995. Today I have approved waivers that enable Massachusetts to implement its Welfare Reform '95 demonstration. My approval is for a demonstration that comports with terms and conditions that are being transmitted to Secretary Whitburn by Assistant Secretary Bane.

The terms and conditions governing my approval of Massachusetts' demonstration are consistent with those I have approved for demonstrations of time-limited AFDC in 17 other states. As in these other states, these terms and conditions give Massachusetts the green light to implement tough but fair welfare reform. They would permit Massachusetts to impose tough work requirements and tight time limits, while strengthening incentives to work and providing necessary child care. Individuals who fail to diligently look for work, who refuse to accept a job, who quit a job, or who are fired for cause would not be eligible for assistance. But similarly, under these waivers, those who diligently pursue work but are unable to find it through no fault of their own will receive transitional assistance while being subject to stringent work and work search requirements.

These waivers are consistent both with your goals for welfare reform in Massachusetts and with the principles that guide this Administration's approval of welfare reform demonstrations. As you know, we have reached agreement on strict work requirements, a family cap, and live at home and stay in school provisions for minor mothers.

Page 2 - The Honorable William F. Weld

It is my hope that you will accept the terms and conditions under which I am approving your demonstration. In so doing, I believe that you would be acting consistently with a principle with which I know you agree--that true welfare reform is about protecting children and about strengthening families by moving parents from welfare to work.

Sincerely,



Donna E. Shalala



## THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNORARGEO PAUL CELLUCCI  
LIEUTENANT GOVERNOR

August 9, 1995

Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

It should be no surprise that the discussions between our administrations related to our pending welfare reform waivers have been challenging, since no state has ever implemented a reform of this breadth.

I am writing to ask that you reconsider the Administration's decision to close negotiations with the Commonwealth. It would be a shame if such a key reform is held up over a single issue. We are pushing the envelope some. You permitted Wisconsin to experiment in two counties with a straightforward time limit; our statute calls for a statewide demonstration -- but a time limit only for able-bodied individuals and in the state with the highest per capita commitment to child care.

You joined with Oregon in cutting new ground in approving their rationing model in Medicaid. In that spirit, I am asking you and Secretary Shalala to move back from the view she enunciated in her recent letter that exceptions approved in other states should fit Massachusetts as well. It just doesn't mesh with our statute.

It is not unreasonable for the federal government to share with a state the business of defining the safety net -- especially if the state has demonstrated the kind of strong-commitment to assisting the poor that has been true for so long in Massachusetts.

If our statute is approved, you will have our commitment to make this program work through a careful and sensitive implementation.

Thank you, in advance, for your consideration.

Respectfully,

A handwritten signature in cursive script, appearing to be "Barry".



**The Commonwealth of Massachusetts**  
**EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES**

**One Ashburton Place, Room 1109**  
**Boston, Massachusetts 02108**

**WILLIAM F. WELD**  
**GOVERNOR**

**ARCEO PAIA DELLUCCI**  
**LIEUTENANT GOVERNOR**

**GERALD WHITBURN**  
**SECRETARY**

**Tel: (617) 727-7600**  
**Fax: (617) 727-1996**  
**Fax: (617) 727-4446**

**October 2, 1995**

**The Honorable Mary Jo Bane**  
**Assistant Secretary for Children and Families**  
**370 L'Enfant Promenade, SW**  
**Washington DC 20447**

**Dear Ms. Bane:**

I am writing to inform you that the Commonwealth of Massachusetts has decided to accept the Terms and Conditions transmitted to Massachusetts with your letter of August 10, 1995, with the exception of the provisions pertaining to the time limit on receipt of benefits.

Accordingly, we accept the federal Terms and Conditions conveyed by your letter, with the exception of Section 2.1(2), Time-limits for TAFDC. The Commonwealth accepts those portions of Section 2.1(2) to the extent they relate to the grant reduction. We also request that any other references to time limits be deleted from the Terms and Conditions. The Commonwealth intends to implement time limits as soon as permissible under the anticipated federal legislation.

In addition, we request further that the Terms and Conditions be modified to accommodate several technical matters. First, Section 2.1(11) should be amended by inserting at the end of the first sentence, after the word "degree", the following language: -- ", provided, that if 'full-time' requires less than 30 hours per week, the parent shall be required to meet the 30-hour requirement by other activities identified in the EDP". Second, Section 2.1(15)(g) should be amended as follows: In the first sentence of the second paragraph, insert after the word "status", the following language: -- "for six months or"; at the end of that sentence, insert after the word "days", the following words: -- "whichever is longer". Third, Section 2.3 should be amended by deleting subsection (2) pertaining to the treatment of automobiles.

The Honorable Mary Jo Bane  
October 2, 1995  
Page Two

(The heading for what is now subsection (1) should be redesignated.) We had proposed a waiver of Food Stamp regulations in order to treat automobiles the same in the Food Stamp and the TAFDC programs. The United States Department of Agriculture, however, did not agree and proposed the language we now seek to delete. Accordingly, we would continue to treat automobiles as we do currently in the Food Stamp program.

Finally, the Commonwealth intends to implement its welfare reform program on November 1, 1995. The Terms and Conditions, Section 1.3, require that the demonstration provisions be implemented no earlier than August 4, 1995, and no later than July 31, 1996. We are requesting that these dates be adjusted to reflect an implementation period from November 1, 1995 through October 31, 1996. Enclosed with this letter are pen and ink revisions to assist you in identifying our proposed technical changes.

I thank you for your assistance during this process. Feel free to contact me if you have any questions concerning our plans.

Sincerely,



Gerald Whitburn  
Secretary

Enclosure

AUG-10-95 THU 16:58

FAX NO. 06

P. 02

**STATEMENT OF BERNARD CARDINAL LAW  
ON CURRENT STATUS OF MASSACHUSETTS WELFARE REFORM**

There is a voice that should be heard at the present stage of discussions between our federal and state levels of government on welfare reform. That voice is the voice of the poor.

Unfortunately, the sole focus of the current discussion is that provision which terminates assistance to AFDC recipients after a 24-month period. The conditions under which the U.S. Department of Health and Human Services has agreed to approve the new Massachusetts plan, have the effect of providing a safety net for those persons who have made a good-faith effort to find work, but for reasons beyond their control have still not been successful.

For those who are able, and for their children's benefit as well, work is the healthiest remedy to the culture of dependency. For those who cannot, or for whom there are no jobs available, a "safety net" is needed. A safety net is a protective device to preserve human life and safety. In this case poor families need a set of provisions to afford considered case-by-case exemptions to avoid unnecessary hardship and deprivation.

The Catholic Church speaks on this matter out of the lived experience as a people committed to easing the burden of the poor, as a part of our commitment to the sanctity of all human life. Through its many programs and services, the Catholic Church stands with the poor. Our concern is that last year alone our emergency service centers saw increase of one-third in requests for food.

The Church and her people cannot ignore the voices of the poor. That is why today I am urging Governor Weld to respond positively to those recommendations that have been offered by the federal government that would provide a safety net for needy families; and why I am once again urging President Clinton to reconsider his support of the child-exclusion law.

Clearly, an objective safety net is required to protect poor children and families from destitution resulting from the State's new AFDC law. I am concerned, however, that the safety net protect all the Commonwealth's destitute children.

Massachusetts needs a safety net that covers all our dependent children. In addition to terminating AFDC after two years, the Massachusetts plan also denies child support for those children conceived on AFDC. An identical law in New Jersey has been found to cause both increased hardship for poor children and families as well as a measurable increase in abortions.

AUG-10-95 THU 16:59

FAX NO. 06

P.03

I am heartened by the indication from Governor Wald's staff that there is openness to putting in place programs that would serve to mitigate the most harmful aspects of the child-exclusion law as experienced in New Jersey. It must be said, however, that this is, at best, an ameliorative measure intended to mitigate some of the most dire consequences of the child exclusion law.

Massachusetts owes the coming generation the very modest investment in child support for all eligible AFDC babies, including those conceived while their mother is a recipient. It is cynically cruel and unfair for any state to fund abortions for its poor, but not the basics of life. No woman, however poor, should be forced to choose between poorer children or dead children.

AUG-10-95 THU 17:27

AUG-10-1995 13:07

THE NEC OF THE UMC

FAX NO. 06

617 266 4619

P. 02  
P. 02

The Black Ministerial Alliance of Boston strongly supports Sec. of Health and Human Services Donna Shalala's efforts to grant Massachusetts a tough but fair approach to welfare reform. We realize that our welfare system is badly in need of reform, but we do not believe that the safety net should be completely removed, i.e., the state should not be allowed to terminate benefits after a set time to those who are sincerely seeking gainful employment. We are particularly concerned about the effect on children who suffer disproportionately but who had nothing to do with their parents being on welfare in the first place.

With the present unemployment rate above 6%, jobs - especially jobs that will provide adequate means of support - are hard to come by. This means that it could very well take many people more than the two year limitation presently insisted upon by Gov. Weld (with extensions, if any, decided upon by the commissioner of transitional assistance) to become completely independent of welfare benefits. When we consider the factors that support a person not only finding but keeping an adequate job -- job training, child care, health benefits, self-esteem, and role models, etc. - we should understand that the attention should be focused on the reasons people are on welfare, rather than punishing them for the results.

As ministers of the Gospel we are called by God to advocate for the disenfranchised, the disinherited, the dispossessed - in short, "the least of these." We believe, therefore, that we should help our society to stand with the poor and to mobilize its resources to bring the marginalized into the mainstream. We certainly believe that the spiritual and ideological health of any nation can be judged by the way it treats all its citizens, especially the poor.

2.

We realize that there are a few incorrigibles who simply don't want to change , but let us assure you, they represent just a few. We know that the majority of those currently on the welfare rolls do not want to be there and long for a better life for themselves and especially for their children. We can't use the few cases of abuse to punish everyone - and we do mean everyone - when one considers the tragic results Gov. Weld's waiver would incur: By placing further financial burdens on those who could least afford it; increased health problems; truancy; criminal and illicit behavior; more prisons; and raising race and class barriers.

If we are truly a Commonwealth, let's all contribute to the common good. Surely in such an Institutionally - rich area as ours we can collect our wisdom and expertise to empower people, not disenfranchise them; maintain health, not merely react to disease . Let's use the gifts God gave us to provide an environment that makes for the highest good for all God's children. Let's exalt righteousness above politics.

Dr. Wesley Roberts  
President  
Black Ministerial Alliance

WR-Mass

# Weld seeks 2-year cap on welfare benefits

By Doris Sue Wong  
GLOBE STAFF

Gov. William F. Weld, spurred by President Clinton's praise for a welfare reform plan in Wisconsin that places a time limit on welfare benefits, yesterday renewed his request for federal permission to impose a two-year cap on welfare cash assistance.

"Let's see what he does with this," said Weld. "If the feds rapidly approve our request for a time limit, then I would be less inclined to say they are politicking. If they still don't give us this, I am going to want to know why."

Michael Kharfen, a spokesman for the US Administration for Families and Children in Washington, said, "We gave Massachusetts a waiver before, and if their new waiver is as good as Wisconsin's we'll get that done, too."

Wisconsin is proposing a five-year lifetime limit on welfare cash grants, taking into consideration "local labor market conditions and extreme individual barriers," said Kharfen.

The Weld administration applied for a federal waiver last year to implement a welfare overhaul plan, which the Legislature approved by a 10-1 ratio and the governor signed into law. The waiver is necessary because the reforms conflict with federal welfare regulations.

Negotiations over the waiver, however, stalled over the proposed time limit. Under the proposal, welfare recipients who are able-bodied and whose youngest child is age 2 or older could receive a total of only 24 months of cash assistance within a

five-year cycle. The Weld administration estimated half of the 86,400 families now in the Aid to Families with Dependent Children program would fall under the proposed two-year limit.

The Clinton administration insisted that people who search but cannot find jobs that pay at least the same amount as their welfare benefits be exempted from the time limit.

Weld rejected the condition, charging it would create a huge loophole in the two-year cap and it would be better for the welfare commissioner to grant exemptions on a case-by-case basis. Instead, the governor accepted a partial waiver that allowed the state to implement the other reforms, such as a work requirement for all able-bodied recipients and no additional cash aid for parents who have more children after going on welfare.

Weld's Health and Human Services secretary, Gerald Whitburn, said a time limit on benefits is crucial to motivating people to work, likening the concept to the 30-week cap on unemployment benefits.

Lisa Sanderson of the Women's Alliance in Framingham, an advocacy group composed of welfare recipients, said some people do not move off welfare quickly and stay off because of various obstacles, including lack of health insurance, child care and housing.

"I don't think it is a luxury to live off of welfare," said Sanderson. "People are in crisis, whether it be because of domestic violence, the way they were brought up or other personal crises. We are trying to put the pieces of our lives together, and for some people it takes some time to put the pieces together."

**SQUIER • KNAPP • OCHS**  
COMMUNICATIONS

Ads (DNC) -  
Scripts

Robert D. Squier  
William N. Knapp  
Thomas Ochs  
Anita Dunn  
Senior Vice President

MEMORANDUM

TO: INTERESTED PARTIES  
FROM: SQUIER/KNAPP/OCHS  
DATE: MAY 29, 1996  
RE: FACTS FOR SCRIPT "CARE"

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Attached is a script. We may record tomorrow at 12 pm. Please look it over for facts and inaccuracies. Any changes, questions, comments, suggestions should be made before noon tomorrow.

Contact Deborah Beck 202/547-4970 office  
P6(b)(6) home

cc Eric Berman  
David Eichenbaum  
Rahm Emanuel  
Jim Doyle  
Peter Knight  
Bruce Reed  
Joe Sandler  
Gene Sperling  
George Stephanopoulos  
Lyn Utrecht

**SQUIER • KNAPP • OCHS**  
COMMUNICATIONS

*Robert D. Squier  
William N. Knapp  
Thomas Ochs  
Anita Dunn  
Senior Vice President*

DNC - - - - :30 "Side by Side/Care"  
(version #2)

Innocent Americans gunned down by  
deadly assault weapons. The  
President passed a law to ban them.

But Dole, Gingrich voted no.

Tobacco ads target our children.  
One million hooked every year.

The President said ban the ads.  
Dole and Gingrich say no.

Mothers need time to care for  
newborns. The President passed  
family leave.

Dole, Gingrich, no again.

The President's plan: balance the  
budget, reform welfare, protect  
Medicare. Do our duty to our  
parents and our children. Protect  
our values.



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

WR Mass.

AUG 4 1995

The Honorable William F. Weld  
Governor of Massachusetts  
Boston, Massachusetts 02133

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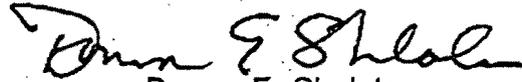
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These waivers are consistent both with your goals for welfare reform in Massachusetts and with the principles that guide this Administration's approval of welfare reform demonstrations. As you know, we have reached agreement on strict work requirements, a family cap, and live at home and stay in school provisions for minor mothers.

Page 2 - The Honorable William F. Weld

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Sincerely,



Donna E. Shalala

LOTTERY, PAGE 8

Volume 248  
Number 37  
\$1.75  
...

# Boston Sunday Globe

TWO COOL

Sunday: Cloudy, 69  
Monday: Cloudy, 70  
Details, Page 84

SUNDAY, AUGUST 6, 1995

## Weld: Welfare battle looms

By Meg Vallancourt  
GLOBE STAFF

The battle between the Clinton administration and Gov. Weld over welfare reform in Massachusetts escalated yesterday, with Weld insisting that federal officials grant the state final say over who could remain on the welfare rolls after two years.

As Senate Republicans prepare to bring their national reform proposals to the floor this week, Weld held a news conference at the State House and reminded Clinton of his campaign pledge to "end welfare as we know it."

"Every American is entitled to certain things that can never be taken away," Weld said. "Public education is one; free speech is another, but we do not see welfare in the same terms."

"Welfare should not be permanent," he said. "It is not a right, and it should not be an entitlement."

On Friday, US Health and Human Services Secretary Donna Shalala granted the state a waiver that would allow it to dramatically overhaul the program. But Weld rejected the offer, saying it included a "huge loophole" that would keep many recipients on welfare.

Weld remained dissatisfied after a telephone conversation about the waiver with Shalala Friday night.

The governor asserted yesterday that Shalala's insistence on limiting the state's flexibility will only fuel the more dramatic welfare measures before Congress.

Weld's rejection of the federal waiver leaves the  
WELD, Page 25

94565557 P.04

TO

FROM

09:57

AUG-07-1995

# Weld digs in for battle with Clinton on welfare waiver

WBIA)  
Continued from Page 1

hard-fought attempts by the state to achieve welfare reform in limbo. The governor said he is willing to wait for Congress to adopt national reforms.

The US House has already passed a bill that would cut welfare spending by disbursing payments through block grants. And the Senate is expected to vote on Majority Leader Robert Dole's welfare measure early this week.

"The Republicans in Congress also recognize that the states are run by grown-ups," Weld said. "I would suggest that our experience in Massachusetts over the last week, is exhibit A as to why the Senate should follow the lead of the House ... and take the federal government out of the business of playing nanny to the states."

Shalala's aides declined comment yesterday.

A White House spokeswoman would say only that "Secretary Shalala consulted with the president" before reaching her decision.

Shalala's office and the Weld administration have been in negotiations over the waiver for months.

The Legislature passed the new welfare overhaul bill and Weld signed it in February. But major portions of it have not gone into effect because they conflict with feder-

al law.

It was Shalala's responsibility to determine under what conditions the state's plan could be implemented.

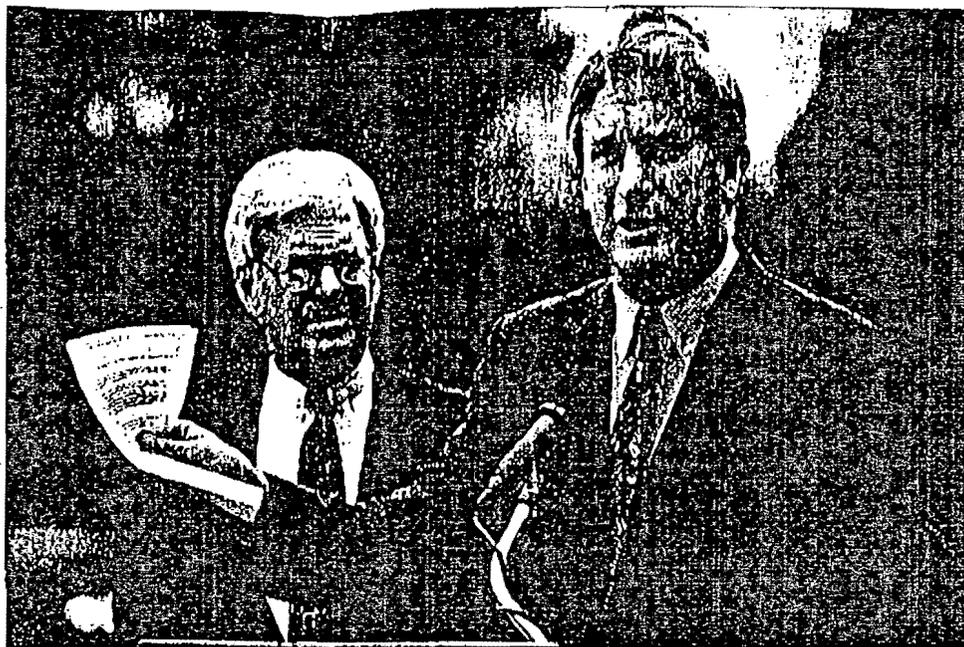
The law would give welfare recipients with children at least 2 years old two years to find work and get off public assistance. In the meantime, most recipients would be required to do 20 hours of paid or unpaid work each week or face reductions in their grants - or lose them altogether.

Other changes include: eliminating additional benefits for children born to women already on welfare; requiring teen-age parents to live at home and to work toward their high school diplomas; and tying benefits to children's school attendance.

Under the plan, state welfare commissioner could, at his discretion, extend benefits beyond the two-year time limit in cases of hardship.

But citing the need for a safety net, the Clinton administration argues the extensions must be granted if, for example, a recipient has actively searched but is unable to find a job that pays as much, or more, than his or her benefits.

That mandatory extension clause allowing Massachusetts welfare recipients to collect beyond the two-year limit was included in the waiver offered to Massachusetts by Shalala on Friday, and is the major sticking point between the state and the Clin-



Gov. Weld discusses welfare while Gerald Whitburn, secretary of health and human services, looks on.

GLOBE STAFF PHOTO/WENDY WALDA

ton administration.

Weld said yesterday the key difference between his position and Shalala's boils down to two words: "will" and "may."

Federal officials argue the extensions to the two-year limit are in line

with state welfare regulations.

But Weld contends that by saying the state commissioner "will" grant the extension unfairly limits the state's discretion.

"What bothers me is the word 'will,'" Weld said. "Hey, if this was

the commissioner granting the exemption in his discretion, you might have a different kettle of fish and I urged that on Secretary Shalala last night.

"But that's not what it says. It says extensions 'will' be granted, it

doesn't say 'may.'"

Weld pointed out that the Clinton administration had already approved a pilot welfare overhaul plan in two Wisconsin counties that place absolute limits on the length of time someone can remain on welfare.

If the Clinton administration refuses to drop the conditions from Massachusetts' waiver, Weld pledged to work instead with GOP leaders in Congress to overhaul the federal welfare system.

But Weld denied that presidential politics played a role in his standoff with the Clinton administration. He said that while he would be pushing Dole's bill in Congress, he supports California Gov. Pete Wilson in the campaign for president.

Dole's plan, which includes a proposal to distribute welfare through block grants, is expected to be voted on by the Senate this week.

The Clinton administration has granted 36 waivers in 32 states - including some to individual counties - according to Shalala's office, and so far no state has rejected a waiver.

Meanwhile, Sen. Theresa Murray (D-Plymouth), one of the state plan's chief architects, said that she could accept either the "will" or the "may." But she criticized Weld for rejecting the waiver and for "bickering over a single provision when the state got 99 percent of what it wanted."

P. 05

94565557

TO

FROM

09:58

AUG-07-1995

# BOSTON HERALD

35 cents 60 cents outside 30-mile zone

☆☆☆

Saturday August 5 1995

WEATHER: Cloudy and cool; high 78, Page 26/TV: Page 20/LOTTERIES: Page 32

# Weld: No deal!

## Gov rejects White House compromise as welfare 'loophole'

By ANDREA ESTES

The Weld administration rejected a White House welfare reform compromise yesterday, charging it contained a "huge loophole" that would

allow some recipients to stay on welfare forever.

"It's a huge loophole that allows people to get endless exemptions," said Lt. Gov. Paul Cellucci, referring

to the two-year limit on benefits contained in the state law. "We don't want reform that's not real."

But Sen. Therese Murray (D-Plymouth), a leading welfare reform ad-

vocate, charged Weld with "political posturing" to keep the hot election issue alive.

"If they're really serious about

Turn to Page 2

94565557 P.06

TO

AUG-07-1995 09:58 FROM

# Weld administration rebuffs White House

From Page 1

implementing the program, they should do it," said Murray. "This does not create automatic extensions. This does not create an entitlement. They know (it's not an entitlement) and we're going to call them on it. It's absolutely criminal for them not to implement this."

Cellucci insisted wording in the federal plan makes it too easy for recipients to keep collecting after two years.

Recipients could stay on the rolls simply by claiming they were unable to find jobs, he said.

Or they could reject job offers if they would earn less than what they would have made on welfare.

"These conditions would permit able-bodied welfare recipients to stay on welfare if they tend bar part-time or hold another part-time job," said Weld. "The Clinton administration is offering recipients what amounts to an endless stream of extensions,

excuses, and exemptions to avoid work."

State and federal officials have been fighting for weeks over the state's welfare reform law, which has been enacted here but needs federal approval to take effect.

The law would require most recipients to work to get benefits and would cut off payments after two years. Children 14 or younger would be required to attend school or lose benefits, and unmarried mothers would be forced to disclose the identity of their children's father.

Cellucci termed "bizarre" announcements by federal authorities that an agreement had been reached since state officials last week rejected the same language offered yesterday.

Cellucci said the administration has asked President Clinton to request U.S. Health and Human Services Secretary Donna Shalala to "reconsider this decision."

If she refuses, he said,

the administration will work with Republican congressional leaders to get a national welfare reform plan passed instead.

Murray said Shalala had agreed to attach strict limits on benefit extensions including a one-year cap on extensions.

But when the offer was finally transmitted to state officials, it appeared to include no time limit.

It was a misunderstanding on the part of the senators," said Michael Kharfen, spokesman for the U.S. Department of Health and Human Services. "There is no time limit."

Meanwhile, welfare advocates, who are dead-set against the state plan, yesterday prayed no compromise would be reached.

"If it goes through a lot of people will be hurt," said Dellamarie Morrison, chairwoman of the Coalition for Basic Human Needs. "There are no jobs out there."

# Weld slams federal welfare rule

By DAVID TALBOT

**G**ov. William F. Weld said yesterday a federal welfare rule "pretty much swallows up our (welfare) reforms" by blocking his plan to cut off payments to poor mothers after two years unless they prove hardship.

But he declined to say whether he would kill the state's broad welfare reform plan rather than accept the federal condition.

The reform plan uses federal money so it needs a federal "waiver" before it can be implemented.

The waiver was granted last week, with the condition that AFDC benefits not be cut off for people who "diligently pursue work" but can't find any. U.S. Secretary of Health and Human Services Donna Shalala said in a letter to Weld.

So far, 17 states have enacted tough welfare reforms while accepting such conditions, she wrote.

Weld said that in a Friday night telephone conversation, "I said to Secretary Shalala that that pretty much swallows up our reforms if there is no time limit at all. That is one of the

most important, if not the most important, aspect of the whole reform idea."

But state Sen. Theresa Murray (D-Plymouth) said Weld was whining about something trivial.

"As of today, none of our plan is being used, the work requirement, barring additional payment for additional children, requiring teens to live at home or in a supervised setting and finishing schools, nothing," she said in a statement yesterday.

"The Weld administration is hickering over a single provision at the back end of the plan. This provision does virtually nothing

to change the toughest, most comprehensive welfare plan in the country."

Weld said he was confident the U.S. Senate will pass a version of the House's sweeping welfare reform bill this week and that President Clinton will sign it into law, ending the controversy by ushering a new era of state control over welfare in America.

"Secretary Shalala said to me that Washington has to be in charge of the safety net, and they cannot transfer that authority to a state," he said at a State House news conference yesterday.

Weld denied posturing for the

1996 presidential race, saying: "Hey, I'm here talking on behalf of the Dole bill. Is that presidential politics? I'm a Wilson guy."

Weld works extensively for presidential candidate and California Gov. Pete Wilson. Senate Majority Leader Bob Dole (R-Kan.) is the front-runner in the 1996 race.

Dole's bill, one of several in the Senate, would curb welfare spending by \$70 billion over seven years, impose a five-year lifetime limit on benefits, and require teen-age mothers to live at home and attend school to receive welfare. □

# Globe

W. C. A. S. S. I.

Saturday: Mostly cloudy, 75-87

Sunday: Cloudy, 70

High tide: 6:25 a.m., 6:49 p.m.

Full report: Page 16

8/8/95

## Mass. rejects US waiver on welfare

### Cellucci says federal 'loophole' would gut state overhaul plan

By Doris Sue Wong  
GLOBE STAFF

The Weld administration yesterday rejected a federal waiver that would have allowed Massachusetts to begin implementing its sweeping welfare overhaul plan, saying that buried in the fine print of the waiver is a "huge loophole" that would let some people stay on welfare indefinitely.

Lt. Gov. Paul Cellucci blasted the terms of the waiver - and the announcement that the Massachusetts plan had been approved - as a Clinton administration "PR gimmick that we are not going to fall for."

The offending language - three lines in the 43-page waiver document - had already been reviewed and rejected by the Weld administration last weekend, Cellucci said.

"Why do you send out a letter saying it's approved and then attach conditions that we've already rejected?" asked Cellucci. "It's certainly politics and it's also very bizarre."

But other welfare reform advocates say it is Weld and Cellucci who

accepted by 17 states.

"If they reject this, they are not serious about welfare reform," said Sen. Theresa Murray (D-Flynnville), a major architect of the reform.

The dispute revolves around the insistence by Clinton administration officials that one key feature of the Massachusetts plan - a strict three-year limit on benefits - be revised to allow exemptions from the limit for those willing but unable to find work.

The change would require the state to give recipients of Aid to Families with Dependent Children - the largest welfare program - extended benefits if the recipient has been actively looking for a "suitable" job but has been unable to find one.

Jobs that would be considered unsuitable include those that pay less than a person would receive in welfare cash benefits, require a commute of more than two hours or more than 2 miles by foot, or become available as a result of a strike or walkout.

In a letter to Gov. Weld yesterday, US Health and Human Services Secretary Donna Shalala said 17 oth-

# Mass. rejects US welfare waiver

## Cellucci cites federal 'loophole'

**WELFARE**  
Continued from Page 1

similar provision.

"As in these other states, the terms and conditions give Massachusetts the green light to implement tough but fair welfare reform," Shahala said.

Under the federal condition, Shahala said, "those who diligently pursue work but are unable to find it through no fault of their own will receive transitional assistance while being subject to stringent work and work search requirement."

Shahala said her letter was in response to one that Weld wrote to the president and publicly released earlier this week to urge approval of Massachusetts reform plan. The administration must seek a waiver for the plan because it conflicts with the federal welfare law.

A Clinton administration official said no state has ever turned down a welfare waiver. In spite of the rejection, negotiations between federal and state officials are expected to

evidence on either side of further willingness to compromise.

"It's a condition that will basically allow someone to ... continue to collect welfare and get endless exemptions from the two-year limit, not ending welfare as we know it," said Cellucci. "It's three very important sentences that make the difference in terms of whether there is a real incentive for people to go to work."

Cellucci said he and Weld, who left the State House early yesterday to campaign in Maine for presidential candidate Pete Wilson, will ask Clinton to reconsider the waiver request.

If federal officials refuse to budge, Cellucci indicated he, Weld and state Health and Human Services Secretary Gerald Whitburn, who has been the administration's lead negotiator, would be willing to forgo a waiver and instead work with Republicans in Congress for reforms that would dole out welfare funds in the form of block grants and free states to design their own programs.

previously reached agreement on other major features of Massachusetts plan, which include imposing a work requirement on able-bodied recipients, barring additional cash assistance for children born into welfare, and requiring teen-age parents receiving welfare to continue high school or GED programs and to live at home or some in other supervised setting.

Some Democratic state senators, including Murray and two others who in the past sided with Weld's hard-line approach to welfare, called on Weld to accept the waiver offer yesterday, although they had not seen the final language.

"This is a very tough document. My colleagues and I are ready to stand on the other side of this," Murray said.

Sen. James P. Jajuga (D-Methuen) said while he has not seen the final language as drafted by federal officials, "I think this will accomplish what we set out to accomplish."

Rejecting the waiver offer, Jajuga said, is "the wrong thing to do. It's taking on a different face now, a political face, frankly, on the part of the governor."

# Welfare analyst exits D.C. fray

By Peter G. Gosselin  
GLOBE STAFF

WASHINGTON - As Congress begins its final push on welfare overhaul this week, the man who did as much as anybody to convince Washington of the need for change returns to Boston, bowed if not broken.

David T. Ellwood's departure as an assistant Cabinet secretary is seen by many as emblematic of the sharply rightward lurch in the welfare debate. What began as an experiment in tough liberalism with the Harvard professor as leading theoretician is turning into what critics say is a deficit-driven repudiation of 60-year-old protections against destitution.

■ Senate votes to limit federal workers' abortion coverage. Page 7.

"A tragedy," said a mournful Sen. Daniel Patrick Moynihan, Democrat of New York and until recently the Senate's leading light on welfare. "His thinking was seminal, but he's been undone."

The Senate formally began debate yesterday on a compromise welfare bill offered by Majority Leader Bob Dole of Kansas and is expected to take up the measure in ELLWOOD, Page 20

Looking for a purpose...

# Harvard welfare analyst exits D.C. fray

## ■ ELLWOOD

Continued from Page 1

earnest tomorrow. The bill does not go as far as a House-passed measure in cutting benefits and increasing demands that the poor start acting like mainstream America, and Senate conservatives have pledged to seek changes. President Clinton has criticized both bills but is widely expected to avoid a showdown on the issue, which was a centerpiece of his 1992 campaign.

That the exit of Ellwood, who is returning to his job as academic dean of Harvard's Kennedy School of Government, should provoke such comments as Moynihan's is a measure of the power of his ideas as well

as the dizzying ways in which they have been taken up - some say perverted - by various sides.

As author of the 1988 book "Poor Support" and more recently assistant secretary of Health and Human Services, Ellwood, 41, came up with proposals that seemed to satisfy two divergent public demands - to get tough on welfare and remain true to traditional American values. His solution was time limits and work.

Ellwood's plan, worked out in conjunction with fellow Kennedy School alumna Mary Jo Bane who remains with the administration, was to replace the current patchwork of government assistance programs with a system that imposed strict limits on how long poor people could collect benefits, but also helped those willing to work by providing training, tax credits, health benefits, child care and, if necessary, a job.

His approach was so appealing it was snapped up by candidate Clinton who promised to "end welfare as we know it," was embodied in the administration's 1994 welfare overhaul package and even became the inspiration for an early, competing Republican proposal.

## Time limits still likely

With the Republican triumph in November, the ground under Ellwood (and the administration) began to shake. Now the only element of his grand scheme that seems likely to survive is time limits.

In place of the rest, Republicans are rushing off in a different direction - toward shifting most of the responsibility for welfare to the state and focusing much of what remain on penalizing what they consider socially destructive behavior rather than helping the poor get jobs.

"They're embracing the inexperienced part of his program - the time limits - and forgetting about the rest," said Henry Aaron, a veteran economist with the generally liberal Brookings Institution.

In an interview last week, Ellwood insisted that the rightward shift in the welfare debate had nothing to do with his departure from Washington, tracing his decision to return to Harvard instead to the e

# Advocated time limits, job training

Continued from preceding page

newsletter, "Reforming Schools."

Determining how far Washington has strayed from David Ellwood's welfare proposals is difficult because it is not yet clear where the White House and Congress will come out on the details. But it has been apparent for some time that a fundamental shift is under way.

For all of their patchwork quality, most of Washington's current welfare programs, including Aid to Families with Dependent Children, which provides cash assistance, and Medicaid, which provides health coverage, have two characteristics: They give eligible poor people a legal right to benefits, and they require states to contribute money to qualify for matching federal funds. Ellwood and the administration intended to retain both characteristics, even as they added time limits and work requirements.

In seeking to add the new requirements, critics say Clinton and Ellwood helped open the door to calls for a variety of more stringent limits on government assistance.

Social conservatives took up the administration's get-tough rhetoric to demand that poor people not just be required to work but avoid out-of-wedlock births. Deficit hawks used Clinton's and Ellwood's critique of current programs to help make the case the programs should be cut back and the savings used to balance the budget. Even former supporters of Ellwood used his work to argue that the federal government should give up most responsibility for welfare in favor of the states.

## Problems compounded

Observers said that the kind of splintered use to which Ellwood's ideas have been put is inevitable in Washington. But they said that both the president's problems and those of his Harvard policy analyst were compounded by Clinton's overselling the welfare cause and then the Republican takeover of Congress.

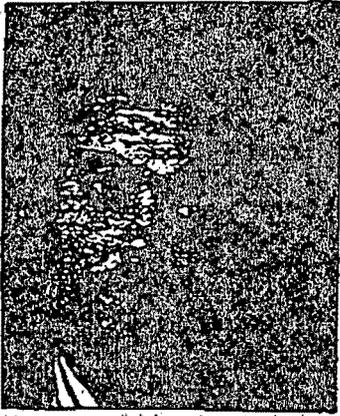
"One could absolutely have guaranteed that wherever the president came down on welfare, the Republicans were going to outflank him on the right," Aaron said. "What the

president essentially did was begin a process that he never had any prayer of controlling."

As matters stand, the administration is quietly fighting on three fronts to protect some semblance of what it originally sought on welfare. It is trying to assure that poor people, especially children, retain some kind of modified entitlement to benefits, that the amount of federal money turned over to states as lump-sum payments or block grants is limited and that states are required to continue welfare spending.

Asked last week what moral he has drawn from the veering course of the welfare debate, Ellwood said, "Analysis is our best hope. It's not always true that it prevails, but it's our best hope."

Asked the same question, Moynihan offered: "Don't come up with a plan that requires large additional expenditures when there is a protracted deficit crisis down here. Nobody can deliver the resources."



**DAVID T. ELLWOOD**  
Returning to Harvard

piration of his two-year leave from the university. Like Moynihan, he sounded dark about recent events. "The tragedy is that we may end up with something that doesn't help people help themselves," he said. "We may miss an opportunity."

If that happens, Ellwood won't be the first advocate to watch the moment for his ideas pass. His father - health policy entrepreneur Paul Ellwood - had a similar experience.

"Neither of us has been too successful in the last couple of years, have we?" quipped the elder Ellwood, a 69-year-old Minnesota physician who is widely considered the founder of the HMO movement and who recently tried unsuccessfully to sell Washington on a "managed-competition" model for health reform.

## "Just the beginning"

"I try to tell David: This is just the beginning. But of course I have the advantage of years," Paul Ellwood said. The moment for a policy can take a long time arriving, he said.

Father and son are not the only family members involved in policy and advocacy. The younger Ellwood's mother, Ann, is founder of the Minnesota Early Learning Design, a well-known parent education program. His younger sister, Cynthia, is assistant school superintendent in Milwaukee and publisher of a

Continued on next page

OFFICE OF INTERGOVERNMENTAL AFFAIRS  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
200 Independence Avenue, SW  
Room 630F  
Washington, DC 20201



## F A X C O V E R S H E E T

DATE: 9/27/95

TIME: 9:55 a.m.

TO: Bruce Reed

PHONE: 456-6515  
FAX: 456-7431

FROM: John Monahan  
Director

PHONE: 690-6060  
FAX: 690-5672

RE:

CC:

Number of pages including cover sheet: 3

### **Message:**

Attached is the draft letter from the Secretary of HHS to Senator Kerry and reply to his attached letter.



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

The Honorable John Kerry  
United States Senate  
Washington, D.C. 20510

Dear Senator Kerry:

Thank you very much for your letter expressing your views on the Massachusetts welfare reform demonstration. As you know, I approved a set of waivers and terms and conditions for this project which allows Massachusetts to implement its welfare reform initiative while maintaining protection for children and families.

As you know, the President and I are strongly committed to providing States flexibility to test their own ideas for restructuring welfare, within the context of adequate protection for children and families. Consistent with that commitment, during the Clinton Administration the Department has approved 39 demonstrations in 34 States.

I appreciate receiving the comments you provided regarding the proposal. You can be assured that I considered the points you made in arriving at a final decision on the Massachusetts proposal.

Thank you again for your letter.

Sincerely,

Donna E. Shalala

# United States Senate

WASHINGTON, DC 20510

August 2, 1995

The Honorable Donna Shalala  
Secretary  
Department of Health and Human Services  
200 Independence Avenue S.W.  
Washington, D.C. 20201

Dear Madam Secretary:

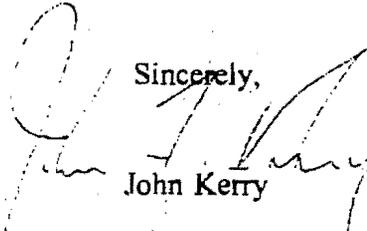
I know that you are currently deliberating the request by the Governor of Massachusetts for a waiver of AFDC regulations in order for Massachusetts to implement the Commonwealth's new welfare reform plan which was approved by the Massachusetts State Legislature. As the Administration considers this project, I ask that you pay special attention to the situation and special needs of one group whose members will be significantly affected by the proposal.

Homeless families in Massachusetts which are sheltered by the state are governed by a number of rules and regulations which do not apply to other families. They must spend four days each week in housing search activities, attend mandatory "house meetings" and perform shelter chores. These regulations will be in direct conflict with the work requirements of the plan.

Under the terms of the current welfare regulations, the Department of Public Welfare can place families in shelters anywhere in the state -- where the former regulations required that placements be within 20 miles of the home community. As a result, families often are placed in communities far from where their children are enrolled in school. Local school districts are frequently uncooperative in admitting homeless children new to their districts. Because there are no longer transportation stipends, this could present an insoluble dilemma to a family trying to comply with the Learnfare provisions of the plan, as well as to the homeless teen parent trying to comply with the requirement to attend school.

I know that the Massachusetts Coalition for the Homeless and the Housing Unit of Greater Boston Legal Services have contacted your office about these problems and have submitted proposed language to exempt families without a "fixed, regular" address and families in emergency shelter from some of the requirements of the Massachusetts welfare reform plan. I urge you to give these proposals very careful consideration as you act on the waiver request.

Sincerely,



John Kerry

0508090067

WR-Mass



**FACSIMILE TRANSMISSION**

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

---

**DATE:** October 29, 1995

**Name:** BRUCE REED

**Telephone:**

**Fax:**

**Number of Pages (excluding cover):** 2

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**FROM:**

**Ann Rosewater  
Deputy Assistant Secretary**

**Telephone:** (202) 401-5180

**Fax:** (202) 205-3848

---

**MESSAGE:**

FYI. We plan to send these out Tuesday.

Mr. Gerald Whitburn  
Secretary  
Massachusetts Office of Health and Human Services  
One Ashburton Place, Room 1109  
Boston, Massachusetts 02108

Dear Mr. Whitburn:

I am pleased to inform you that your request for further amendments of your waiver demonstration "Welfare Reform '95," as requested through acceptance of the enclosed Waiver Terms and Conditions.

At your request, we have included an amendment to the teen parent school attendance provision which requires teen parents to participate in 30 hours of education, parenting and skills development activities per week. In addition to high school, GED and vocational training programs, the State will offer and provide a range of alternate or supplemental activities for young parents to choose from in meeting this requirement, including "Life Skills" programs such as those on parenting skills, job readiness and health education or part-time life experience. Comprehensive interventions which condition income support on requirements for teen parents to develop their capacity to be responsible parents are critical to moving these young parents on the path towards self-sufficiency. Without this kind of support, teen parents and their children are greatly at risk of facing lives of long-term poverty and dependency.

I commend you and staff of the Department of Social Services for seeking alternatives to improve the public assistance system and look forward to working with you and your agency on this important initiative.

Sincerely,

Mary Jo Bane  
Assistant Secretary  
for Children and Families

Enclosures

cc: Mr. Hugh Galligan  
ACF Regional Administrator



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Office of the Assistant Secretary, Suite 600  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20447

Mr. Gerald Whitburn  
Secretary  
Executive Office of Health  
and Human Services  
One Ashburton Place  
Room 1109  
Boston, Massachusetts 02108

Dear Mr. Whitburn:

I am pleased to inform you that your application for waivers under section 1115 of the Social Security Act to operate the "Two-Digit Fingerprint/Photo Matching Demonstration Project" (FPMD) is approved upon written acceptance of the enclosed Waiver Terms and Conditions. FPMD is authorized to operate for five years starting on an implementation date to be determined by the State. The title IV-A waiver authority necessary to implement the demonstration is enclosed.

If you have any questions regarding the Waiver Terms and Conditions or any other matter pertaining to FPMD, please contact Mr. Leonard Rubin, the Federal Project Officer assigned to this project for this agency. His address is: Administration for Children and Families, Office of Family Assistance, Division of Program Evaluation, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447; telephone (202) 401-5066.

We look forward to working with you on this project.

Sincerely,

Mary Jo Bane  
Assistant Secretary  
for Children and Families

Enclosures

cc: Mr. Hugh Galligan  
Regional Administrator  
Region I

Boston Herald

For to Bruce  
Rend + Emily  
B.

10/27/95

WR Mass.

6 THE BOSTON HERALD, FRIDAY, OCTOBER 27, 1995

# Panel shelves Weld's fingerprint proposal

By CONNIE PAIGE

Gov. William F. Weld's controversial proposals to fingerprint welfare recipients and cut all cash aid to unwed teen mothers were summarily shelved yesterday by a legislative panel.

The Legislature's Human Services Committee decided to put into a study Weld's proposals, which included a measure to allow social workers to report illegal immigrants for possible deportation.

Committee Chairwoman Sen. Therese Murray also took the occasion to blast Weld for shifting funds that were supposed to spur welfare reform into other accounts, calling it "sneaky."

Murray (D-Plymouth) said \$22 million that had been saved because of drops in the welfare rolls over the past year was to have been spent on day care for recipients going to work.

Instead, the Weld administra-

tion switched the funds to a supplemental budget account for state Lottery advertising, children's foster care and other items unrelated to welfare, she said.

"He's not being forthright with us," Murray said.

Weld could not be reached for comment on the switch last night.

Murray said there was bipartisan support for the committee decision to shelve Weld's proposals.

"I never felt there was a compelling reason and absolutely no statistical arguments that would support any of his bills," she said.

She noted that a new state welfare law has not taken effect. That new law, which goes into effect Nov. 1, requires all able-bodied recipients without children under age 8 to go to work within 90 days or perform community service.

It also requires unwed teen mothers to live at home or in a

"structured setting" and to finish high school.

Murray said part of the study of Weld's proposals will include forming a subcommittee to examine whether recipients can find jobs and get day care, and whether teens have a place to live.

If it becomes apparent that Weld's new proposals are needed, the subcommittee will revive them, Murray said.

Weld spokeswoman Virginia Buckingham said Weld wasn't surprised the measures were put off, but plans to push for them next year.

"The tragedy of fatherlessness and illegitimacy doesn't need further study," Buckingham said. "If legislators listen to their constituents when they go home in November, we're certain these proposals will be supported next session."

*The Associated Press contributed to this report.*

Boston Globe  
10/27/95

# Legislators derail Weld's three measures to revise welfare

By Dawn Sue Wong  
CLASSIC STAFF

Gov. Weld's drive to further dismantle a welfare system that he believes has become a dead-end yesterday as a legislative panel voted to put off his bills for further study.

For all intents and purposes, they are dead, said House Speaker Charles F. Fitzhugh (D-Quincy) following the 10:30 a.m. vote by the Legislature's Joint Committee on Human Services.

Weld filed three bills in quick succession. The first was a bill to require welfare workers to turn in illegal immigrants who collect benefits for their American-born children and to finger-

print all recipients of Aid to Families with Dependent Children, the largest welfare cash-grant program.

"It's overkill," said Flaherty, who has been strongly critical of the governor's proposals. "We haven't even had the welfare reform act, which by all objective standards is the toughest in the nation, implemented."

There is absolutely no public policy reason for these proposals. It is just pandering to the polls and heating up on poor people," Flaherty added.

But Weld spokeswoman Virginia Backlund said that it will take more than one act of reform to break the welfare culture.

"The tragedy of fatherlessness doesn't need further study," said Birmingham. "It needs action. And we are hopeful that when the legislators get home over the break, and

## There is absolutely no public policy reason for these proposals.

CHARLES F. FLAHERTY  
House speaker

hear from their constituents that they will act quickly on these common-sense measures every next session."

Weld believes that by providing cash aid, the welfare system encourages young men to have babies out of wedlock and believe they can manage the responsibilities of

child rearing, leading to a generation of improperly raised children who become entangled in drugs and violence.

Weld cited the desire to combat fraud as a reason for his state-wide fingerprinting proposal and the illegal immigrant reporting proposal.

But Sen. Thomas Murray (D-Fitchburg), co-chairman of the Human Services Committee, said the welfare reform law should be used to take effect Wednesday already addresses the problem of single teenage parents and fraud, and should not be targeted with what the state has a chance to see if it works.

He added that it would be useless for the state to hit the hard-earned welfare workers reporting illegal immigrants who collect benefits for their American-born children

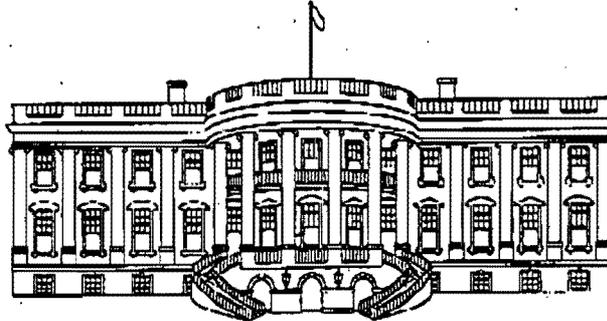
without the federal government doing the same.

The welfare reform law, which will be passed in beginning next week, will require single teen-age parents to earn a high school diploma and live at home or in a group home, unless they are exempted following an evaluation by the state, to keep receiving assistance. It also will create fingerprinting pilot programs in Lawrence and Springfield.

Other changes include a 2.5% percent reduction in cash assistance to able-bodied AFDC recipients requiring all-bodied recipients whose children are school-age to work or perform community service 50 hours a week and a tax credit increasing cash benefits to parents who have more children while receiving welfare.

The White House  
Office of Presidential Letters and Messages

WR  
Mass



Facsimile from Diane Ikemiyashiro  
Voice: (202) 456-5519; FAX: (202) 456-2806

No. of Pages (including cover): 9 Date: 10-27-95

To: Bruce Reed

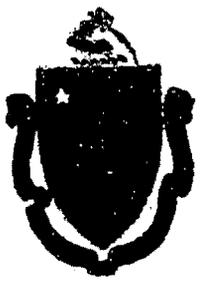
Voice: 6-6515 FAX: 6-5557

Comments: Per my e-mail - the MA welfare incoming  
letter from Assoc. M. <sup>State Rep.</sup> Paul Ivers, Kelly Bates of the Women's  
Statewide Legislative Alliance and James Jajuga @

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

M. Kelly

# 128727



COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS SENATE  
STATE HOUSE, BOSTON 02133-1053

SENATOR JAMES P. JAJUGA  
THIRD ESSEX DISTRICT  
ROOM 216  
TEL. 617-722-1604

- COMMITTEES:
- PUBLIC SAFETY (CHAIRMAN)
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  - SENATE WAYS AND MEANS
  - EDUCATION, ARTS AND HUMANITIES
  - GOVERNMENT REGULATIONS
  - PUBLIC SERVICE

August 24, 1995

The Honorable William Jefferson Clinton  
President of the United States of America  
1600 Pennsylvania Avenue  
Washington, D.C., 20500

Dear Mr. President,

I am writing to you once again relative to the implementation of the Massachusetts Welfare Reform legislation passed in February of this year.

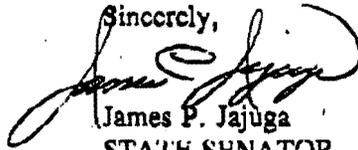
As you are well aware, recent negotiations between the Department of Health and Human Services and the Weld Administration have reached a standstill over one issue - the use of discretionary versus mandatory language for the granting of 90 day extensions to the two year limit. In my previous correspondence, which I have attached, I outlined a compromise proposed by three Democrat State Senators - Therese Murray, John O'Brien, and myself. I am pleased to inform you that Governor Weld has decided to support this compromise (see attached article). I urge you to accept this bi-partisan compromise and pave the way for the implementation of comprehensive reform in the Commonwealth.

Our plan mandates 90 day extensions after the two year limit is reached if certain criteria are met by the recipient. After one year of such extensions, however, any additional extensions will be granted only at the discretion of the Commissioner of Transitional Assistance. We believe this language ensures that public assistance will truly be transitional while still allowing the Commissioner to grant extensions when needed.

Massachusetts has been a leader in the reform of welfare in the United States. The heavily democratic Massachusetts legislature is responsible for passing one of the first state-wide reform programs that cuts to the heart of multi-generational welfare dependence. It instills in recipients the ethic of labor while still allowing for a safety net in appropriate circumstances. I urge you to allow us this leeway to implement this program immediately and set an example of compassionate transitional assistance for the entire nation to follow.

Thank you in advance for your consideration of this request. I look forward to your active involvement in this matter which will hopefully lead to a swift and harmonious resolution.

Sincerely,



James P. Jajuga  
STATE SENATOR  
Third Essex District

enclosures

cc: Congressman Martin T. Meehan

#125764

M. K. K.



COMMONWEALTH OF MASSACHUSETTS  
**MASSACHUSETTS SENATE**  
 STATE HOUSE, BOSTON 02133-1000

SENATOR JAMES P. JAJUGA  
 THIRD ESSEX DISTRICT  
 ROOM 216  
 TEL. 617-722-1004

COMMITTEES:  
 PUBLIC SAFETY (CHAIRMAN)

SCIENCE AND TECHNOLOGY  
 (VICE CHAIRMAN)

FEDERAL FINANCIAL ASSISTANCE  
 (VICE CHAIRMAN)

SENATE WAYS AND MEANS

EDUCATION, ARTS AND HUMANITIES

GOVERNMENT REGULATIONS

PUBLIC SERVICE

August 9, 1995

The Honorable William Jefferson Clinton  
 President of the United States of America  
 1600 Pennsylvania Avenue  
 Washington, D.C., 20500

Dear Mr. President,

I write to you once again relative to the implementation of the Massachusetts Welfare Reform legislation passed in February of this year. As you are well aware, recent negotiations between the Department of Health and Human Services and the Weld Administration have reached a standstill over one issue - the use of discretionary versus mandatory language for the granting of 90 day extensions to the two year limit. I urge you to personally intercede in this stalemate so that Massachusetts may finally implement comprehensive reform and end welfare as we know it.

I have attached for your consideration a letter sent by myself and Senators John D. O'Brien and Therese Murray, to Gerald Whithurn, Secretary of the Massachusetts Executive Office of Health and Human Services, and Phillip Johnston, Regional Director of the U.S. Department of Health and Human Services, in which we recommend the use of alternative language to break the logjam. Our plan mandates 90 day extensions after the two year limit is reached if certain criteria are met by the recipient. After one year of such extensions, however, any additional extensions will be granted only at the discretion of the Commissioner of Transitional Assistance. We believe this language ensures that public assistance will truly be transitional while still allowing the Commissioner to grant extensions when needed.

Thank you in advance for your consideration of this request. I look forward to your active involvement in this matter which will hopefully lead to a swift and harmonious resolution.

Sincerely,

James P. Jajuga  
 STATE SENATOR  
 Third Essex District

enclosure

cc: Congressman Martin T. Meehan



COMMONWEALTH OF MASSACHUSETTS  
**MASSACHUSETTS SENATE**  
 STATE HOUSE, BOSTON 02133-1058

SENATOR JAMES P. JAJUGA  
 THIRD EGGEX DISTRICT  
 ROOM 318  
 TEL. 617-722-1604

To: Mr. Gerald Whitburn, Secretary  
 Massachusetts Executive Office of Health and Human Services  
 Mr. Philip Johnston, Regional Director  
 U.S. Department of Health and Human Services

From: Senator James P. Jajuga  
 Senator John D. O'Brien  
 Senator Therese Murray

Re: Welfare waiver proposal  
 Date: August 7, 1995

COMMITTEES:  
**PUBLIC SAFETY (CHAIRMAN)**

SCIENCE AND TECHNOLOGY  
 (VICE CHAIRMAN)  
 FEDERAL FINANCIAL ASSISTANCE  
 (VICE CHAIRMAN)  
 SENATE WAYS AND MEANS  
 EDUCATION, ARTS AND HUMANITIES  
 GOVERNMENT REGULATIONS  
 PUBLIC SERVICE

We are contacting you this afternoon in the hope of reaching agreement on language that will allow Massachusetts to implement comprehensive welfare reform which we all agree is much needed. As you are well aware, negotiations concerning the federal waivers for the Massachusetts welfare plan have recently stalled over language relative to the time limit provision. However, we believe this should not end all negotiations and that there is room to still find common ground.

The points of contention appear to be the use of discretionary versus mandatory language for the granting of 90 day extensions to the two year limit by the Commissioner of Transitional Assistance and a limit of one year for such extensions. Therefore, we propose the following solution:

**The language included in the federal waiver proposal mandating that the state "will" grant 90 day extensions under limited circumstances should be retained. After one year of such extensions, however, any additional extensions will be granted only at the discretion of the Commissioner. In other words, the Commissioner "may" grant additional extensions after one year, but is not required to.**

The retention of discretion by the Commissioner of Transitional Assistance after one year will prevent the abuse of the system while still allowing for assistance in rare circumstances approved by the Commissioner. The mandatory review after each 90 day extension to the two year limit remains intact. Attached you will find the specific language changes which we believe will accomplish our common goal of ending welfare as we know it.

Without prejudicing any efforts to make future changes to the welfare system, we strongly urge you to accept this language and allow the implementation of this comprehensive welfare reform in Massachusetts.

## Page 7 of Waiver Terms and Conditions

(changes in bold and underlined)

If none of the above criteria apply, a recipient or former recipient may request an extension of the 24-month limit, up to 90 days, by submitting a written request to the Office of the Commissioner, documenting the reason the extension is being requested. These cases will be reviewed and a determination made on a case-by-case basis. Such extensions will only be granted, however, in a limited number of circumstances.

Extensions will be granted if:

- (a) the county in which the individual resides has had an unemployment rate of 10 percent or more for two quarters immediately prior to the current month, or
- (b) the individual has been actively seeking employment and is unable to find a job or jobs consistent with State regulation 106 CMR 207.190(A)(2).

After the initial 90 day extension, individuals will be granted additional 90 days extensions, not to exceed one year in the aggregate, if the unemployment rate has not dropped below 10 percent in the previous ninety day extension period, or if the individual continues to actively seek employment and is unable to find a job. The Commissioner, after one year of extensions, may grant additional ninety day extensions based on the aforementioned criteria.

M. Hill  
F-11



*The Commonwealth of Massachusetts*

HOUSE OF REPRESENTATIVES  
STATE HOUSE, BOSTON 02133-1054

**ANNE M. PAULSEN**  
**REPRESENTATIVE**  
26TH MIDDLESEX DISTRICT  
90 SCHOOL STREET  
BELMONT, MA 02178  
TEL. (617) 484-1965

Committees:  
HUMAN SERVICES AND  
ELDERLY AFFAIRS  
CRIMINAL JUSTICE  
TRANSPORTATION

ROOM 22, STATE HOUSE  
BOSTON, MA 02133-1054  
TEL. (617) 722-2140

LEGISLATIVE ASSISTANTS  
BARBARA MIRANDA  
ANN BUCCIARELLI

August 14, 1995

The Honorable William Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President,

We urge you to hold fast to the principle that there must be in our society a safety net for those citizens who have done all they can to find work and are unsuccessful in their efforts.

Massachusetts' new welfare laws provide incentives and directives that will make welfare unattractive and transitional, but high unemployment rates coupled with the fact that many jobs are now either part time or temporary may prevent women from finding adequate employment even after two years.

The vote for welfare reform was not unanimous because we know that the cost to help families who are working to become independent is small in comparison to the societal costs of leaving women and children with no support system. Many of us continue to have reservations about the welfare reform bill passed in Massachusetts, but with regard to the two year time limit, Governor Weld is wrong and you are right. We appreciate your support.

Sincerely,

**ANNE M. PAULSEN**  
**STATE REPRESENTATIVE**

**JAY KAUFMAN**  
**STATE REPRESENTATIVE**

AMP/ndm

cc: Secretary Shalala

126780 <sup>113</sup>

# WSLA

*Women's State-Wide Legislative Alliance, 37 Temple Place, Boston, Massachusetts 02111  
617-426-1878 FAX 617-695-1295*

August 9, 1995

President Bill Clinton  
The White House  
1600 Pennsylvania Avenue  
Washington, D.C. 20500

Dear President Clinton,

On behalf of the Women's State-Wide Legislative Alliance, I would like to thank you for expressing strong concern to Governor Weld about the time limits provisions of the new Massachusetts welfare reform law. The Alliance is a state-wide organization in Massachusetts that works to promote economic justice for women. The Alliance has over one thousand individual members and thirty seven member organizations, including the National Organization for Women, the National Association of Social Workers, and the YWCA's of Massachusetts.

The Alliance opposes the Massachusetts welfare plan because we believe that it does not address the causes of poverty that keep families from working and leading productive lives. The Massachusetts welfare plan does not have a job creation plan for AFDC mothers seeking work, nor does it provide adequate child care and health care supports for women. Many single mothers and their children must rely on the safety net of welfare in order to have basic health coverage and necessary child care. The Massachusetts welfare plan does not assure that families will receive these benefits for any substantial time after the two year time limit.

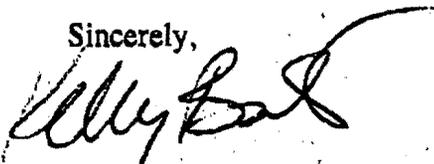
The plan is particularly flawed because it eliminates the safety net for children by forcing women off of welfare after two years which does not provide women with adequate opportunities to complete educational programs or find a job. It is unrealistic to insist on a drop dead time limit for AFDC recipients. There are simply not enough jobs in Massachusetts to support all of these families. The new welfare law also cuts off women who are struggling to escape domestic violence and may not have the opportunity to create stability in their lives by finding work and other supports in two years.

The plan is also extremely hurtful to children because it eliminates benefits to children born into a welfare family. The "family cap" provision contained in the new welfare law only hurts children, it does not provide any incentive to parents to become economically self-sufficient. The family cap does not reduce out of wedlock births as determined by researchers in New Jersey. In practice, it will only discriminate against children who are born into poverty.

The Women's State-Wide Legislative Alliance is deeply concerned about congressional proposals to block grant the AFDC program. Block grants would reduce much needed funds for the AFDC program and remove the safety net for families by eliminating AFDC's entitlement status.

The Women's State-Wide Legislative Alliance urges you to *remain firm on insisting that there be protections for AFDC recipients who cannot find jobs under the new welfare law.* We also urge you to *veto any federal legislation that includes a time limit or a block grant.*

Sincerely,



Kelly Bates, Esq.  
Executive Director



## THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-9600

WR-Mass.

WILLIAM F. WELD  
GOVERNORARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

VIA FAX - COPY BY SURFACE MAIL

August 2, 1995

The Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

I am writing to follow up on our brief conversation in Vermont on Monday concerning the Commonwealth's pending welfare reform waivers and also to respond to Secretary Shalala's letter to me of July 29th.

As you pointed out in your April 11th letter to one of our mutual constituents in Lynn, Massachusetts, "Welfare should be a transitional program". I agree and for that reason feel unable to accept a reform which does not hold to that straightforward principle.

As you know, Massachusetts has always had one of the nation's strongest commitments to assisting at-risk populations. Our AFDC benefit is among the highest in America, our Medicaid investment is near the top and, on a per capita basis, we invest more in subsidized child care than any other state. We have no intention of moving back from our willingness to assist our citizens in search of self-sufficiency.

As you suggested in your remarks in Burlington, the apparent major stumbling block in the waiver negotiations has been the question of conditions under which recipients are permitted to continue in the program.

It is worth noting that under our plan, a first time mother who joins the AFDC rolls during her third trimester will be eligible for 48 to 50 months of benefits prior to the expiration of her time limit, because under our plan the 24-month clock does not begin running until the youngest child is two years of age. For an able bodied individual who is capable of work, four years on welfare ought to be enough. I suspect you agree that as policy makers we should put in place, now, a program that does call for the end of benefits at some point.

As you may or may not have been advised, during our negotiations we have agreed to a provision that will result in extensions being given to recipients in counties where extended unemployment at 10% or more makes successful job searches more challenging.

Further, we have agreed to special provisions under which extensions can be given where recipients "demonstrate circumstances that temporarily prevent the individual from being competitive for employment opportunities" or where individuals have "encountered unique personal life disruptions that make a required immediate entrance to the job market unreasonable".

Finally, our plan authorizes the Commissioner to grant extensions in any other instance where significant hardship is apparent.

We all share your concern about the need for appropriate supports for families, but at the same time I cannot shake the feeling that as we reform the welfare system, we must remove the perverse incentives that trap generation after generation in a terrible situation.

Our statute -- which, as you know, passed with overwhelming bipartisan support -- 31 to 3 in our Senate and 133 to 21 in our House -- does not provide for (nor should it) another layer of bureaucratic paternalism at a time when we should be stressing straightforward, unambiguous, personal responsibility. We have not expected enough of welfare recipients in the past. The consequence is a system that I believe you and I both want to end.

Individuals who know they will have to work will be motivated in a very different way than individuals who will have access to indefinite extensions by indicating that a job is not available or is just out of reach.

I was pleased that you have moved waiver approval to a 30-day process in your Administration and I hope, now, that our waiver -- which has been at HHS for more than four months -- will be expeditiously approved.

The Commonwealth is anxious to go forward with the nation's broadest reform to date, and I look forward to this partnership with you in authorizing its implementation.

Respectfully,



William F. Weld  
Governor



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

WR-Mass

AUG 4 1995

The Honorable William F. Weld  
Governor of Massachusetts  
Boston, Massachusetts 02133

Dear Governor Weld:

The President has asked me to respond to your letter of August 2, 1995. Today I have approved waivers that enable Massachusetts to implement its Welfare Reform '95 demonstration. My approval is for a demonstration that comports with terms and conditions that are being transmitted to Secretary Whitburn by Assistant Secretary Bane.

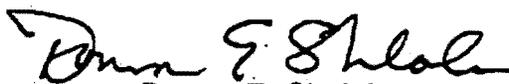
The terms and conditions governing my approval of Massachusetts' demonstration are consistent with those I have approved for demonstrations of time-limited AFDC in 17 other states. As in these other states, these terms and conditions give Massachusetts the green light to implement tough but fair welfare reform. They would permit Massachusetts to impose tough work requirements and tight time limits, while strengthening incentives to work and providing necessary child care. Individuals who fail to diligently look for work, who refuse to accept a job, who quit a job, or who are fired for cause would not be eligible for assistance. But similarly, under these waivers, those who diligently pursue work but are unable to find it through no fault of their own will receive transitional assistance while being subject to stringent work and work search requirements.

These waivers are consistent both with your goals for welfare reform in Massachusetts and with the principles that guide this Administration's approval of welfare reform demonstrations. As you know, we have reached agreement on strict work requirements, a family cap, and live at home and stay in school provisions for minor mothers.

Page 2 - The Honorable William F. Weld

It is my hope that you will accept the terms and conditions under which I am approving your demonstration. In so doing, I believe that you would be acting consistently with a principle with which I know you agree--that true welfare reform is about protecting children and about strengthening families by moving parents from welfare to work.

Sincerely,



Donna E. Shalala



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

JUL 29 1995

cc Carol  
Bruce

From Diane

The Honorable William F. Weld  
Governor  
Commonwealth of Massachusetts  
Statehouse  
Boston, Massachusetts 02133

WR-Mass.

Dear Governor Weld:

Thank you for your letter of July 21, 1995 regarding the Massachusetts welfare reform demonstration proposal and seeking an early approval of your waiver request.

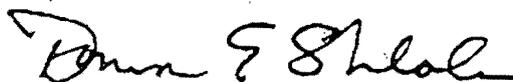
As you know, the President and I strongly support state flexibility in testing new approaches to welfare reform. We support tough but fair welfare reform in which time limits and strengthened work requirements serve as incentives to work, and the services necessary to encourage and support work, such as child care, are provided. Certainly, anyone who can work should work. Anyone who refuses to look for work or accept a job should not receive assistance. But this approach, in our view, also requires fair treatment for those who play by the rules and who, through no fault of their own, fail to secure employment or lose a job.

It is my understanding that the central issue that remains to be resolved relates to the structure of the time limits. In approving numerous demonstration proposals in every part of the country, we continue to adhere to the principles that, under time-limited welfare, children should be adequately protected and adults who are making a good-faith effort to work should not be penalized. Time limits must be designed in a way that assures these principles.

In the past, we have been able to resolve similar issues successfully with governors of both parties seeking to implement welfare reform. It is my hope that we can proceed in the spirit of cooperation that marked the discussion leading to approval of the Massachusetts Medicaid waiver and that has characterized our approval of 33 welfare reform demonstrations in 29 states. I know that both our staffs will continue to work diligently and expeditiously to address remaining issues. Upon their resolution, the Department of Health and Human Services will move quickly to issue a final decision on your request.

Again, thank you for your letter.

Sincerely,

  
Donna E. Shalala



WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL OELLUCCI  
LIEUTENANT-GOVERNOR

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3800

*WR-Mass.*

*cc Bruce Reed  
Emily Bromberg*

*Fr: Diana Fortune*

July 21, 1995

Ms. Carol H. Rasco  
Assistant to the President  
Office of Policy Development  
1600 Pennsylvania Avenue NW  
Washington, DC 20500

Dear Carol:

Just a note to draw to your attention the attached note that I am sending to Donna Shalala today. I know that you and Jerry Whitburn have been talking about our waiver that I hope you and the President will sign off on it in the immediate future.

We are anxious to get going in implementing our reform in Massachusetts.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Weld".

William F. Weld

Attachment



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNOR

MARCO PAUL CELLUCCI  
LIEUTENANT GOVERNOR

July 21, 1995

The Honorable Donna E. Shalala,  
Secretary  
Department of Health and Human Services  
200 Independence Avenue SW  
Washington, DC 20201

Dear Donna:

I understand from the Boston media that Mary Jo Bane and her colleagues are concerned about mail they have received from advocates and academics in opposition to the Massachusetts welfare reform waiver.

In this regard, I wanted to draw your attention to the strong bipartisan support that exists in the Commonwealth for this waiver proposal. The legislation passed the House 133-21, and the Senate 31-3 with 23 Democrats in favor of the measure. Because I know you receive a great deal of mail, I wanted to draw to your personal attention, the attached letter signed by 21 Senate Democrats who favor waiver approval.

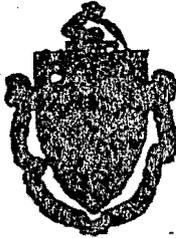
It is my continuing impression that this proposal enjoys very broad public support in Massachusetts and we look forward to an early approval of the waiver which, as you know, we submitted back on March 31st.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Weld".

William F. Weld

Attachment



COMMONWEALTH OF MASSACHUSETTS  
MASSACHUSETTS SENATE  
STATE HOUSE, BOSTON 02125-1000

SENATOR THERESE MURRAY  
PLYMOUTH AND BARNSTABLE  
DISTRICT  
ROOM 811C  
TEL: (617) 722-1230  
FAX: (617) 722-1072

June 9, 1995

Donna E. Shalala  
Secretary, Health and Human Services  
200 Independence Ave., S.W.  
Washington, DC 20201

- COMMITTEES:
- HUMAN SERVICES AND ELDERLY AFFAIRS (CHAIR)
  - TRANSPORTATION (VICE CHAIR)
  - BANKS AND BANKING (VICE CHAIR)
  - POST AND COMMUNICATIONS (VICE CHAIR)
  - WAYS AND MEANS
  - RULES
  - STEERING AND POLICY
  - PUBLIC SAFETY
  - HEALTH CARE
  - COURTIER
  - FEDERAL FINANCIAL ASSISTANCE

Dear Secretary Shalala:

We are writing as Democratic members of the Massachusetts Senate, who supported the passage of Chapter 5, the Massachusetts Welfare Reform Act of 1995. We respectfully request that your Department grant the federal waivers which would enable the Massachusetts Department of Transitional Assistance to implement this new state law. This reform is a comprehensive plan of transitional assistance promoting self-sufficiency through incentives, education and employment programs and benefits to low-income families.

It is our understanding that negotiations are currently underway regarding the federal waiver provisions which comprise a necessary step towards the completion of welfare reform in our state. As you may know, the Massachusetts House and Senate have completed action on the proposed FY96 Budget which will take effect on July 1, 1995. We have fully funded the reform initiatives such as day care, job training and structured settings for teens. It is imperative that these waivers be granted within the time frame needed to conform with the effective date of the FY96 Budget and to fully implement the new law.

We are available to address any concerns your Department or the Executive Administration may have as to permitting the requisite waivers. Once again, we greatly appreciate your cooperation and diligence noting your concern as to how the Weld administration will move people into jobs. We look forward to working with you to finalize the process for the granting of these waivers.

Sincerely,  
  
Therese Murray  
Plymouth and Barnstable

Linda Melconian  
Hampden

James J. Jago  
James Jago  
Third Essex

Robert Bernstein  
Robert Bernstein  
First Worcester

Louis Bertanazzi  
Louis Bertanazzi  
Worcester and Norfolk

Edward Clapp  
Edward Clapp  
First Essex

Robert Durand  
Robert Durand  
Middlesex and Worcester

John O'Brien  
John O'Brien  
Second Essex and Middlesex

Stanley Rosenberg  
Stanley Rosenberg  
Hampshire and Franklin

William Keating  
William Keating  
Norfolk, Bristol, Plymouth

Robert Antonioni  
Robert Antonioni  
Worcester and Middlesex

Frederick Barry  
Frederick Barry  
Second Essex District

W. Paul White  
W. Paul White  
Suffolk and Norfolk

Michael Creedon  
Michael Creedon  
Second Plymouth and Bristol

Robert Havern  
Robert Havern  
Fourth Middlesex

Mara Pacheco  
Mara Pacheco  
First Plymouth and Bristol

Robert E. Travaglini  
Robert Travaglini  
Suffolk and Middlesex

Thomas C. Norton  
Thomas C. Norton  
First Bristol

*Marion Walsh*

Marion Walsh  
Norfolk and Suffolk

*Robert Wemore*

Robert Wemore  
Worcester, Hampden, Hampshire  
and Franklin

*Mark C. Montigny*

Mark C. Montigny  
Randolph and Essex

WR-Mass

THE WHITE HOUSE

WASHINGTON

July 7, 1995

His Eminence Bernard Cardinal Law  
Archbishop of Boston  
2101 Commonwealth Avenue  
Brighton, Massachusetts 02135

Dear Cardinal Law:

Thank you for your letter of May 19 expressing your concerns about provisions of the Massachusetts welfare reform demonstration. I know we share a deep concern for the health and well-being of our nation's families, and I am sorry I was unable to respond sooner.

The Department of Health and Human Services received Massachusetts' welfare reform application on April 3, 1995, and it is currently under review. HHS is in the midst of discussions with the Commonwealth of Massachusetts about a number of issues, including those you raised. I have asked Secretary Shalala to review the points you make in your letter, and I know that she will take your views into careful consideration.

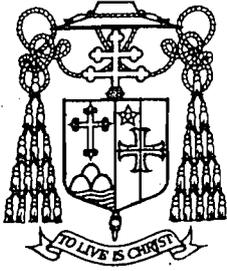
The purpose of welfare reform must be to help people get on the path to independence. Meaningful welfare reform must be about transforming our current failed system into one focused on helping people find and keep jobs. I support the welfare reform plan sponsored by Senators Daschle, Breaux, and Mikulski, which provides the resources and incentives to move people from welfare to work and protects children. I will continue to work with Congress in a bipartisan way to achieve real welfare reform.

As we work to build a brighter future for all Americans, I value your involvement in this crucial issue.

Sincerely,



Fortuna 224  
Reed



117031

CARDINAL'S RESIDENCE  
2101 COMMONWEALTH AVENUE  
BRIGHTON, MASSACHUSETTS 02135

May 19, 1995

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

Dear Mr. President:

The purpose of this letter is to share with you my strong opposition to certain aspects of current local and national approaches to welfare reform, particularly as reflected in the Massachusetts Welfare Reform plan now subject to waiver review by the U.S. Department of Health and Human Services.

The Catholic leadership in Massachusetts, speaking through the Massachusetts Catholic Conference, has been in support of many provisions that comprise the new welfare reform plan. We have supported components that would combat fraud and abuse in the welfare system, that would provide for a work experience for AFDC recipients, that would require teen mothers to live with their parents or in structured settings, that would establish paternity of children born out of wedlock, and that would require absent fathers to provide for the support of their children.

Our faith, however, calls us to demand social justice for the least among us, and to defend the dignity of human life. That is why the four diocesan bishops of Massachusetts have been steadfast in our opposition to both the "time cap," and to the child exclusion, or "family cap" provisions of the Massachusetts plan. For this reason I write to ask you to instruct Secretary Shalala to deny the Massachusetts waiver request.

While the concept behind the "time cap" provision may be a healthy one for many families -- the idea that public assistance should be transitional support and not permanent -- it would plunge others into deeper poverty and deprivation than they currently experience on AFDC, further worsening the status of poor children's health and well-being.

The Honorable William J. Clinton  
May 19, 1995  
Page two

Automatically denying assistance to needy families after a specific time period without substantial investments in education and training may be successful in reducing welfare rolls, but given the situation in Massachusetts, it is likely to do little to move the majority of current AFDC dependents into permanent private-sector jobs at family-supportable wages with benefits comparable to those available through AFDC status. The combination of limited education and limited labor market experience on the part of the recipients, and the increasingly high educational and skills requirements of Massachusetts' labor market conspire to leave tens of thousands of families without subsistence after their defined period of AFDC support would expire.

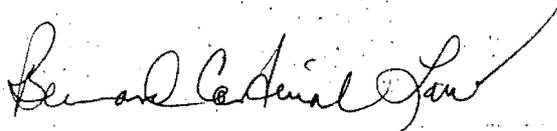
The "family cap," which withholds help to children solely because they are conceived while their mother is an AFDC recipient, needlessly punishes poor children when they need help the most. I am gravely concerned about the general increase in poverty that is likely to occur as a direct result of this component of the new law, particularly child poverty. Also expected is an increase in homelessness, hunger, child abuse and neglect -- and an increase in abortions.

As a state providing Medicaid funded abortions, but denying assistance to children conceived on welfare, Massachusetts would be unfairly tilting its AFDC mothers in crisis pregnancies further toward abortion.

Please know that we understand that the issue of welfare reform is highly complex and subject to frequent changes triggered by environmental and systemic causes. We also understand the role of politics in this volatile issue. The function of public welfare, however, is to provide care for those who are unable to do so for themselves. We are responsible for one another. Because neither the time cap nor the family cap provisions of the Massachusetts waiver request will advance the cause of true welfare reform, I urge you not to allow our federal government to permit such experimentation in the lives of desperate families.

With warm personal regards, and asking God to bless you, I am

Yours Sincerely,



Archbishop of Boston

BERNARD  
CARDINAL  
LAW



DEPARTMENT OF HEALTH & HUMAN SERVICES

*Miss*

**Melissa T. Skolfield**

Acting Assistant Secretary for Public Affairs

Phone: (202)690-7850

Fax: (202)690-5673

To: Bruce Reed

Fax: 456-5557 Phone: \_\_\_\_\_

Date: \_\_\_\_\_ Total number of pages sent: ~~2~~ 5

Comments:

*FYI - Recent Massachusetts articles re: welfare waiver acceptance.*

Boston Globe  
September 25, 1995  
FRONT PAGE

# Work plan applauded by some on welfare

## Aid in finding jobs, day care sought

By Indira A.R. Lakshmanan  
GLOBE STAFF

As Gov. Weld stands ready this week to accept a federal waiver allowing Massachusetts to enact sweeping changes to the welfare system as early as Nov. 1, some welfare recipients said yesterday they would be eager to work for checks or get off public assistance entirely - as long as the state helps them find jobs and provides day care.

"I could be out working if I wanted to be, but because they're willing to give me AFDC, I'm going to college," said Mary Stewart, 32, who gets \$539 a month in Aid to Families with Dependent Children for her two children, ages 2 and 4.

"I think it's a good thing for people to work if he [Weld] is going to open up enough day care so people can go to work. He has to have space available and money to pay people to take care of kids," said Stewart, who is studying child care at Aquinas College at Newton in a special program for welfare recipients.

"This could create jobs, and I could be one of those people with a new job taking care of kids," she said.

Stewart said President Clinton was right to temper Weld's two-year cutoff on welfare recipients by making an exception in the federal waiver for those who search for but can't find work.

"At least continue to give them welfare and make them do communi-

ty work," she said. "Otherwise, he's [Weld is] going to have to open a lot of homeless shelters."

Stewart, who lives in the Old Colony public housing development in South Boston, got laid off from her \$9-an-hour job doing high-quality photocopying when her first child was a few months old. She has been on welfare for three years.

Stewart said she has been grateful to AFDC, not only for the subsistence living, but also because it allowed her to stay home with her children, which she said she couldn't have done if she had that job.

While all of the many recipients interviewed liked the fact that the reforms call for putting them to work, others had criticisms of other provisions - like ending the practice of providing increased payments for additional children.

And while their criticisms were not expressed by those interviewed yesterday, some recipients and their advocates have expressed skepticism that jobs will be found for all who are forced off welfare. They also have bitterly criticized the reforms as an attack on the most unfortunate by a society that fails to generate jobs for everyone.

Under the Massachusetts plan, signed in February, welfare recipients would be required to work 20 hours a week after their children reach age 6. Parents would have 60 days to find work or would be assigned a volunteer job.

Recipients with children between the ages of 2 and 6 would have to enroll in job training or an education program or perform community service.

Those with children under 2 are exempt from work requirements.

There were 92,500 Massachusetts families receiving AFDC last month. In February, when there were 10,000 more families in the program, Weld said the changes would affect 22,000 families.

The law would require teen-age mothers to live with their parents or in a supervised group setting to receive benefits, and would deny extra cash for additional children born while mothers are on welfare.

speaking of some teen-agers she knows. Williams predicted the new strictures would discourage teen-agers from having babies.

Williams, who lives in the Franklin Field public housing development in Dorchester, has a 1-year-old boy, but she said she lives at home with and is supported by her working mother. She goes to school while her son is in day care. She said she has never taken welfare and wouldn't want to.

"I don't feel right just sitting back doing nothing, collecting money," said Williams, who said she earned \$250 every two weeks clearing trash in a summer program.

Stacy Gaines, 28, who also lives at Franklin Field, was on welfare for three years and says she never wants to go back.

But Gaines, who lost her job at an insurance agency when her daughter was two, said it won't be easy for tens of thousands of recipients to suddenly get jobs, even with help from the state.

She said she sent out eight job applications a week for the first two years she was on welfare, but was always told someone else was more qualified. During her last year on welfare, she studied bookkeeping at Roxbury Community College.

Her break came a year ago when

a friend who worked at a Walgreens drug store introduced her to the manager, and she was hired. Now she makes \$800 a month, twice what she got from AFDC.

"When you begin to work and have your own money, you don't have to feel like, 'I can't afford this.' And you don't have to tell everyone your business on a form. You feel better about yourself," said Gaines.

Joyce Sampson, 37, who receives \$402 a month in welfare for her and her infant son, worried that eliminating money for extra children born will hurt kids, not just parents.

"Having another child and trying to live off the same money, that's impossible," said Sampson, who lives in a Dorchester rooming house. "And you can't work if you have a newborn - it's not fair to the baby. But if you have a child who's 7 years old, I don't see why you can't work. cause

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P. 04

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Phuong Do, 32, who gets welfare for herself and her 3-year-old daughter, Julie, said she wished the law had allowed people to go to school before they are forced to work.

Do, who lives in Old Colony, said she needs to improve her limited English before she gets any job.

Aracel Pena, 25, lives in subsidized housing in Dorchester and receives \$176 for herself and her son, but said she would prefer to work.

"I will follow any law that comes," she said, speaking in Spanish of changes to the welfare system.

Eddie Hench, 24, of South Boston, said it bothers him that his girlfriend receives welfare.

"I could watch [our son] if she worked a few hours at night," said Hench, who works as a janitor.

He was pushing his son in a stroller yesterday, going through dumpsters to see whose castoffs

could be salvaged. Neatly folded in his stroller were a suit, a sweater, a shirt and a bag, all headed for the laundry.

"I don't like the idea of getting money and not working for it," Hench said. "I may be primitive, but we get by."

The End...

## Weld OK on welfare waiver criticized as political move

By Indira A.R. Lakshmanan  
GLOBE STAFF

After loudly insisting for two months that he would not accept the Clinton administration's attempt to soften a two-year limit on welfare benefits, Gov. Weld has decided to take the federal waiver, in a move that observers yesterday said was carefully timed to maximize his political capital.

"Gov. Weld saw the writing on the wall - the US Senate welfare plan passed last week wasn't nearly as tough as his" and this was the best deal he could get, said Sen. Lois Pines (D-Newton).

Last year, Pines, along with Sen. Dianuq Wilkerson (D-Boston), drafted a less radical welfare-reform bill that included more day care, more job training and a chance for recipients to go back to school instead of working immediately.

Pines said Weld abandoned that proposal because he sensed increasingly conservative political winds blowing nationally, and "decided it would be politically useful for him ... to advocate for the most punitive plan of all."

Joseph Landolfi, spokesman

Secretary Gerald Whitburn, said he had not been informed about Weld's decision to accept the waiver and was unable to comment. Weld aides could not be reached last night.

Sen. Theresse Murray (D-Plymouth), one of the architects of the state's welfare-reform law, was annoyed that Weld took so long to accept the waiver, because it set the state back two months in getting people off the rolls and into jobs.

Weld, she said, sharply criticized the federal waiver when it came back in July so he could gain national attention and appear as conservative as possible before the National Governors' Association conference two months ago.

Murray speculated that Weld finally quietly agreed to the waiver because he had gotten as much mileage out of his stance on the two-year limit as possible, and realized he couldn't get a better deal when the US Senate refused to impose a similar time limit.

One Clinton administration source speculated that Weld had taken a very public stand on his displeasure with the waiver "to raise his national profile as a DO-

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# Id set to Clinton's fare deal

By Doris Sue Wong  
GLOBE STAFF

Weld this week will formally partial federal waiver that Massachusetts to launch most sweeping welfare overhaul plan as Nov. 1.

backed off, for the time, insistence on a two-year the benefits, hoping to en- when a federal overhaul of s approved by the Republi- nated Congress.

aides said he made his deci- ling a two-month standoff : Clinton administration, the conviction that national reform is just around the

governor is confident that are reform is imminent and president will sign the con- d welfare bill," according to d administration source.

"The battle over the two-year limit is over because both congressional bills allow Massachusetts to implement our own plan."

The Massachusetts welfare re- form plan targets able-bodied recipi- ents, denying them extra cash assis- tance for children born into welfare and limiting cash benefits to two years in any five-year cycle. It also requires them to work or perform community service.

About 92,500 families in Mass- achusetts were in the program, called Aid to Families with Depen- dent Children, as of August. In Feb- ruary, when there were about 10,000 more families in the program, Weld had estimated that as many as 22,000 families would be affected by the overhaul.

Officials in the Weld adminis- tration released news of accepting the waiver in return for an agreement that it be embargoed until this morn- ing, and that reporters not seek com- ment from other officials.

In July, after the hard-fought re- forms were approved in Massachu- setts, Weld forced a confrontation with the Clinton administration - which must waive federal regula- tions before Massachusetts could be- gin imposing the changes.

While approving most of the state's long-debated plan, the Clin-



GOV. WELD  
Sees reforms ahead

ton administration insisted that the two-year time limit be relaxed to guarantee that assistance is not cut off for recipients who want to work but cannot find jobs.

Weld balked at the condition, saying it would allow people to re- main on welfare indefinitely and re- move the incentive to move off wel- fare and into the workforce.

Until recently, the Clinton ad- ministration appeared to hold all the cards, not responding to an appeal by Weld last month to reopen nego- tiations.

But last week, the US Senate ap- proved a bill that would end the 60-

year-old federal welfare entitlement program and replace it with block grants that would give states wide berth in designing their own welfare programs. A similar measure was passed by the House earlier in the year.

On Friday, state Health and Hu- man Services Secretary Gerald Whitburn had a "preliminary con- versation" with Assistant US Health and Human Services Secretary Mary Jo Bane about a partial imple- mentation - dropping the two-year limit - and found her "amenable," said the source

Paperwork to formalize the agreement, which will not include the two-year limit on benefits, are expected to be exchanged this week.

In initially rejecting the partial approval, Weld came under intense fire from Democrats on Beacon Hill and Capital Hill, who accused the governor of political grandstanding by picking a fight with Clinton to raise his own national profile and to curry favor with Republicans in Washington.

Shortly after the standoff devel- oped, Weld went to Washington, D.C., for a press conference with Sen. Robert Dole to publicly offer Massachusetts as "Exhibit A" for Dole's welfare reform bill.

But the administration source in- sisted that Weld rejected the origi- nal waiver because he "did not want

to accept a bad deal for the taxpay- ers and a phony time limit," and he only reversed directions because "now we don't have to."

Rep. Joseph P. Kennedy 2d had criticized Weld in early August for wanting to cut off even recipients who couldn't find jobs.

"With the unemployment rate close to 6 percent, there are tens of thousands of people who want to work and cannot get a job," Kennedy said. People "would have to beg, go hungry or go homeless."

In mid-August, 16 State House Democrats led by Anne M. Paulsen (D-Beaumont) and Jay Kaufman (D-Lexington) signed a letter to Presi- dent Clinton, urging him to stand his ground and not bend to Weld's de- mands for a unilateral two-year lim- it.

"With regard to the two-year time limit, Gov. Weld is wrong, and you are right," the legislators wrote. "We urge you to hold fast to the principle that there must be in our society a safety net for those citizens who have done all they can to find work and are unsuccessful in their efforts."

Sen. Therese Murray (D- Plymouth), a leading architect of the state's proposed welfare changes, had said that if the Weld adminis- tration rejected the waiver, "they are not serious about welfare reform."

Boston Herald  
SEPTEMBER 25, 1995

## Recipients rap gov's push of welfare reform

By DAVID WEBER

Welfare recipients slammed Gov. William F. Weld for his intentions to implement welfare reform even though the new law is not as tough as the governor wanted it to be.

"I think Gov. Weld is hateful. I really do," said Donia Goss of Arlington, a welfare recipient and member of the Coalition for Basic Human Needs. "I think he's just playing politics with people's lives."

The governor was not available to comment yesterday.

Weld is expected to formally agree this week to terms of a federal waiver that will allow the revised welfare law — passed seven months ago by the Legislature — to go into effect in October or early November.

The governor reluctantly agreed to the compromise after federal authorities insisted that Massachusetts change a provision calling for a two-year cap on the amount of time a person may receive benefits. The federal officials said the state must take care of people who, despite their genuine efforts, are unable to find work before the end of two years.

Among the stricter provisions that remain in the law are:

- A requirement that able-bodied recipients, except those with children under age 6, must find employment within 60 days or take a government-subsidized community service job.

- A "family cap" that prevents benefits from increasing if a mother on welfare has additional children.

"I think it is misguided to tell people (non-recipients) their problems are going to be solved by reforming welfare," said Roslindale resident Stacey Hill, who receives benefits for herself and her 5-year-old son, who has leukemia.

"Welfare payments amount to 1 percent of the federal budget and 3 percent of the state budget. Hurting me and my child isn't going to help a working poor family lower their taxes," said Hill, a member of the Massachusetts Welfare Rights Union.



*The Commonwealth of Massachusetts*  
*Office of the Attorney General*  
*One Ashburton Place,*  
*Boston, MA 02108-1698*

*WR Mass*

SCOTT MARSHBARGER  
ATTORNEY GENERAL

(617) 727-2200

NEWS RELEASE

FOR IMMEDIATE RELEASE  
AUGUST 11, 1995

CONTACT: ED CAFASSO  
(617) 727-2543

ATTORNEY GENERAL'S STATEMENT ON WELFARE WAIVER DISPUTE

The following is Attorney General Scott Marshbarger's statement regarding the dispute over the federal waiver granted for implementation of the Massachusetts welfare reform law:

"My analysis is that the governor does not have the authority to reject the federal waiver. The language of the bill that the Legislature passed and the Governor signed and sent to Washington directs the commissioner of transitional assistance to implement the reform plan in accordance with the terms and conditions of the waiver. It also clearly requires the commissioner to adopt any changes in state regulations required to implement the bill.

"In plain English, the bill that the Legislature passed and the Governor signed requires the state to live with the conditions of the waiver, which are fully consistent with the bill. The Governor is balking at extending the two-year limit for welfare benefits, but the bill already requires that there be criteria for extending benefits beyond two years in appropriate cases. The federal waiver merely specifies what some of those criteria are.

"The governor wants welfare reform. The Legislature wants welfare reform. The people want welfare reform, and the Clinton Administration wants welfare reform. Let's get on with it."

(end)



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Assistant Secretary  
for Legislation

Washington, D.C. 20201

*WR - Mass*

TO: MARY JO BANE 401-4678  
DAVID ELLWOOD 690-7383  
BRUCE REED 456-5557  
CAROL RASCO 456-2878  
EMILY BROMBERG 456-2889  
ANN ROSEWATER 401-4678  
WENDELL PRIMUS 690-6562  
SUSAN BROPHY 456-6220  
PAUL CAREY 456-2604  
JANET MURGUIA 456-6221  
KEN APFEL 395-5730  
JEREMY BEN-AMI 456-7028  
MELISSA SKOLFIELD 690-5673  
JOHN MONAHAN 690-5672  
RAHM EMANUEL 456-6423

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

DATE: August 11, 1995

PAGES: 8 (including cover)

SUBJECT: Majority Leader Dole, Senators Gramm, Hutchison, Lott, Nickles, Cochran, Bingaman, Abraham and Gov. Weld (R-MA) Press Conference on Welfare Reform. Gov. Weld used the Massachusetts waiver disagreement as an example of the Administration's lack of commitment to real welfare reform.

## MASSACHUSETTS WELFARE REFORM

February 10, 1995

### Key Provisions:

**Work Requirement:** Able-bodied AFDC parents who are non-exempt and whose child of record is of school age must work 20 hours per week. This will include approximately 20,000 recipients.

**Time Limits:** Assistance is limited to 24 months in a 60 month period. Those participating in a MassJOBS program as of January 1, 1995 shall continue to receive benefits until they complete the program.

**Exemptions:** Those recipients exempt from the program include:

- o Disabled parents;
- o Parents caring for disabled children;
- o Parents with the child of record under the age of two;
- o Parents in their third trimester;
- o Parents with any child under three months;
- o Parents under twenty attending high school;
- o Caretaker relatives.

**Benefit Reduction:** 2.75 percent reduction in cash benefits for all able-bodied recipients contingent upon approval of a federal waiver of \$30 and 1/2 income disregard.

**Work Incentives:** A family subject to the 2.75 percent benefit reduction will be permitted to retain \$30 plus one-half of earned income every month without benefits being further reduced. Exempt parents may keep \$30 plus one-third of earned income.

**Community Service:** Able-bodied recipients who seek work but cannot find it and those who do not generate sufficient income from part-time work must work a minimum of 20 hours in a community service position.

**Employer Subsidies:** Full Employment Program Demonstration, limited to 2,000 families in fiscal year 1996. The state will pay participating employers \$3.50 per hour for each recipient for a period of nine months, and \$2.50 per hour for three more months. An employer who hires a former recipient into non-subsidized employment receives a tax credit of \$100 per month for a maximum of 12 months.

**Family Cap:** No additional benefits for children born to recipients. Welfare Commissioner may waive the cap in cases of rape, incest, or other extraordinary circumstances.

**MASSACHUSETTS WELFARE REFORM**  
**February 10, 1995**

-2-

**Teen Parents:** For parents under the age of 20 to receive benefits, they must have a high school diploma or GED or be in a program to obtain one, and live in the home of a responsible adult relative or, if there is abuse or neglect in the household, in a supervised, structured setting.

**Paternity Establishment/Child Support:** Strengthens requirements for establishing paternity, and requires the Department of Revenue to certify cooperation by prospective program participants. Courts are authorized to order community service when a non-custodial-parent is in contempt of a child support order.

**Learnfare:** Department is required to monitor school attendance of children under the age of 14. Parent placed on probation when a child misses 8 days of school within 3 months without an acceptable excuse. Child's portion of the grant is deleted when he or she misses 3 days in a month when the parent is on probation.

**Immunization Requirement:** Failure to provide proof to the Department that children have received necessary immunizations will result in the parental portion of the grant being deleted.

**Direct Payment of Rent:** If a recipient falls behind six weeks in rental payments, the Department is required, at the request of the landlord after a hearing, to deduct rent from the grant money and pay it directly to the landlord.

**Direct Deposit of Benefits:** Required for recipients with bank accounts.

**Assets:** Allowable asset level for recipients increased from \$1,000 to \$2,500, and the permitted value of a vehicle increased from \$1,500 to \$5,000.

**Anti-Fraud:** Fingerprinting pilot in Lawrence and Springfield, wage assignment for fraud, increased penalties, and denial of benefits for individuals with outstanding warrants.

**Name Change:** Department of Public Welfare becomes the Department of Transitional Assistance.



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

August 9, 1995

Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

It should be no surprise that the discussions between our administrations related to our pending welfare reform waivers have been challenging, since no state has ever implemented a reform of this breadth.

I am writing to ask that you reconsider the Administration's decision to close negotiations with the Commonwealth. It would be a shame if such a key reform is held up over a single issue. We are pushing the envelope some. You permitted Wisconsin to experiment in two counties with a straightforward time limit; our statute calls for a statewide demonstration -- but a time limit only for able-bodied individuals and in the state with the highest per capita commitment to child care.

You joined with Oregon in cutting new ground in approving their rationing model in Medicaid. In that spirit, I am asking you and Secretary Shalala to move back from the view she enunciated in her recent letter that exceptions approved in other states should fit Massachusetts as well. It just doesn't mesh with our statute.

It is not unreasonable for the federal government to share with a state the business of defining the safety net -- especially if the state has demonstrated the kind of strong commitment to assisting the poor that has been true for so long in Massachusetts.

If our statute is approved, you will have our commitment to make this program work through a careful and sensitive implementation.

Thank you, in advance, for your consideration.

Respectfully,

A handwritten signature in dark ink, appearing to read "Weld", written over a faint, larger version of the signature.

William F. Weld



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

AUG 4 1995

The Honorable William F. Weld  
Governor of Massachusetts  
Boston, Massachusetts 02133

Dear Governor Weld:

The President has asked me to respond to your letter of August 2, 1995. Today I have approved waivers that enable Massachusetts to implement its Welfare Reform '95 demonstration. My approval is for a demonstration that comports with terms and conditions that are being transmitted to Secretary Whitburn by Assistant Secretary Bane.

The terms and conditions governing my approval of Massachusetts' demonstration are consistent with those I have approved for demonstrations of time-limited AFDC in 17 other states. As in these other states, these terms and conditions give Massachusetts the green light to implement tough but fair welfare reform. They would permit Massachusetts to impose tough work requirements and tight time limits, while strengthening incentives to work and providing necessary child care. Individuals who fail to diligently look for work, who refuse to accept a job, who quit a job, or who are fired for cause would not be eligible for assistance. But similarly, under these waivers, those who diligently pursue work but are unable to find it through no fault of their own will receive transitional assistance while being subject to stringent work and work search requirements.

These waivers are consistent both with your goals for welfare reform in Massachusetts and with the principles that guide this Administration's approval of welfare reform demonstrations. As you know, we have reached agreement on strict work requirements, a family cap, and live at home and stay in school provisions for minor mothers.

Page 2 - The Honorable William F. Weld

It is my hope that you will accept the terms and conditions under which I am approving your demonstration. In so doing, I believe that you would be acting consistently with a principle with which I know you agree—that true welfare reform is about protecting children and about strengthening families by moving parents from welfare to work.

Sincerely,

  
Donna E. Shalala



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

VIA FAX -- COPY BY SURFACE MAIL

August 2, 1995

The Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

I am writing to follow up on our brief conversation in Vermont on Monday concerning the Commonwealth's pending welfare reform waivers and also to respond to Secretary Shalala's letter to me of July 29th.

As you pointed out in your April 11th letter to one of our mutual constituents in Lynn, Massachusetts, "Welfare should be a transitional program". I agree and for that reason feel unable to accept a reform which does not hold to that straightforward principle.

As you know, Massachusetts has always had one of the nation's strongest commitments to assisting at-risk populations. Our AFDC benefit is among the highest in America, our Medicaid investment is near the top and, on a per capita basis, we invest more in subsidized child care than any other state. We have no intention of moving back from our willingness to assist our citizens in search of self-sufficiency.

As you suggested in your remarks in Burlington, the apparent major stumbling block in the waiver negotiations has been the question of conditions under which recipients are permitted to continue in the program.

It is worth noting that under our plan, a first time mother who joins the AFDC rolls during her third trimester will be eligible for 48 to 50 months of benefits prior to the expiration of her time limit, because under our plan the 24-month clock does not begin running until the youngest child is two years of age. For an able bodied individual who is capable of work, four years on welfare ought to be enough. I suspect you agree that as policy makers we should put in place, now, a program that does call for the end of benefits at some point.

As you may or may not have been advised, during our negotiations we have agreed to a provision that will result in extensions being given to recipients in counties where extended unemployment at 10% or more makes successful job searches more challenging.

Further, we have agreed to special provisions under which extensions can be given where recipients "demonstrate circumstances that temporarily prevent the individual from being competitive for employment opportunities" or where individuals have "encountered unique personal life disruptions that make a required immediate entrance to the job market unreasonable".

Finally, our plan authorizes the Commissioner to grant extensions in any other instance where significant hardship is apparent.

We all share your concern about the need for appropriate supports for families, but at the same time I cannot shake the feeling that as we reform the welfare system, we must remove the perverse incentives that trap generation after generation in a terrible situation.

Our statute -- which, as you know, passed with overwhelming bipartisan support -- 31 to 3 in our Senate and 133 to 21 in our House -- does not provide for (nor should it) another layer of bureaucratic paternalism at a time when we should be stressing straightforward, unambiguous, personal responsibility. We have not expected enough of welfare recipients in the past. The consequence is a system that I believe you and I both want to end.

Individuals who know they will have to work will be motivated in a very different way than individuals who will have access to indefinite extensions by indicating that a job is not available or is just out of reach.

I was pleased that you have moved waiver approval to a 30-day process in your Administration and I hope, now, that our waiver -- which has been at HHS for more than four months -- will be expeditiously approved.

The Commonwealth is anxious to go forward with the nation's broadest reform to date, and I look forward to this partnership with you in authorizing its implementation.

Respectfully,



William F. Weld  
Governor

*WR Mass***DRAFT****RESPONSE FROM THE PRESIDENT TO GOVERNOR WELD'S 8/10/95 LETTER**

Dear Governor Weld:

*We need to*  
I know you share my strong belief in moving ahead with welfare reform. That is why Secretary Shalala approved Massachusetts' Welfare Reform '95 which gives the Commonwealth the green light to implement tough but fair welfare reform, consistent with the approaches approved for the 17 other states that are testing time-limited AFDC.

~~The terms and conditions, prepared uniquely for Massachusetts~~ *waiver*  
enable you "to impose tough work requirements and tight time limits while strengthening incentives to work and providing necessary child care." Individuals who fail to comply with the work requirements wouldn't be eligible for assistance, but, as the Secretary made clear, "those who diligently pursue work but are unable to find it through no fault of their own will receive transitional assistance while being subject to stringent work and work search requirements".

Let me assure you of my of continued commitment to state experimentation. I am proud of the record of my Administration in granting 33 states waivers to demonstrate welfare reform, more than all previous administrations combined.

THE WHITE HOUSE  
WASHINGTON, D.C. 20500

DATE: 8-9-95

TO: Bruce Reed

FROM: Staff Secretary

Can you coordinate handling of this?  
When it gets to point of doing a  
letter back to Weld, Jim Dorskind's  
shop will provide any assistance you  
need.

Todd 

cc: Leon Panetta  
Rahm Emanuel  
Kitty Higgins  
Jim Dorskind

WR - Massachusetts

EXECUTIVE OFFICE OF THE PRESIDENT

11-Aug-1995 11:34am

TO: Diane Ikemiyashiro  
TO: Carol H. Rasco  
TO: Jeremy D. Benami  
  
FROM: Bruce N. Reed  
Domestic Policy Council  
  
SUBJECT: Draft response to 8-9 Weld letter

**DRAFT  
NOT APPROVED**

Here's a draft. I still have to run it by HHS.

Dear Governor Weld:

I know you share my strong belief in moving ahead with welfare reform that promotes work, responsibility, and family. That is why Secretary Shalala approved Massachusetts' Welfare Reform '95, which gives the green light for tough, fair, sweeping measures to reform welfare in your state.

The Massachusetts waiver enables you to impose tough work requirements and tight time limits while strengthening incentives to work and providing necessary child care. Seventeen other states have launched efforts to impose time limits on welfare, some of them every bit as far-reaching as yours -- including most recently, Gov. George Allen's statewide reforms in Virginia. All 17 of those states -- with Republican and Democratic governors alike -- have agreed on two basic principles: People who refuse to comply with work requirements should be denied assistance. But people who are willing to work, make every effort to get work, and through no fault of their own cannot find work should receive transitional assistance while being subject to stringent work and work search requirements.

I would hope you agree with your fellow governors in both parties that the goal of welfare reform is work requirements and time limits that succeed in moving people from welfare to work, not just in cutting people off the rolls.

Over the last two years, my Administration has given 33 states the green light for welfare reform experiments. I look forward to the progress we can make together on welfare reform as you move ahead with your program in Massachusetts.

Sincerely,

*Handwritten signature*



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

August 9, 1995

Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

*Staff Secy  
Pres. has  
not seen NS*

Dear Mr. President:

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I am writing to ask that you reconsider the Administration's decision to close negotiations with the Commonwealth. It would be a shame if such a key reform is held up over a single issue. We are pushing the envelope some. You permitted Wisconsin to experiment in two counties with a straightforward time limit; our statute calls for a statewide demonstration -- but a time limit only for able-bodied individuals and in the state with the highest per capita commitment to child care.

You joined with Oregon in cutting new ground in approving their rationing model in Medicaid. In that spirit, I am asking you and Secretary Shalala to move back from the view she enunciated in her recent letter that exceptions approved in other states should fit Massachusetts as well. It just doesn't mesh with our statute.

It is not unreasonable for the federal government to share with a state the business of defining the safety net -- especially if the state has demonstrated the kind of strong commitment to assisting the poor that has been true for so long in Massachusetts.

If our statute is approved, you will have our commitment to make this program work through a careful and sensitive implementation.

Thank you, in advance, for your consideration.

Respectfully,

*Handwritten signature of William F. Weld*

William F. Weld

*To Bruce Reed.*  


THE WHITE HOUSE  
WASHINGTON, D.C. 20500

DATE: 8-9-95

TO: Bruce Reed

FROM: Staff Secretary

Can you coordinate handling of this?  
When it gets to point of doing a  
letter back to Weld, Jim Dorskind's  
shop will provide any assistance you  
need.

Todd 

cc: Leon Panetta  
Rahm Emanuel  
Kitty Higgins  
Jim Dorskind

*Handwritten signature*



THE COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE DEPARTMENT  
STATE HOUSE • BOSTON 02133  
(617) 727-3600

WILLIAM F. WELD  
GOVERNOR

ARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

August 9, 1995

Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

*Stop Secy  
Pres. has  
not seen NH*

Dear Mr. President:

It should be no surprise that the discussions between our administrations related to our pending welfare reform waivers have been challenging, since no state has ever implemented a reform of this breadth.

I am writing to ask that you reconsider the Administration's decision to close negotiations with the Commonwealth. It would be a shame if such a key reform is held up over a single issue. We are pushing the envelope some. You permitted Wisconsin to experiment in two counties with a straightforward time limit; our statute calls for a statewide demonstration -- but a time limit only for able-bodied individuals and in the state with the highest per capita commitment to child care.

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Thank you, in advance, for your consideration.

Respectfully,

*Handwritten signature of William F. Weld*

William F. Weld

AUG-10-95 THU 16:58

FAX NO. 06

P. 02

WR. Massa  
chusetts**STATEMENT OF BERNARD CARDINAL LAW****ON CURRENT STATUS OF MASSACHUSETTS WELFARE REFORM**

There is a voice that should be heard at the present stage of discussions between our federal and state levels of government on welfare reform. That voice is the voice of the poor.

Unfortunately, the sole focus of the current discussion is that provision which terminates assistance to AFDC recipients after a 24-month period. The conditions under which the U.S. Department of Health and Human Services has agreed to approve the new Massachusetts plan, have the effect of providing a safety net for those persons who have made a good-faith effort to find work, but for reasons beyond their control have still not been successful.

For those who are able, and for their children's benefit as well, work is the healthiest remedy to the culture of dependency. For those who cannot, or for whom there are no jobs available, a "safety net" is needed. A safety net is a protective device to preserve human life and safety. In this case poor families need a set of provisions to afford considered case-by-case exemptions to avoid unnecessary hardship and deprivation.

The Catholic Church speaks on this matter out of the lived experience as a people committed to easing the burden of the poor, as a part of our commitment to the sanctity of all human life. Through its many programs and services, the Catholic Church stands with the poor. Our concern is that last year alone our emergency service centers saw increase of one-third in requests for food.

The Church and her people cannot ignore the voices of the poor. That is why today I am urging Governor Weld to respond positively to those recommendations that have been offered by the federal government that would provide a safety net for needy families; and why I am once again urging President Clinton to reconsider his support of the child-exclusion law.

Clearly, an objective safety net is required to protect poor children and families from destitution resulting from the State's new AFDC law. I am concerned, however, that the safety net protect all the Commonwealth's destitute children.

Massachusetts needs a safety net that covers all our dependent children. In addition to terminating AFDC after two years, the Massachusetts plan also denies child support for those children conceived on AFDC. An identical law in New Jersey has been found to cause both increased hardship for poor children and families as well as a measurable increase in abortions.

AUG-10-95 THU 16:59

FAX NO. 06

P.03

I am heartened by the indication from Governor Weld's staff that there is openness to putting in place programs that would serve to mitigate the most harmful aspects of the child-exclusion law as experienced in New Jersey. It must be said, however, that this is, at best, an ameliorative measure intended to mitigate some of the most dire consequences of the child exclusion law.

Massachusetts owes the coming generation the very modest investment in child support for all eligible AFDC babies, including those conceived while their mother is a recipient. It is cynically cruel and unfair for any state to fund abortions for its poor, but not the basics of life. No woman, however poor, should be forced to choose between poorer children or dead children.

AUG-11-95 FRI 10:56

BOSTON GLOBE 8/11/95

# AG says US welfare waiver is binding

Attorney General Scott Harshbarger said yesterday that Gov. Weld is legally required to accept federal changes to Massachusetts' welfare reform law that ease the law's two-year limit on benefits.

"The governor does not have the authority to reject the federal waiver," Harshbarger said in a statement. "In plain English, the bill that the Legislature passed and the governor signed requires the state to live with the conditions of the waiver."

"The governor wants welfare reform, the Legislature wants welfare reform, the people want welfare reform, and the Clinton administration wants welfare reform," added Harshbarger. "Let's get on with it."

Harshbarger provided his legal analysis of the issue at the request of legislators who contend that Weld is legally bound to accept the federal revisions to the overhaul plan. The conditional approval is called a waiver because, without it, the state law would conflict with federal welfare rules.

Weld yesterday rejected the attorney general's argument, saying the point of the waiver process is to allow negotiations between federal and state officials and to give states some latitude to experiment with their welfare programs.

"If the AG was correct on that, there would never be any need for negotiation," the governor said. "Washington would simply draft up a short ukase and that would be the end of it."

Weld added that, in other states, implementation of waivers had always come after state and federal officials reached agreement on terms. Harshbarger's view would "be quite a departure in the direction of unfettered federal authority if it were adopted."

Ed Cafasso, a spokesman for Harshbarger, retorted: "The attorney general is simply trying to give his clients - the Legislature and the

governor - some good legal advice. He is trying to enforce the will of the people and make government work."

"As far as we are concerned," Cafasso added, "the law is the law and it is up to the governor to implement it."

Last week, US Health and Human Services Secretary Donna Shalala approved a waiver that would allow Massachusetts to begin implementing sweeping changes, but altered the state's two-year benefits time limit for able-bodied recipients.

Federal officials inserted conditions to guarantee that recipients who are willing to work, but unable to find jobs, would receive benefit extensions beyond two years. Clinton administration officials have said that they consider the waiver to be their final offer to Massachusetts, and that negotiations are over.

Weld has refused to accept the conditions of the waiver, saying the federal changes could allow recipients to stay on welfare indefinitely. He has written President Clinton urging him to reconsider the terms of the waiver approval.

Except for the two-year benefit limit, state and federal officials had reached agreement on all other provisions of the state's overhaul plan. The law would require able-bodied recipients to work part time or perform community service; force teenage parents to live at home or in supervised structured settings to remain eligible for welfare, and would ban extra cash benefits for parents already on welfare who have more children.

The issue of whether the governor has discretion under the state welfare law to refuse the terms of the waiver was raised earlier this week by state senators upset by Weld's seeming intransigence.

Weld plans to meet with Senate Majority Leader Bob Dole today to trumpet stalled national Republican proposals that would give states the freedom to design their own welfare programs. Major philosophical and legal issues are at stake, he said yesterday.

"This is not personal. This is 10th Amendment, federal government versus state government rights, powers, duties and responsibilities territory. The stakes are pretty high," Weld said.

BOSTON HERALD 8/11/95

# Weld, Harshbarger clash over welfare pla

By ROBERT CONNOLLY

Gov. William F. Weld yesterday opened a new front in his welfare wars, locking horns with Attorney General Scott Harshbarger over whether the state is obliged to implement its welfare reform law under terms shaped by the federal government.

Harshbarger yesterday said the reform

should go into full effect, but under terms outlined last week by federal authorities and rejected by the state. The key difference between the Clinton and Weld administrations is Washington's refusal to allow a two-year limit on benefits.

Weld took issue with Harshbarger's position that the federal terms are binding.

"This would be quite a departure in the

direction of unfettered federal authority if it were adopted," Weld said.

Bernard Cardinal Law also added his voice to the debate, urging Weld to accept the federal waiver requiring the state to provide protection for those who cannot find long-term employment after the two-year benefit limit.

"In this case," Law said, "poor families

need a set of provisions to afford some case-by-case exemptions to avoid unnecessary hardship and deprivation."

Harshbarger, a likely Democratic candidate for governor in 1998, said in a recent "in plain English" the bill the legislature passed and the governor requires the state to live with conditions the waiver."

WORLD JOURNAL  
FRONT PAGE  
AUGUST 8, 1995

WR - Mass 1

# Joe K blasts gov on welfare reform

## Weld pushes Clinton over Bay State changes

By ROBERT CONNOLLY and ANDREW MIGA

U.S. Rep Joseph P. Kennedy II accused Gov. William F. Weld yesterday of playing politics with welfare reform "at the expense of the truly needy."

Democrat Kennedy's charges were the latest development in an angry war of words between state and federal officials over implementation of a stalled new state law that would cut off benefits for recipients after two years.

Republican Weld dismissed Kennedy's charges yesterday and demanded that the Clinton administration give the state "the power to manage our program."

The waiver controversy reached fever pitch last week when the Clinton administration said the

Cont. Pg. 2

Page 2

state could put its sweeping welfare reform plan in place only if it guaranteed that recipients who were "actively seeking employment" would continue to receive benefits after what was to be a two-year benefits cutoff.

The Weld administration rejected that waiver offer, arguing that extensions after the two-year cutoff must be at the discretion of state welfare officials.

Meanwhile, there was a glimmer of hope that the increasingly bitter dispute could be settled.

Three Democratic state senators — Therese Murray of Plymouth, James P. Jajuga of Methuen and John D. O'Brien of Andover — suggested yesterday that welfare recipients who reach the end of their two-year cycle be guaranteed an additional year of benefits if they were actively seeking work. After that third year, additional exemptions would be at the discretion of the state's welfare commissioner.

Weld, who appeared on NBC's national news program last

night and backed GOP welfare reform plans now being debated in Congress, said he will fire off a letter to President Clinton today asking the president to back off the mandatory welfare extensions approach.

But Weld acknowledged that he held out little hope.



WELD

The governor said the state's best hope may be with Congress, where some GOP proposals would allow the states to write their

own welfare plans.

Commenting in Washington yesterday where he was attending House hearings on Whitewater, Kennedy said, "Weld is more interested in playing politics than in the realities of welfare reform."

Kennedy, who is seriously considering a gubernatorial run in 1998, said "You can run against welfare and make a lot of political points."

The congressman warned that Weld's strict two-year

limit on benefits, combined with an unemployment rate of about 6 percent, could leave tens of thousands of people in Massachusetts hungry and homeless.

"Some people, no matter how hard they try, simply cannot find work and we must recognize that in this debate," said Kennedy.

Weld administration spokeswoman Ilene Hoffer flatly denied Kennedy's charges.

"The issue here is about fundamentally changing welfare as we know it," she said.

Weld also expressed pessimism about the compromise proposed by the three state senate Democrats. He said that while he could live with the proposal, he did not believe it would be acceptable to the federal government.

"I don't think that would ever fly," said Weld, adding that U.S. Health and Human Services Secretary Donna Shalala had told him personally, "I cannot give you the authority to have an absolute time limit cutoff."

Federal welfare officials could not be reached for comment.

END...

THE BOSTON HERALD, TUESDAY, AUGUST 8, 1995

## BOSTON HERALD

PATRICK J. PURCELL, Publisher  
ANDREW F. COSTELLO JR., Editor

ANDREW P. GULLY, Managing Editor / News    KEVIN R. CONVEY, Managing Editor / Features    RACHELLE COHEN, Editorial Page Editor

# Taming the welfare beast

The dispute between Gov. William Weld and Health and Human Services Secretary Donna Shalala is not about some minor footnote to a welfare waiver. It is, as the governor put it Saturday, "a fundamental disagreement about just what welfare ought to be."

Is it political too? Yes, of course it is, in the best sense of that word. This is a political fight about what welfare "reform" actually means — both here and in Washington.

True, the dispute between Weld and the Clinton administration is over three lines in a 48-page waiver. But those three lines are at the very heart of what this state — not just its chief executive but a majority of the Legislature — has said it wants welfare to become, a *transitional* program.

The lines in question provide a gaping loophole in the two-year time limit imposed under the state's new welfare law. It would allow indefinite extensions for recipients who claim that a suitable job is simply not available.

The state law would already allow the welfare commissioner to grant hardship relief in such cases, but it does not *mandate* such relief. And that truly is at the heart of the current debate in Congress: Who is in charge here?

In speaking of his conversations with Shalala, Weld said, "We do not see welfare in the same terms. Welfare should not be permanent. It is not a right. It should not be an entitlement [a term Shalala reportedly used several times during their conversations]. And I have sufficient faith in

our commissioner of transitional assistance to trust that he will do the right thing in hardship cases where a person has to be, needs to be, on welfare beyond the two-year time limit."

Weld added a cogent point in his weekend remarks: "The Republicans in Congress also recognize that the states are run by grown-ups."

It's a statement as simple as it is true. For years federal officials and surely most Democratic members of Congress have worked on the assumption that all wisdom — not to mention all caring — emanated from within Washington's Beltway. It wasn't true then and it isn't true now.

Is there a state in the union that is run by uncaring, irresponsible ogres who want to see innocent children starve? We just don't think so. Are there states with democratically elected officials whose welfare benefits are not so gold-plated as those offered in Massachusetts? Yes, and thus it has always been. The debate in Washington this week — and the on-going debate between Weld and Shalala — is about whether it's time the federal government begins to treat its states and their officials like adults where welfare qualifications and programs are concerned.

Massachusetts is only the latest victim of Washington's know-it-all arrogance. It's time Congress settled the dispute for good, and proposals by Senate Majority Leader Bob Dole, as Weld notes, would provide an excellent start.

Boston Herald  
August 8, 1995

# Weld seeks to shame feds on welfare

**W**elfare reform is front and center this week, in the state and on Capitol Hill. And as usual, the Clinton administration is talking out of both sides of its mouth, all the while blocking Massachusetts from carrying out tough but humane reform.

Gov. William Weld has a shot at pressuring the feds, through this week's U.S. Senate debate on Majority Leader Robert Dole's welfare reform bill, and at succeeding in Weld's gamble to rescue a state reform effort that's had a rollercoaster ride.

Big Red hopes Dole will use Massachusetts as an example — "Exhibit A," claims the gov — of why Congress should let the states handle welfare by block grants and dump the complicated, inconsistent, hypocritical federal waiver system.

Even as the Clinton administration accuses Dole of omitting a child care "safety net" to help welfare moms go to work, it delays a Massachusetts plan that already has budgeted \$200 million in such child care over the next year.

Weld showed the good sense last Friday to turn down that phony federal approval of Massachusetts' plan to force recipients off welfare if they don't get jobs within two years.

The feds' main condition — the state must give extensions if a recipient hasn't, in two years, found work at pay at least equalling her benefits — is the loophole that could swallow the law.

Welfare recipients aren't dumb. If they know they can get the extension, many

won't be eager to look for a job, especially one that, as a starter, might pay a few bucks less than welfare — even if, in the future, it pays off big in self-respect.

Yesterday Weld wrote President Clinton, urging Clinton to reconsider.

Why can't state officials use their discretion to grant hardship extensions? Weld asked U.S. Health and Human Services Secretary Donna Shalala by phone Friday.

Shalala replied that "Washington has to be in charge of the safety net," the governor said.

What bunk. What hypocrisy.

Listen to what White House press secretary Mike McCurry charged yesterday is the big flaw the president detected in Dole's workfare reform plan as it reached the Senate floor.

"It does nothing to tell a young mother (how) she's supposed to go to work if she has nowhere to put her kids," said McCurry. He ripped Dole's bill for not requiring states to provide child care for women who work their way off welfare. Under questioning by Sen. Edward M. Kennedy (D-Mass.) on the floor, Dole said "I know there is a problem." He said he may well take a second look at a child care requirement.

Yet Shalala so far won't budge for Massachusetts though, as state Health and Human Services Secretary Gerald Whitburn points out, the plan already has generous child care benefits, plus health care.

Whitburn said. "We have the greatest commitment to child care of any state on a per capita basis. We give health care (Medicaid benefits continue even after a reci-

ipient finds work). Our aid to dependent children level is \$579 a month compared to Texas with \$184."

That's a program passed overwhelmingly by a Democrat-controlled Legislature.

It's a record that deserves some trust. Besides, the same agency now so hung up on forcing Massachusetts to grant wide-open extensions allowed Wisconsin's welfare reform to proceed with a straight two-year cutoff in 1993 — no exemptions whether you were looking for work or not.

Massachusetts realized it should give exemptions for hardship, said Whitburn — who ran the Wisconsin reform.

"But to require us to do so isn't right, especially when we see that the typical welfare recipient — 65 percent, in fact — will spend eight or more years on welfare," though not always in one unbroken stretch, said Whitburn.

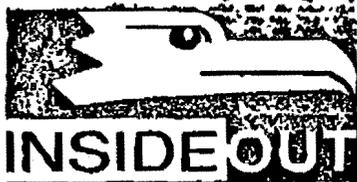
Weld's go-for-broke heroics have twice before rescued reform from certain death or crippling loopholes, enabling the state to pave a way out of a cycle of dependency Whitburn termed a "tragic trap, easy to get on, easy to stay on."

In August 1994 Weld kept the state Senate from killing his version of welfare reform. In a surprise move, he peeled off two liberal senators, Lois Pines (D-Newton) and Dianne Wilkerson (D-Boston). He joined them in negotiations that bought time for a post-election compromise that passed big in both houses.

Last month the gov used the bully pulpit of his own office to make the state Senate blink on an "education" exemption loophole that threatened his reform law.

Now Big Red is battling the feds, using threats, logic, political blackmail, whatever it takes to get them off his back and ours. We hope he succeeds. We bet he will.

## POLITICS



### By WAYNE WOODLIEF

AUG-09-1995 11:40  
AUG-09-95 TUE 10:11

1G9

FAX NO. 06

P. 05

P. 05/08

AUG-8-95 TUE 10:12

FAX NO. 06

P. 06

DOSTON GLOBE  
METRO SECTION

AUGUST 8, 1995

# 3 seek to bust welfare logjam

## Senators' offer interests Weld

By Doris Sue Wong  
GLOBE STAFF

Three Senate Democrats have drafted a compromise proposal on welfare reform, hoping to break the logjam between federal and state authorities that has blocked the launch of the state's comprehensive welfare overhaul.

Sens. Therese Murray of Plymouth, John O'Brien of Andover and James Jajuga of Methuen suggest a compromise that would extend benefits to able-bodied welfare recipients beyond the two-year limit that Gov. Weld insists on, but federal authorities balk at

Under their proposal, benefits would be allowed for up to three years to those who document their inability to find work. After three years, the state commissioner of transitional assistance would be free to extend or end payments.

The three senators sent their proposal to Weld and to federal welfare officials yesterday. Weld said last night that he was open to the compromise, although he does not believe federal officials will be

"Is three years versus two years a philosophical deal-breaker for me?" asked Weld. "No."

But Weld said he was concerned about how much money a third year of benefits would cost. And he said he was skeptical about much sway the three senators have with Clinton administration officials.

"Now if the feds buy it... we might have a basis for further discussion. But you have to hear that from the feds, because the three sen-

ators had already been led to believe the feds bought into it at the end of last week, and it turned out the feds didn't," said Weld.

Last Friday morning, the three senators jointly urged Weld to accept what they billed as federal approval of a legal waiver allowing the launch of welfare reform in Massachusetts. At the time, the senators believed the waiver would limit welfare benefits to a maximum of three years. Later they learned that the terms of the waiver would allow an open-ended extension of benefits.

Murray yesterday attributed the discrepancy to a "misinterpre-

tation" of the terms of the waiver. Jajuga and O'Brien did not return repeated telephone calls, but State House sources said the two lawmakers had been angry over what a Clinton administration official labeled a "misunderstanding."

While the dispute over the benefit limit continues, the state may be free to implement other elements of its welfare-reform package, a Clinton administration official said. Acceptable to federal officials are changes such as a work requirement, an end to new benefits for welfare mothers who have more children, and the requirement that teen-age parents go to school and live at home as a condition of receiving welfare.

But piecemeal change apparently doesn't interest Weld. He said yesterday he will still insist on the entire overhaul package passed by the Legislature and signed by him last winter.

"I don't think we should take half or three-quarters of a loaf until we see if we can get a whole loaf," Weld said, adding that he believes the state has already offered a workable compromise.

The state proposal would permit extended benefits to recipients living in counties where the unemployment rate exceeds 10 percent for six months in a row, or when the recipient is the victim of severe personal misfortune such as a death in the family, suffers a "grave illness"

or is a crime victim. Statistics from the state Department of Employment and Training show that in the past five years only Bristol and Berkshire counties had six months of double-digit unemployment.

Weld said he plans to send President Clinton a letter today asking for reconsideration of the US decision. But he said he was pessimistic about the prospects for compromise, after a talk with US Health and Human Services Secretary Donna Shalala last week.

Sen. Murray said that breaching that divide is critical. She said she hopes the two sides will soon "stop the rhetoric and get on with the business of implementing the reforms."

## Weld assailed on welfare move

Rep. Joseph P. Kennedy 2d criticized Gov. Weld yesterday for rejecting a federal waiver to implement the state's welfare reform plan.

Weld balked at a condition that kept the state from cutting off recipients who could not find a job by the time their benefits expired.

"With the unemployment rate close to 6 percent, there are tens of thousands of people who want to work and cannot get a job," Kennedy said.

Kennedy said people "would have to beg, go hungry or go homeless."

6



COMMONWEALTH OF MASSACHUSETTS  
**MASSACHUSETTS SENATE**  
STATE HOUSE, BOSTON 02133-1068

SENATOR JAMES P. JAJUGA  
THIRD ESSEX DISTRICT  
ROOM 218  
TEL 617-722-1604

COMMITTEES:  
PUBLIC SAFETY (CHAIRMAN)

SCIENCE AND TECHNOLOGY  
(VICE CHAIRMAN)  
FEDERAL FINANCIAL ASSISTANCE  
(VICE CHAIRMAN)  
SENATE WAYS AND MEANS  
EDUCATION, ARTS AND HUMANITIES  
GOVERNMENT REGULATIONS  
PUBLIC SERVICE

To: Mr. Gerald Whitburn, Secretary  
Massachusetts Executive Office of Health and Human Services  
Mr. Philip Johnston, Regional Director  
U.S. Department of Health and Human Services

From: Senator James P. Jajuga  
Senator John D. O'Brien  
Senator Theres Murray

Re: Welfare waiver proposal  
Date: August 7, 1995

We are contacting you this afternoon in the hope of reaching agreement on language that will allow Massachusetts to implement comprehensive welfare reform which we all agree is much needed. As you are well aware, negotiations concerning the federal waivers for the Massachusetts welfare plan have recently stalled over language relative to the time limit provision. However, we believe this should not end all negotiations and that there is room to still find common ground.

The points of contention appear to be the use of discretionary versus mandatory language for the granting of 90 day extensions to the two year limit by the Commissioner of Transitional Assistance and a limit of one year for such extensions. Therefore, we propose the following solution:

The language included in the federal waiver proposal mandating that the state "will" grant 90 day extensions under limited circumstances should be retained. After one year of such extensions, however, any additional extensions will be granted only at the discretion of the Commissioner. In other words, the Commissioner "may" grant additional extensions after one year, but is not required to.

The retention of discretion by the Commissioner of Transitional Assistance after one year will prevent the abuse of the system while still allowing for assistance in rare circumstances approved by the Commissioner. The mandatory review after each 90 day extension to the two year limit remains intact. Attached you will find the specific language changes which we believe will accomplish our common goal of ending welfare as we know it.

Without prejudicing any efforts to make future changes to the welfare system, we strongly urge you to accept this language and allow the implementation of this comprehensive welfare reform in Massachusetts.

Page 7 of Waiver Terms and Conditions

(changes in bold and underlined)

If none of the above criteria apply, a recipient or former recipient may request an extension of the 24-month limit, up to 90 days, by submitting a written request to the Office of the Commissioner, documenting the reason the extension is being requested. These cases will be reviewed and a determination made on a case-by-case basis. Such extensions will only be granted, however, in a limited number of circumstances.

Extensions will be granted if:

- (a) the county in which the individual resides has had an unemployment rate of 10 percent or more for two quarters immediately prior to the current month, or
- (b) the individual has been actively seeking employment and is unable to find a job or jobs consistent with State regulation 106 CMR 207.190(A)(2).

After the initial 90 day extension, individuals will be granted additional 90 days extensions, not to exceed one year in the aggregate, if the unemployment rate has not dropped below 10 percent in the previous ninety day extension period, or if the individual continues to actively seek employment and is unable to find a job. The Commissioner, after one year of extensions, may grant additional ninety day extensions based on the aforementioned criteria.

AUG 09 '95 12:07PM COMM MASS H&amp;H SER EOHHS

P.2



## THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3800

WILLIAM F. WELD  
GOVERNORANGELO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

August 9, 1995

Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

It should be no surprise that the discussions between our administrations related to our pending welfare reform waivers have been challenging, since no state has ever implemented a reform of this breadth.

I am writing to ask that you reconsider the Administration's decision to close negotiations with the Commonwealth. It would be a shame if such a key reform is held up over a single issue. We are pushing the envelope some. You permitted Wisconsin to experiment in two counties with a straightforward time limit; our statute calls for a statewide demonstration -- but a time limit only for able-bodied individuals and in the state with the highest per capita commitment to child care.

You joined with Oregon in cutting new ground in approving their rationing model in Medicaid. In that spirit, I am asking you and Secretary Shalala to move back from the view she enunciated in her recent letter that exceptions approved in other states should fit Massachusetts as well. It just doesn't mesh with our statute.

It is not unreasonable for the federal government to share with a state the business of defining the safety net -- especially if the state has demonstrated the kind of strong commitment to assisting the poor that has been true for so long in Massachusetts.

If our statute is approved, you will have our commitment to make this program work through a careful and sensitive implementation.

Thank you, in advance, for your consideration.

Respectfully,

A handwritten signature in cursive script, appearing to read "Bill Weld".

William F. Weld

AUG- 9-95 WED 11:14

FAX NO. 06

P. 02

BOSTON GLOBE 8/9/95  
EDITORIAL

## The welfare trap in Massachusetts

Nearly everyone wants to reform welfare, and surprisingly wide agreement has been reached on the fundamentals of that reform: incentives that support family responsibility and work.

Yet in Massachusetts and on Capitol Hill this week, the welfare reform express ran into a ditch of ideology and raw politics.

In the Senate, majority leader Bob Dole attempted to toughen his bill's work requirement and illegitimacy provisions to please conservatives, including his presidential rival, Phil Gramm, and to improve its child-care provisions to please moderates. Still, he remained far short of the support needed to move the legislation. Although the spotlight was shining on his efforts because the House is already away on August recess, Dole conceded late yesterday that he could not win at this stage and postponed action until September.

In Massachusetts, the blizzard of letters, waiver requests, acceptances, denials, accusations and explanations in the past week has done more for the US Postal Service than for welfare reform. The nub of contention between Gov. Weld and the Clinton administration is whether the state can terminate benefits after a set time to individuals who are still actively seeking work. Because of the impasse, the comprehensive reform law passed by the Legislature could not take effect July 1 as intended.

The result was opportunity lost. The state planned to evaluate more than 800 welfare recipients a day, directing most with school-age children to private or public-service jobs within 60 days and most with younger children to school and parenting programs. Teen parents would have been required to stay at home or in a supervised group setting, which would have removed the perverse incentive of welfare benefits granted to young mothers who leave their homes.

Yet none of this is happening. More than five weeks have been lost, meaning that more than 12,000 recipients have not been reclassified or given the job placements or school assignments.

Why? Because Weld is insisting that any automatic extension of benefits beyond the two-year

cutoff designated in the law - even if caused by extraordinarily high unemployment or some other calamity - amounts to continuing welfare as an entitlement, which he will not abide.

This is a question that goes to the core of political philosophy, dividing both Congress and the governors. Our view is that if society is to be in any way a fabric rather than simply individual threads, persons in extreme hardship should be given - should be "entitled to," if you like - a minimal level of nutrition and subsistence.

At the same time, the federal and state governments should put incentives in the right place and should be able to narrow and specify the precise definition of hardship.

Weld said he trusts his subordinates to make that definition and allow exemptions case by case. But not all administrators in all states, including Massachusetts, will always deserve such trust.

Even given Weld's philosophical viewpoint, his intransigence on the issue is counterproductive. First, the issue may be settled in Congress, where the Republican majorities in both branches want to eliminate all entitlements and let the states spend block grants as they wish. Block grants without guidelines might solve Weld's problem, but they would produce turmoil, setting off competition among some states to reduce benefits in a race to the bottom.

Even if the entitlement is not eliminated in Washington, Weld is holding up substantial progress that would be taking place now, day by day - including the termination of benefits to people who refuse work within 60 days - out of a concern for a hypothetical problem two years down the road. Given that even under the entitlement system, recipients would have the burden of proving they were actively seeking work and the state would have considerable discretion in judging their claims, the actual problem would surely be minute.

But here, as in Washington, real attempts to make tangible improvements are pushed aside in favor of posturing. Leaders in both cities should stop acting as if they were more interested in political advantage than in real progress.

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P. 03

BOSTON GLOBE 8/9/95

# Democrats riled by Weld's welfare stand

By Doris Sue Wong  
and Bob Hohler  
GLOBE STAFF

Myastified by Gov. Weld's refusal to accept a partial victory on welfare reform, Democrats on Beacon Hill and Capitol Hill yesterday accused the governor of playing a political game designed to show up President Clinton and strengthen GOP welfare critics in Congress.

But Weld last night said he was only "fighting for the high ground" to ensure Massachusetts winds up with a workable set of welfare reforms. It is federal officials who refuse to deal in good faith with the state, he said.

"They are essentially saying, 'Take our deal or leave it.' That's not a negotiation, that's an ultimatum," Weld said.

Weld has adamantly refused to accept a Clinton administration proposal that approves much of the state's welfare reform plan, but bars a provision the governor cherishes: a two-year cap on benefits to able-bodied recipients.

The so-called federal waiver approves state plans for a "family cap" banning additional benefits for recipients who have more children, a workfare provision and a measure requiring teen-age welfare mothers to live with their families or in state-run homes.

But Weld says he doesn't want to proceed with those changes until the dispute over the two-year benefit limit is resolved.

Weld's staunch refusal to accept the deal - and his energetic criticisms of Clinton over the weekend - have many Democrats and others involved in welfare policy convinced Weld has some hidden agenda.

They figure his goal is to pick a politically motivated fight with Clinton or curry favor with GOP congressional leaders eager to depict Clinton as soft on welfare.

"The governor got 99 percent of what he wants," said US Sen. John F. Kerry. "At this point, neither side should get locked in cement and fail to take advantage of the ability to make this work. People want reform. They don't want politics."

"I don't think it's philosophical. I see it as political," said Sen. Theresa Murray (D-Plymouth), principal architect of the welfare plan Weld signed this winter. "If he is not trying to make Clinton look bad, he is trying to make himself look good on the national level."

US Rep. Joseph P. Kennedy 2d, a Brighton Democrat, said of Weld: "My sense is you can slice the baloney pretty thin on this issue. Instead of truly trying to see serious welfare reform, you're seeing a political effort."

The criticism of Weld's stance was dismissed by a top Weld adviser as predictable rhetoric from partisan foes. Weld's concerns are principled, not political, the adviser said. "There's nothing mysterious about this and nothing more going on than meets the eye."

The Weld-Clinton tussle over the shape of Massachusetts' welfare reform efforts comes during a battle on Capitol Hill over a possible national welfare bill.

Yesterday, Senate Republican leader Bob Dole of Kansas, facing a fractious floor fight, decided to drop his effort to pass a welfare bill until the Senate returns in September.

Weld has asserted that a strict two-year limit on welfare benefits for able-bodied recipients is a crucial element to successful reform, providing a clear incentive to recipients to find jobs.

He has refused so far to proceed with the elements of the reform bill that were approved by federal authorities. "I really don't see why I should say I'll fold my tent right now and say we are not going to get our two-year limit," he said.

Weld said he wants to sure a national welfare bill will pass Congress before he resigns himself to "what Senator Murray has referred to as two-thirds or three-quarters of a

The prospect of a federal welfare bill makes the Weld-Clinton dispute seem purposeless, said Rep. Martin T. Meehan, a Lowell Democrat. "This standoff is much ado about nothing because it will be a moot point when the rules change."

Deborah Harris, an attorney at the Massachusetts Law Reform Institute who specializes in welfare issues, noted that Weld's views on welfare more closely resemble Clinton's than the governor will admit.

Harris charged that Weld is now standing tough on the issue in order to create a "standoff with President Clinton," to "further his own ambitions" and to bolster the case for national Republican reform proposals giving states freedom to design their own welfare programs.

In a related development yesterday, state Sen. John D. O'Brien (D-Andover) urged Kennedy to support a compromise that would extend the benefit limit to three years. He, Murray and Sen. James P. Jajuga (D-Methuen) proposed it.

But Kennedy, in an interview, said he was opposed to any "arbitrary cutoff" of benefits.

*Peter J. Hour of the Globe staff contributed to this report.*

BOSTON GLOBE 8/9/95

# Weld, Rep. Kennedy at odds again on US aid

## Rivals vie on local cost of budget cuts

By Peter J. Howe  
GLOBE STAFF

Stepping up his war of words with Gov. Weld, US Rep. Joseph P. Kennedy 2d yesterday blasted Weld for his "breathtaking complacency" about budget cuts being pushed by Republican congressional leaders that could cost Massachusetts thousands of jobs.

But Weld stood back that Kennedy was engaging in "complete parroting and grandstanding."

Kennedy "is trying to have it both ways," the governor said. "He voted for the balanced budget amendment and now he's trying to run away from the consequences of that. I don't know how he possibly thinks he can have it both ways."

The latest Kennedy-Weld exchange, which followed a similar dispute last month, came after the Brighton Democrat's report card a letter to Weld in which he sternly

admonished the governor: "We cannot afford you to continue to stand idly by or to cheer from the sidelines while your Republican colleagues execute a program which plays Russian roulette with our economic security."

Kennedy, who is eyeing a 1998 run for governor against Lt. Gov. Paul Cellucci, said that Weld's support for the Republican spending plan amounts to a "flat-out betrayal of our state's economic interests."

And he particularly criticized Weld's comments last week, in an address to the conservative Pioneer Institute, about the duty of Republican governors to support federal budget cutting efforts and not be "scrubbing all over each other to bring horse pork and bacon."

Kennedy said the GOP congressional leadership is not attacking

park but programs vital to Massachusetts. The proposed cuts, he said, would affect:

Weld retorted that he has been working behind the scenes with congressional leaders to ensure that budget cuts and changes in funding formulas for programs like Medicaid do not hurt Massachusetts unfairly. That's a much smarter strategy than resorting, like Kennedy, to "across-

ing bloody murder on day one," he said.

"If you took the Democrats' advice and just complained loudly and in a grandstanding fashion, you'd wind up with less money for Massachusetts," Weld said. He cited approval of \$50 million in federal money for the Boston Harbor cleanup as one victory for his quieter approach.

Weld added: "If the congressman alleging Massachusetts is not getting our fair share - if that's true - it's because our delegation lacks clout down there, and the solution to that is not for him to complain, it's to send more Republicans to Washington so they can have more clout."

The governor also said he does not agree it is his role to fight all budget cuts, saying he wants to support congressional Republicans' efforts to "be responsible [and] make sure we don't spend money we don't have."

BOSTON HERALD 8/9/95

# Welfare war of words heats up in Bay State

By ROBERT CONNOLLY

Two of the state's political titans traded blows yesterday, with U.S. Rep. Joseph P. Kennedy II accusing Gov. William F. Weld of exhibiting "breathtaking complacency" and Weld accusing Kennedy of "posturing" and "grandstanding."

The charges flew as sources close to Kennedy (D-Brighton) described the six-term congressman as increasingly interested in trying to succeed Weld in 1998.

It also marked the second consecutive day that Kennedy has lit into Weld, with the congressman charging in yesterday's Herald that Weld was interested in scoring "political points" at the expense of welfare recipients.

Weld, whom aides described as increasingly irritated by Kennedy's attacks, brushed off the Democrat's charge that he

is failing to adequately defend the state's interests as GOP leaders in Congress recast federal programs vital to the state's economy.

"It's complete posturing and grandstanding, and very obviously so," Weld said when asked about Kennedy's charges — first advanced in a press conference last month and reiterated in a letter delivered to the governor yesterday.

## WELFARE RHETORIC Grows, Page 6

Asked if Kennedy was trying to open the 1998 campaign, Weld said it was more likely that the Brighton Democrat was trying to cover his own tracks.

"It's to try to have it both ways. He voted for the balanced budget amendment, now he's trying to run away from the consequences," Weld said.

In his letter, Kennedy charged

that Weld has stood idle "in the face of the serious threat to our economy mounted by the Republican congressional majority."

Weld, in return, said he's been quietly defending the state's interests, adding "To the extent that the congressman's alleging Massachusetts is not getting its fair share, if that's true, it's because our delegation lacks clout down there."

Meanwhile, Weld yesterday renewed calls for the federal government to back off and allow the state to implement the complete version of its welfare reform program.

Gubernatorial aides said a Weld welfare-reform letter to President Clinton that was expected to go out yesterday instead will be issued today.

With federal officials yesterday saying Massachusetts could go ahead and implement the many aspects of the plan already approved, Weld said he wasn't ready to take that course, but didn't rule out doing so somewhere down the road.

*Bob Dole*



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE MAJORITY LEADER

FOR IMMEDIATE RELEASE  
Wednesday, August 9, 1995

Contact: Clarkson Hine  
(202) 224-5358

## WELFARE REFORM

REPUBLICAN PLAN PROVIDES WORK, HOPE & OPPORTUNITY:  
PRESIDENT HAS NO PLAN, SENATE DEMOCRATS' PLAN IS "WEAK FIRST"

President Clinton promised to end welfare as we know it, but he has no plan that we know of. Instead of leading, the President has followed, signing on to a flawed plan cosponsored by just 16 Senate Democrats.

While Republicans continue to unite around the Republican Leadership welfare reform bill, "The Work Opportunity Act," the Democrats are clinging to a status quo plan that merely tinkers around the edges.

The Democrats call their plan "Work First," but in fact, it is "Weak First" -- weak on work, weak on limiting welfare dependency, weak on state innovation, weak on savings, weak on real reform. Meanwhile, Republicans are moving forward to provide work, hope and opportunity to Americans trapped in a failed system.

◆ The Democrat plan proposes to replace AFDC with a bigger, more expensive package of entitlements costing taxpayers \$16 billion more than AFDC over the next seven years, including subsidies to families with incomes as high as \$45,000.

◆ The Democrat plan fails to impose real lifetime limits on welfare benefits, offering endless loopholes and exceptions. Under the Democrat plan, a welfare recipient who has three children while on welfare can get up to seven years of benefits before reaching the "5-year limit." Even then, that recipient would still remain on the welfare rolls, entitled to certain benefits, and receiving vouchers without time limit in place of cash benefits.

◆ The Democrat bill even provides exceptions to these weak time limits, turning many major cities into welfare magnets. If a welfare recipient lives in an area with an unemployment rate exceeding 7.5 percent, none of the time spent on welfare counts toward the so-called 5-year limit. That would turn cities that had relatively high unemployment rates in 1994 like New York, Los Angeles, Washington, Philadelphia, Detroit and many others into time-limit-free zones.

◆ It should come as no surprise that the Democrats' work requirements are also riddled with loopholes. While the Democrats' plan boasts a 50% work participation rate by the year

(MORE)

2000, it offers many of the same current law exemptions that have permitted 60% of the adult recipients to avoid ever having to work. The Republican Leadership plan requires half of all adult welfare recipients in single parent households to work by 2000, and imposes a 90% work participation rate among two-parent welfare households beginning in 1999.

◆ The Republican leadership "work opportunity act" realizes that Washington doesn't know best, and gives states the flexibility they need to craft welfare program that will work. That's why the majority of the nation's governors have endorsed our bill. Regrettably, the Democrat plan doesn't allow states to take over welfare programs, replacing one set of federal rules and regulations with a new one. The democrat plan would require states that want to innovate to get the permission of a federal bureaucrat.

We will be happy to talk about the differences between the two parties in how to reform welfare over the August recess, and we look forward to the resumption of the debate on the floor.

And far from the "setback" many in the media screamed about today, Republicans are making progress. By the end of the week, I hope to introduce a package of modifications that may very well accomplish what we would have done on the floor this week. At the same time, we will have completed several crucial appropriations bills. What we did yesterday made sense, and the progress we'll make this week on welfare will bring us closer to passage of a plan in September that will succeed in providing work, hope and opportunity to Americans in need.

###



## THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 727-3600

WILLIAM F. WELD  
GOVERNORARGEO PAUL CELLUCCI  
LIEUTENANT-GOVERNOR

VIA FAX -- COPY BY SURFACE MAIL

August 2, 1995

The Honorable William Jefferson Clinton  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

I am writing to follow up on our brief conversation in Vermont on Monday concerning the Commonwealth's pending welfare reform waivers and also to respond to Secretary Shalala's letter to me of July 29th.

As you pointed out in your April 11th letter to one of our mutual constituents in Lynn, Massachusetts, "Welfare should be a transitional program". I agree and for that reason feel unable to accept a reform which does not hold to that straightforward principle.

As you know, Massachusetts has always had one of the nation's strongest commitments to assisting at-risk populations. Our AFDC benefit is among the highest in America, our Medicaid investment is near the top and, on a per capita basis, we invest more in subsidized child care than any other state. We have no intention of moving back from our willingness to assist our citizens in search of self-sufficiency.

As you suggested in your remarks in Burlington, the apparent major stumbling block in the waiver negotiations has been the question of conditions under which recipients are permitted to continue in the program.

It is worth noting that under our plan, a first time mother who joins the AFDC rolls during her third trimester will be eligible for 48 to 50 months of benefits prior to the expiration of her time limit, because under our plan the 24-month clock does not begin running until the youngest child is two years of age. For an able bodied individual who is capable of work, four years on welfare ought to be enough. I suspect you agree that as policy makers we should put in place, now, a program that does call for the end of benefits at some point.

As you may or may not have been advised, during our negotiations we have agreed to a provision that will result in extensions being given to recipients in counties where extended unemployment at 10% or more makes successful job searches more challenging.

Further, we have agreed to special provisions under which extensions can be given where recipients "demonstrate circumstances that temporarily prevent the individual from being competitive for employment opportunities" or where individuals have "encountered unique personal life disruptions that make a required immediate entrance to the job market unreasonable".

Finally, our plan authorizes the Commissioner to grant extensions in any other instance where significant hardship is apparent.

We all share your concern about the need for appropriate supports for families, but at the same time I cannot shake the feeling that as we reform the welfare system, we must remove the perverse incentives that trap generation after generation in a terrible situation.

Our statute -- which, as you know, passed with overwhelming bipartisan support -- 31 to 3 in our Senate and 133 to 21 in our House -- does not provide for (nor should it) another layer of bureaucratic paternalism at a time when we should be stressing straightforward, unambiguous, personal responsibility. We have not expected enough of welfare recipients in the past. The consequence is a system that I believe you and I both want to end.

Individuals who know they will have to work will be motivated in a very different way than individuals who will have access to indefinite extensions by indicating that a job is not available or is just out of reach.

I was pleased that you have moved waiver approval to a 30-day process in your Administration and I hope, now, that our waiver -- which has been at HHS for more than four months -- will be expeditiously approved.

The Commonwealth is anxious to go forward with the nation's broadest reform to date, and I look forward to this partnership with you in authorizing its implementation.

Respectfully,



William F. Weld  
Governor

BOSTON GLOBE 7/2/95

# Mass. funds for welfare threatened

## Federal proposal could result in annual cash loss of \$175m

By Peter G. Gosselin  
GLOBE STAFF

WASHINGTON - Massachusetts would stand to lose more than \$175 million a year, or one-third of its federal cash welfare funds, under a proposal being advanced by Southern and Western lawmakers on Capitol Hill.

The threatened loss, which comes as the commonwealth is seeking to launch its ambitious - and conservative - welfare overhaul plan, is one measure of the powerful centrifugal forces that have been unleashed by the Republican drive to dismantle or recast the nation's basic social safety-net programs.

And lawmakers, administrators and observers say that the welfare battle is only a prelude to a series of much tougher political fights over programs such as Medicaid and Medicare that will occur this summer and fall, and in which Massachusetts has billions of dollars at stake.

Even top aides to Republican Gov. Weld, who has appeared casually confident until now about the state's ability to weather the national

GOP's cutback drive, were up in arms last week over the attempt by Southern and Western states to claim more federal welfare funds at the expense of states like Massachusetts, New York and California.

"It's crazy. If they get on that course, it's unlikely we'll see an acceptable form of welfare reform this year," said Gerald Whitburn, the Weld administration's Health and Human Services secretary.

But the other side is hardly backing down. Asked to react to Whitburn's comments, Republican Sen. Kay Bailey Hutchison of Texas, a leader in the drive to change how Washington hands out welfare money, said Friday: "If that's his attitude, his prophecy will be fulfilled. If one side says, 'Any change and we're going to kill it,' then it could die."

The fight over Washington's current formula for distributing welfare funds to the states occurs at a particularly uncomfortable time for both Weld and Massachusetts.

Weld has wanted to implement a new welfare plan passed by the state Legislature this year that would demonstrate both his toughness in

demanding that able-bodied recipients work for their benefits and his ability do more with less federal help. Now he may be forced to engage in the very sort of parochial maneuvering to protect the state's share of the federal pie that he has so assiduously sought to avoid.

Meanwhile, the state risks another demonstration of its diminished political stature in Washington as its overwhelmingly Democratic congressional delegation tries to cope with newly empowered Republicans.

The formula fight is the latest in a series of clashes that have come to characterize this year's welfare debate, and that have left liberal and conservative analysts groping to understand where the new GOP majority is headed on the issue.

Since January, according to these analysts, congressional leaders have embraced several not altogether consistent goals in trying to craft legislation that meets the voters' demand to spend less on and require more of its disadvantaged.

### Focus expanded

They started the year focused on what has been of growing concern to Republicans and Democrats - how to impose greater work requirements in order to get more welfare recipients off the dole. But they quickly expanded their focus to include three other issues - reducing unwed pregnancy, shifting power back to the states and balancing the budget. The fit among the four has been difficult from the start.

"These things are not consistent," said Lawrence M. Mead, a visiting professor at Princeton University and until recently a guru to Republican advocates of welfare overhaul. "If you make states responsible for welfare, you have given up federal power to attack illegitimacy or impose work requirements. If you cut the budget alone, you haven't reformed welfare."

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Such divergent goals are quickly becoming central fixtures in the 1996 presidential contest and especially the trench fight between Sen. Phil Gramm of Texas and Senate Majority Leader Bob Dole of Kansas.

Gramm has sought to make inclusion of a House-passed ban on cash welfare for unwed mothers under 18 and their children a conservative litmus test for Dole.

But Republican moderates and many governors object to the ban as punitive and at odds with the idea of turning power back to the states. The dispute has forced Dole to delay a Senate vote on welfare until at least the middle of the month and has set off a furious, back-room search for compromise.

#### "It's like a divorce"

In such circumstances, many lawmakers are greeting the fight over which states will get what as if it were an old friend. "It's like a divorce. You fight over the dollars because it's easier," said GOP Rep. E. Clay Shaw of Florida, the chief architect of the House welfare bill.

At immediate issue is how to distribute the \$16.8 billion a year that Washington now spends on its share of the nation's chief cash assistance program, Aid to Families with Dependent Children.

The House welfare bill and a similar, although narrower, Senate Finance Committee measure propose ending AFDC and using the money for block grants that states could use as they see fit. And both propose to distribute that money in the same proportions as AFDC does.

But Southern and Western senators complain that such a distribution would lock in dramatic differences in what states now receive from Washington for cash welfare. They argue the money should be allocated according to how many poor children a state has, an arrangement that they say would send funds where they are most needed and, not incidentally, boost the amounts their states receive at the expense of

states like Massachusetts.

Supporters for changing the welfare funding formula are no small parochial clique. Hutchison has assembled 80 of 100 senators, including a number of Democrats, behind her "Children's Fair Share Plan." And although she said in an interview Friday that she is "not in concrete" on the details, she asserted that her group will have to be accommodated or it will block legislation.

"We're getting ready to do a major welfare reform that is supposed to reflect the changing times and to use the old funding pattern doesn't do that," Hutchison said.

#### Opponents' position

Opponents of the change are no less adamant about their position and for what they consider three nearly unassailable reasons.

First and foremost, the Hutchison group's proposal violates a cardinal, if largely unspoken, rule of Capitol Hill, that legislative fights should not produce outright winners and losers. It would produce them because Congress is seeking to freeze Washington's cash welfare spending for the next five years. The only place Southern and Western states could get extra federal money would be to take it from Northeast and West Coast states.

According to estimates released by Hutchison's office, Texas would see its share of federal welfare dollars rise 50 percent from its current \$507 million a year to \$761 million. Meanwhile, Massachusetts would watch its share fall 36 percent, from \$487 million to \$311 million.

Opponents' second argument is that current differences in what states receive from Washington for welfare are not the result of a jury-rigged formula that favors the Northeast and West Coast over the South and West, but a reflection of how generous each state is with its poor. That is because states can now generally decide what they will provide in benefits, and Washington will automatically cover at least 50

percent of the amount, and up to 80 percent for poorer states.

Over time, the gap between what different states provide and what they receive from the federal government has widened. Whitburn said Texas now provides a poor mother and two children \$184 a month in cash assistance. Massachusetts offers them \$579.

"What this is all about," Whitburn said of the Hutchison group's proposal, "is an effort on the part of states that have had a history of providing very modest level of benefit"

to backfill with federal money at our expense."

Finally, opponents say, the formula fight over welfare portends a larger and, in their eyes, more dangerous battle over how Washington will distribute nearly \$90 billion a year in Medicaid funds.

Welfare is "just small potatoes compared to Medicaid," said Sen. John Chafee of Rhode Island, a moderate Republican who opposes Hutchison's plan. But "it lays the groundwork" for what comes next, he said.

(SEE  
CHART ON  
NEXT PAGE)

## Changing welfare funding

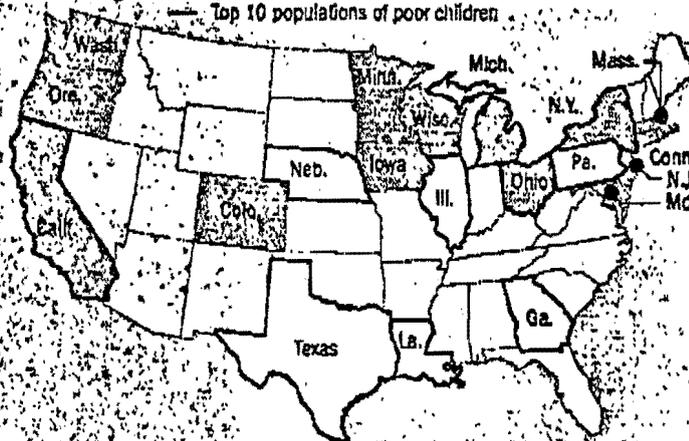
Congressional leaders are considering replacing cash assistance to poor families with block grants to the states. Southern and Western lawmakers, led by Sen. Kay Bailey Hutchison, Republican of Texas, argue that the size of a state's block grant should be based on its number of poor children.

This change would cut funding to states like Massachusetts that traditionally have spent more on welfare — and therefore received more aid from Washington.

Advocates of the change have proposed adding "small state" benefits to attract their senators' votes.

### Effects of the change

-  States with more funding under the Hutchison plan
-  States with less funding under the Hutchison plan
-  Top 10 populations of poor children



How much they stand to lose	Millions of dollars of annual federal funding	States with the most poor children	Average number 1991-93
California	\$804	California	2,147,450
New York	\$749	Texas	1,253,170
Massachusetts	\$176	New York	1,133,593
Washington	\$172	Nebraska	674,800
Michigan	\$68	Illinois	670,907
Wisconsin	\$55	Ohio	585,810
Connecticut	\$47	Michigan	563,113
Ohio	\$31	Pennsylvania	501,923
Maryland	\$29	Louisiana	420,110
Minnesota	\$22	Georgia	387,620
Oregon	\$17		
Iowa	\$16		
New Jersey	\$13		
Colorado	\$12		

SOURCE: Congressional Quarterly, June 24, 1995

GLOBE STAFF GRAPHICS/S. McNAUGHTON

# OPINION

## The Des Moines Register

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## THE REGISTER'S EDITORIALS

### Who shall feed the children?

Shifting to block grants could  
wreck a proud record.

**T**he primary responsibility for meeting the food and nutritional needs of children," Gov. Terry Branstad said recently, "lies with the parents."

No argument. The question is whose responsibility it becomes when the parents shirk or can't fulfill theirs.

Chosen by the National Governors Association to present the GOP governors' view to a national conference on child nutrition, Branstad endorsed the U.S. House Republicans' plan to dump federal food programs in favor of block grants to states — although, he said, the responsibility belongs to neither.

That's understood. But while recognizing the obligation of parents, society also recognizes its obligation to children. To deny them help is to penalize children for the accident of being born to irresponsible parents. They already pay heavy dues for that without adding the burden of hunger.

Poor child nutrition, fortunately, is one manifestation of parental neglect that society can correct, in part because long ago, society took on another job: public education. In time we learned that schooling is wasted on a hungry kid, and that a lot of children go to school that way.

Research shows that underfed kids are about three times as likely as their peers to have trouble concentrating. The best teacher society can hire can't compete for the attention of a child whose overriding concern is the pain of hunger.

In one of its more noteworthy achievements, society made the feeding of undernourished kids part of the school routine. Leaders like Iowa's Vern Carpenter saw to

it that lunch programs became almost universally available. As a result, 13 million schoolchildren now benefit from the free or discounted school-lunch programs and 6 million take part in the breakfast programs. Because square meals are so important to a child's ability to learn, it's a blue-chip investment in education at a bargain-basement price.

Shifting to block grants could wreck this proud record. Besides the school nutrition

**Poor child nutrition, fortunately, is one manifestation of parental neglect that society can correct, because long ago society took on another job: public education.**

programs, block grants would affect the children who are among the 27 million Americans getting food stamps, and the 6½ million getting eggs, milk, cereal, and other foods under a program for families with newborns and preschoolers.

The block grants would total less than would be provided under the present formula, and there is no guarantee that states would channel all of the grants into these food programs or would follow the federal nutritional guidelines.

Good nutrition is a form of preventive health care. Society pays astronomical medical bills under tax-paid health programs. Those bills can only increase if society cripples the food programs.

# The Philadelphia Inquirer

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A14

Wednesday, July 5, 1995

## EDITORIALS

# The truth about welfare

*A new study questions a hot political theory:  
That welfare moms have babies just for the money.*

Why should a woman on welfare expect to get a bigger check if she has another baby? It's not that way in the working world, where companies don't hand out raises when dads are passing out the cigars. In the non-welfare world, couples talk about whether they can afford to have a child at a particular time.

Yet in most states, when a welfare mom has another baby, she gets more money. This understandably infuriates some taxpayers, and for good reason.

It's one thing for welfare to tide your family over during a difficult time, while you strive to become self-supporting. It's quite another thing for a welfare recipient to add to her family — making self-sufficiency more difficult — while depending on Big Government to pay more.

That's the notion behind one of the hot political ideas of the 1990s: telling welfare moms that their checks won't be increased if they have another baby. New Jersey enacted the first such law in 1992, the Pennsylvania legislature has been considering one — and the U.S. House of Representatives has voted to set such a policy nationwide.

But before this change is implemented coast to coast, politicians ought to slow down and read up on New Jersey. No, not the premature claims of "success" made by everybody from former Democratic Gov. Jim Florio to think-tanker Charles Murray. Rather, policy-makers must tune in to new evidence that the policy may have had no impact on birth rates whatsoever.

Researchers at Rutgers compared one year of the births among thousands of welfare recipients with the births in a control group — and found no statistically significant difference. This debunks the earlier claims, which suffered from spotty data, and it serves as a caution light against a headlong dash to spread the New Jersey experiment.

It's possible that an impact on birth rates will turn up later. After all, it's logical to expect that this fixed-benefit policy — also known as a "family cap" — would deter some welfare moms from having another baby. (That is

the assumption of anti-abortion activists who have warned that family-cap laws would increase abortions.)

If and when the family cap is shown to discourage welfare mothers from having more children they cannot support, the benefit still must be weighed against a sure negative: letting a new baby pull a welfare family even farther into poverty.

So far, the Rutgers research contradicts the picture of life on welfare conjured up by talk-show conservatives — who make it sound like some kind of cash-free Club Med where each new kid means new trinkets. Poverty experts of all political stripes understand that poor, single women and girls do not bear children based on a simple computation.

Especially with the young ones — those most likely to get trapped in dependency — having a baby can seem like instant relief to low expectations, low self-esteem and dysfunctional relationships. Thus, a serious initiative to discourage poor women and girls from having babies when they are least able to care for them might include a family cap — but it would range far beyond that.

Breaking the welfare cycle involves birth control, just-say-no stuff, anti-dropout efforts, anti-drug programs, and so on. For the least-employable among the poor, an attack on welfare dependency also means a government commitment to provide low-paying jobs as the employer of last resort.

Right now, changes in welfare such as the family cap are animated by the simplistic notion that poor people have basically chosen to be poor. Thus, the welfare debate blithely disregards how unevenly and unfairly society divvies up basic benefits in areas such as education, health care and public safety.

The self-styled welfare reformers of 1995 are right to emphasize that personal responsibility is a cornerstone of opportunity, but they are dis-regarding government's side of the bargain. They are pushing a family cap while cutting child-care funding; preaching self-sufficiency while cutting Head Start. They preach responsibility, but don't practice it.

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# States Begin to Vie Over Grants for Welfare

Continued from Page 1  
being underserved. "This is state vs. state."

The states are struggling over a fixed sum of money. Giving one state more would mean giving another state less.

All sides agree that the formula skirmish over the block grant that would replace Aid to Dependent Children, the main welfare program for the poor, is nothing compared with what is coming on a vastly bigger program, Medicaid.

"Fasten your seat belt," said Sen. John H. Chafee, R-R.I. "We're getting to Medicaid."

In fact, Medicaid, the health-care program for the poor and the disabled, which could be converted to a block grant under the Republicans' budget blueprint, is now the subject of intense maneuvering in the House.

"All of us in Florida want to make sure Florida gets its fair share," said Rep. Tillie Fowler, a Republican, in what could be the campaign slogan of the coming months.

Experts on the federal budget say the only surprise is that it took so long for the fights to begin. The Republican move toward block grants was presented as a great boon to the states.

Republican leaders argued that it would free states from the burden of meddlesome federal regulations specifying how, why and where the federal money could be spent and would open the way to state innovation, autonomy and flexibility. They didn't want a fight over formulas.

Yet the Republican leaders recognized the political dangers in redividing this big pot of money, the rough equivalent of negotiating a vast new treaty among 50 suspicious parties.

In hopes of avoiding a fight, they proposed that ADC payments to each of

## Governors' Resolution Asks for Fairness

The Western Governors' Association, including Nebraska Gov. Nelson, Sunday sprang a surprise resolution on Sen. Pete Domenici, R-N.M., chairman of the Senate Budget Committee.

It asks that, in the push to balance the federal budget, big-spending states not be rewarded for past inefficiencies while more thrifty states — such as Nebraska — are penalized.

The governors were meeting in Park City, Utah.

Nelson has said previously that Nebraska could be penalized under proposals to give money to states through a block-grant proposal that would cap federal funds at 1994 levels.

"Our fear is that, because we've been frugal, we could be in a position of having fewer dollars," Nelson said.

the states be essentially frozen at their current levels for five years.

Robert Rector, an analyst for the Heritage Foundation who has regularly advised the House Republicans on welfare, said this approach would reward states that managed to cut their welfare rolls during the next five years and, conversely, would punish those that did not.

This concept of a freeze made its way through the House in part on the momentum of the first 100 days, when Republicans were determined to get through the legislative agenda outlined in the Contract With America.

And it made its way through the Senate Finance Committee, where, as it happens, none of the Republicans are from large, fast-growing Sun Belt states.

But there were warning signs. A letter that 30 senators of both parties from Sun Belt and border states sent last month to Sen. Bob Packwood of Oregon, chairman of the Finance Committee, said freezing existing allocations would "penalize high-growth states," with "devastating results over a five-year period."

affluent about 50 percent.

Critics argue that this matching formula would make no sense under the new welfare legislation, since the federal government would no longer encourage — or even require — the states to spend their own money on welfare. The government would, instead, simply give the states a lump sum to use as they saw fit.

So, critics say, why base that amount on an old formula that would essentially give poor children in states that used to be more generous more federal aid than poor children elsewhere?

Sen. Hutchinson is circulating a new formula that she argues would more fairly reflect the number of children in poverty. It would also raise federal payments to Texas by half, and lower those to New York by a third.

D'Amato, not surprisingly, sees things differently. "We shouldn't punish states that were making an effort to help poor people," he said.

The second broad issue deals with a central feature of the current welfare program: For generations, it has been a federal entitlement, meaning that no matter how many eligible families show up on the welfare rolls, the federal government will help to cover them.

The new welfare legislation, in both the House and Senate versions, would do away with that entitlement. But senators from fast-growing Sun Belt states say they need to know they will receive help in dealing with their expanding populations.

Some Republicans suggest that the complainers like the idea of block grants but then, essentially, want to turn them into something else. "It's not an entitlement anymore," said one Republican staff member in the Senate. "If you have more poor people, you won't get more money. That's life under a block grant."

## Welfare Grants Foment Fight Among States

BY ROBIN TONER  
THE NEW YORK TIMES

Washington — A new battle between the states, is brewing on Capitol Hill, transcending the forces of partisanship and ideology. It is fueled by the desire of 50 intensely competitive states to get their fair share — at the very least — of the federal pie.

By seeking to replace some basic antipovety programs with limited lump-sum payments to the states, Republican leaders have started a fight over formulas for dividing federal aid.

Longstanding agreements encoded in law and known as formulas, which detail how to divide billions of dollars in federal aid, are being opened up, re-examined, assailed by states that feel shortchanged by them and defended by states that do well.

The struggle has already helped stall the welfare overhaul bill in the Senate, where senators from Texas, Florida and other Sun Belt states are going head to head with senators from the North such as Alfonse D'Amato of New York.

"This is not Democrat vs. Republican," said Sen. Kay Bailey Hutchison, R-Texas, who contends that her state is

Please turn to Page 6, Col. 1

# ESSAY/COMMENT

Jeffrey L. KATZ

## Formula fight stalls welfare bill

*States could gain or lose hundreds of millions of dollars each year*

The proposed welfare block grant would consolidate AFDC and six related programs.

**T**he toughest issue facing Republican senators who are trying to rewrite the nation's welfare laws is how much federal money each state should get.

The challenge is to divide \$16.8 billion in federal welfare spending each year for the next five years. Unlike most issues in the welfare debate, this one involves not a clash of ideologies but a fight over money.

The battle is being pressed by senators from the South and West, who are trying to force changes in the current formula. If they succeed, the losing states would be in the Northeast, northern Great Lakes and Pacific Coast.

States could gain or lose hundreds of millions of dollars each year, depending on which formula prevails. California and New York alone could lose nearly \$1 billion each if Sun Belt senators have their way.

Dividing up the money is particularly difficult because what Republicans are trying to do is unprecedented.

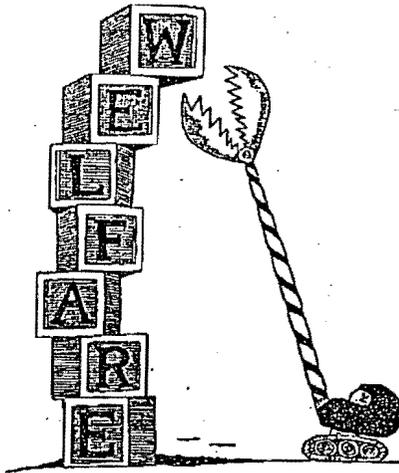
GOP senators, like their House counterparts, have generally agreed on two broad principles. They want to freeze federal welfare spending for the next five years, ending the guarantee of benefits to all who meet eligibility standards. And they want to give states broad authority to run their own welfare programs.

But they are deeply divided over how to allocate the federal welfare grants proposed for each state.

The formula dispute is one of the main reasons that Senate floor action on the welfare bill approved May 26 by the Finance Committee has been delayed until at least mid-July.

The Finance Committee, chaired by Bob Packwood, followed an approach similar to the House-passed welfare bill. Each state's share of federal welfare spending would be based on what it previously received from the federal government — a sum determined, in part, by how much the state itself has been spending for welfare.

But about 30 Southern and Western senators from both parties are in revolt. Once total funding is



MARGARET SCOTT

frozen, they say, there needs to be some accommodation for states with fast-growing populations or those states will be put at an increasing disadvantage.

They also say it no longer makes sense to give proportionately more federal funds to states that previously spent a lot on welfare benefits. That is because the legislation would not require — or even encourage — states to spend any of their own funds.

"We start under the banner of, 'We're going to end welfare as we've known it,'" said Senator Bob Graham, "and yet distribute the money based on a formula which is predicated on welfare as we knew it."

The proposed new welfare block grant would consolidate Aid to Families with Dependent Children (AFDC), the nation's main cash welfare program,

and six related programs.

Now federal funding for AFDC depends on two factors: a state's per-capita income and the amount that the state spends on welfare benefits.

States with lower per-capita income are reimbursed by the federal government at a higher rate. Mississippi, which has the lowest per-capita income, put up 21 cents and the federal government put up 79 cents of every \$1 spent on AFDC benefits in fiscal 1994. Twelve of the richest states, plus the District of Columbia, paid 50 cents. Iowa paid 37 cents.

This reimbursement rate is supposed to minimize disparities among states. But some of the richer states spend so much more of their own money on AFDC benefits that they get far more dollars from the federal government than do poor states like Mississippi.

Sun Belt senators say it would be unfair to continue disbursing money that way, given that the Packwood bill would give states money in predetermined lump sums regardless of how much of their own funds they spent.

The GOP leaders of this revolt — Kay Bailey Hutchison and Phil Gramm of Texas and Thad Cochran of Mississippi — have devised an alternative funding formula based more on the number of low-income children in each state than on previous spending. According to Hutchison, 36 states would fare better under the alternative than under the Packwood bill.

These senators also propose to adjust each state's share of federal welfare spending each year, even if the overall pot of welfare funds remains unchanged.

"The issue is not just formula allocation," said Clifton Shannon, Hutchison's chief of staff. "The issue is, if we're going to have fixed spending on welfare over five years — which is the goal — I don't see written in stone that every state get the same amount of money every year."

JEFFREY L. KATZ writes for Congressional Quarterly.

WR MASS.

**MASSACHUSETTS WELFARE WAIVER**

**Q AND A**

**6/7/95**

**Q:** The *Boston Globe* reported yesterday that the Clinton Administration has not yet made a decision on Massachusetts's welfare waiver. Why the delay, and will a decision be made before the July 1 implementation date?

**A:** From what I understand, the state only submitted its waiver request on March 31 -- about 60 days ago. The Department of Health and Human Services is currently reviewing the waiver request. Welfare waivers are generally reviewed by HHS within 120 days, so it is still early in the process. To date, my administration has granted 29 states freedom from federal regulations, and many of these states have implemented time limits, combined with supports, to make welfare a transitional system to independence. While we are strongly committed to an expeditious waiver process, we are also committed to making sure that waivers meet certain federal guidelines. HHS is currently working with the state, so I really can't comment more specifically on the waiver until the Department has made a decision.

**Q:** You are probably aware that the Archdiocese of Boston recently issued a report criticizing the plan's two-year time limit and family cap provisions. Cardinal Law is reportedly asking you to reject Massachusetts's waiver based on these provisions, which he says would hurt poor children. How do you respond?

**A:** Again, I cannot comment on the details of the waiver, which the state only recently submitted for review. But, as I have repeatedly said, I am strongly committed to giving states the flexibility to implement welfare reform at the local level. My test for any welfare reform proposal is simple: it must help move people from welfare to work, and it must provide them with the necessary supports, such as child care and temporary assistance. As I said this week to the NGA, we must reward states for moving people to work -- not for cutting them off.

BOSTON GLOBE 6/7/95

# Clinton decries GOP plan for welfare

By Bob Hobler  
GLOBE STAFF

WASHINGTON - As the Weld administration awaits federal approval to experiment with welfare overhaul, President Clinton warned yesterday that a plan by congressional Republicans to spur states to alter their welfare systems "will become a race to the bottom."

"It's always cheaper to cut people off welfare than to move them to work," Clinton told the National Governors Association in Baltimore.

However, Clinton portrayed himself as a champion of welfare change, noting that he has granted 29 states waivers to alter their systems. And the president appeared to strike an encouraging chord for backers of the Massachusetts plan, saying he has "pretty much gone along with anything the states wanted to do to move people from welfare to work."

But a federal official indicated that Massachusetts may not receive a waiver for its experiment by July 1, the date the state requested, and may have to wait at least another 90 days. And a key member of the Weld administration expressed frustration.

"There is an expectation across the commonwealth that people are anxious to see this reform approved," said Gerald Whitburn, the state Health and Human Services secretary. "We're ready to go, but we can't start the music until the feds give us the go."



Gov. Howard Dean of Vermont joins President Clinton yesterday at the governors conference.

## "Family caps"

Among the key elements of the Massachusetts waiver application are "family caps," which prohibit additional benefits to recipients who have more children; a 2-year limit on benefits over a 5-year period to able-bodied workers, and a requirement that mothers with school-age children work within 60 days of going on welfare.

The state submitted the waiver request on March 21, 67 days ago, and asked for approval within 90 days. Weld wants to make sweeping changes in the way federal welfare funds are spent and programs administered when the new fiscal year begins on July 1.

Michael Kharfen, a spokesman for the US Department of Health and Human Services, which is processing the application, said the 90-day request is "not outside the realm of possibility."

However, Clinton has directed the department to process applications from the states within 120 days, which, Kharfen said, "is still our goal."

Only a few of the 29 waivers granted so far were approved in fewer than 120 days, Kharfen said, while others exceeded the president's deadline.

In all, the Clinton administration is considering 26 additional waiver requests from 19 states. And the challenge to meet the 120-day deadline

has grown, Kharfen said, as states such as Massachusetts pursue more ambitious and complex welfare overhauls.

Clinton, speaking at a summit on children's issues at the governors' conference, sharply criticized a plan by congressional Republicans that would give states broad authority to run their welfare systems. States would receive federal block grants to partially offset the costs under the GOP plan.

But Clinton said the Congressional Budget Office had determined that it would cost an additional \$10 billion by the year 2000 to create jobs to meet the requirements in the GOP plan for reducing the welfare rolls - money that he said the federal government would not provide.

The president, who has stopped short of threatening to veto a congressional welfare overhaul, also said the GOP plan placed poor children at risk by forcing their parents into work without day care or adequate transitional benefits.

Weld, who supports the Republican plan, was in Boston and did not attend Clinton's speech. He has said that if the GOP plan became law, Massachusetts would not need a federal waiver to change its welfare system.

Whitburn acknowledged that the Massachusetts application raises new questions for the Clinton

administration because no state has received a waiver yet to require mothers of school-age children to work within 60 days or to cut off benefits to all able-bodied recipients after two years. Some states are experimenting with the 2-year limit in particular counties.

## "Some give and take"

Whitburn said state and federal officials have been negotiating changes in the plan, which is opposed by Cardinal Law, Mayor Merino and many labor and human service groups.

"There has been some give and take, and we haven't reached an impasse," Whitburn said. "But typically what happens in these negotiations is that the tougher issues surface at the end."

Neither Whitburn nor Kharfen would cite specific areas of negotiation.

Whitburn said he did not suspect that the White House was trying to block the Massachusetts plan. But he suggested that there may be conflicting opinions of the plan within the administration.

"There are a variety of views on welfare policy across the Clinton administration," he said. "As new ground is being cut, there is always internal debate, and I suspect that is probably going on."

MAY 23rd BOSTON GLOBE

# Cardinal Law asks Clinton to reject Mass. welfare curb

By Doris Sue Wang  
GLOBE STAFF

Cardinal Bernard Law is calling on President Clinton to reject two principal features of Massachusetts' new welfare law, features sharply criticized in a report released today by the Archdiocese of Boston.

Drawing from existing studies, the 40-page archdiocese report assails provisions in the new welfare law that limit the amount of time recipients can spend on welfare and deny additional aid to recipients who have more children. The report said the changes will likely plunge families deeper into poverty.

"Unfortunately, the current welfare reform law is likely to make the already arduous lives of welfare recipients more difficult," the report said.

The time limit would restrict Aid to Families with Dependent Children benefits for able-bodied recipients to two years within a five-year cycle. Currently, families may receive welfare benefits as long as they financially qualify for the aid.

The so-called family cap would deny additional cash benefits for children who are born onto welfare. The state now provides \$90 a month for the children.

Although the changes are slated to go into effect July 1 under state law, they may not be implemented unless and until the Clinton administration grants a federal waiver to the state. A spokesman for Catholic Charities, the social services branch of the Catholic Church, said Law will shortly be sending a letter to Clinton urging rejection of the waiver.

The archdiocese report was written by researchers at Brandeis University's Heller Graduate School for Advanced Studies in Social Welfare. The report calls assumptions in the

law "critically flawed."

"One wonders if the policy analysts and politicians who designed this program have reviewed the relevant data and substantial literature that have been produced on the status of the labor market, the skills levels of welfare recipients and the fertility decision of AFDC mothers," the report said.

Citing studies by the Weld administration's Department of Employment and Training, the report says labor market trends showing a decline in manufacturing jobs do not bode well for welfare recipients, mostly single mothers, half of whom never finished high school.

Given these trends, the report states that recipients who are pushed off welfare will be unable to find and keep jobs that pay enough to sustain their families. The report said the law fails to give welfare recipients adequate education, job training and support services, such as child care and transportation.

Citing studies by the Urban Institute and University of Wisconsin, the report concludes that recipients who have more children while on welfare are not motivated by the additional \$90 in monthly cash benefits.

The report notes that the state Department of Transitional Assistance, formerly the welfare department, estimates mothers on welfare account for between 9 and 10 percent of all births in Massachusetts. Other studies have indicated women on welfare give birth at a much lower rate than women who are not on welfare.

Given all these factors, the report says the family cap would have marginal, if any, impact on births to welfare mothers and its unintended consequences could include increased abortions, adoptions, destitution and family stress and violence.

BOSTON HERALD 5/24/95

## Gov won't duel with cardinal over stand on welfare plan

By ED HAYWARD

The Weld administration agreed to disagree with Bernard Cardinal Law over reports the leader of the state's largest diocese would ask President Clinton to reject key features of the proposed welfare overhaul.

"If he (Law) feels strongly about something, he should become involved," Lt. Gov. Paul

Cellucci said.

But the plan "got an overwhelming vote of the House, an overwhelming vote of the Senate, and I believe the overwhelming support of the people of Massachusetts," he added.

Catholic Charities issued a 40-page report yesterday criticizing Weld administration proposals that would limit the amount of time recipients can receive welfare and would deny additional aid to recipients who have more children.

A compilation of previous welfare studies, the report concluded that poor children would bear the brunt of the push to slash entitlement spending.

The new welfare law is slated to take effect July 1, but first the state must obtain a waiver from the Clinton administration allowing it to deviate from existing federal welfare laws.

Though Law's spokesman declined to comment on reports Law would contact the president, the social services branch of the Catholic Church said Law would be sending Clinton a letter soon.

"While not really citing the report, he's going to communicate the fact he doesn't want these unintended consequences spelled out in the report to happen," said Jack Pickell, a spokesman for Catholic Charities.

JUL-20-94 WED

From Boston Globe Page 15

# Clinton hears Weld on welfare

## But signals Democrats are factor in any plan

By Don Aucoin  
GLOBE STAFF

Gov. Weld tried to sell his controversial welfare reform proposal to President Clinton yesterday -- even telling the president he might jettison its most controversial feature -- but Clinton signalled that the opposition of Massachusetts Democrats could well sink Weld's chances.

During a meeting with Globe editors and reporters, Clinton said legislative opposition would be a factor as his administration weighs whether or not to grant federal waivers for state changes in welfare.

"I think it should be a factor if there is some evidence that they won't be able to do what they're trying to do," said Clinton. "It's better, obviously, to stay to speaking with one voice."

That is ominous for Weld. In the Massachusetts debate over welfare reform, the Republican governor and the Democrat-dominated Legislature have spoken with two distinctly different voices.

The Legislature has rejected Weld's proposal that recipients get only 60 days of benefits before being forced to work or do community service. Weld has refiled the measure, but many Democrats believe 60 days is draconian, and favor a two-year limit.

During a private meeting with Clinton following the president's speech to the National Governors' Association, Weld sought his support for a federal waiver that would allow Massachusetts to overhaul its welfare program. The federal government currently reimburses Massachusetts for half of its cash grants to welfare recipients.

To get the waiver, Weld told Clinton that he might back off his insistence on limiting benefits to 60 days. "I told him we're not in concrete on the 60 days," Weld told reporters after the meeting with Clinton.

"I was talking to the president of the United States," added Weld. "If you're going to make a concession, that's when you make it."

Weld told Clinton he would guarantee that the state would entirely subsidize jobs for those

recipients who cannot find work in the private sector, and would not ask Washington for a dime.

That may help Weld's case. Clinton told the Globe that, while he has granted 15 or 16 welfare waivers, he is opposed to waivers that allow states to make changes that "increase federal spending so that one state can access more federal money than another can."

Clinton said he would oppose waivers that "undermine the fundamental purposes of the law in the first place," and added: "Unless people have a job, you can't cut them off benefits."

Weld also said Clinton told him his administration wants to give five states waivers to experiment with welfare plans with less than two years of benefits.

The Legislature passed its own welfare reform measure, which Weld promptly vetoed. As the stalemate lingers, Weld has already refiled his own bill.

If the Clinton administration grants Weld a waiver, it would be contingent on approval by the same Massachusetts Legislature that has balked at Weld's moves on welfare.

Clinton offered no guarantees on the waiver, Weld said.

"He didn't say 'Drop dead,'" Weld said. "I got an eyebrow raised when I said we planned to abolish the cash grant. But then I told him what we would do with the money... and I could see the wheels turning."

Weld has proposed eliminating the cash grant to able-bodied recipients after 60 days and using the money to fund day care and health care for recipients' families so they can work.

Weld said that after he described his plan in detail, Clinton told him about a recent conversation with two Florida women who urged the president to force welfare recipients to work while providing them with health care and day care. The president also recounted that conversation during his speech to the governors, to the elation of Weld administration officials who have made similar arguments.

WR -  
MASS

## OVER THE COFFEE



Donald  
KAUL

### Goldwater is right again

**B**y George, Barry's done it again. No, not Dave Barry; Barry Goldwater.

The father of American conservatism has once more stuck his thumb in the eye of the religious extremists who are trying to make the United States into Iran West. He has accepted the co-leadership with Gov. Barbara Roberts of Oregon, of a group that will oppose anti-homosexual-rights ballot initiatives around the country.

And he led off his campaign with a strident salvo.

"It's time America realized that there was no gay exemption in the

**He has proved to be  
smarter than we  
thought.**

right to 'life, liberty, and the pursuit of happiness' in the Declaration of Independence," he wrote in a recent essay published in *The Washington Post*. "Job discrimination against gays — or anybody else — is contrary to each of these founding principles.

"Some will try to paint this as a liberal or religious issue. I am a conservative Republican, but I believe in democracy and the separation of church and state.

"The conservative movement is founded on the simple tenet that people have the right to live life as they please, as long as they don't hurt anyone else in the process.

"No one has ever shown me how being gay or lesbian harms anyone else. . . . Anybody who cares about real moral values understands that this isn't about granting special rights — it's about protecting basic rights."

To which an aging liberal can only say: "Barry, we hardly knew ye."

In 1964 I thought Barry Goldwater was the secular incarnation of Satan. I

thought that if Goldwater were elected, instead of Lyndon Johnson, it was all over. And I mean ALL over. There would be war, famine, pestilence and on the weekends it would rain.

You think I exaggerate. I don't. Our smug little band of know-it-all liberals was convinced that Goldwater was a madman who would stop the Great Society in its tracks and replace it with nuclear war. To save the nation it was absolutely vital that Goldwater be defeated.

So he was defeated, so what? Things have been going to hell ever since.

I see now that if there was a madman in that election, it was Lyndon Johnson, an insecure bully who fell in love with a miserable little war and spent his political fortune on it.

Barry Goldwater wouldn't have done that. We wouldn't have let him, for one thing.

Had a Republican president like Goldwater come before Congress and asked for a Gulf of Tonkin resolution giving him a free hand to interfere in a civil war halfway around the world, do you think a Democratic Congress would have given it to him? Not on your life. Goldwater was not to be trusted with such power. Only Lyndon Johnson, a liberal Democrat who didn't want to send American boys to do Asian boys fighting fer 'em, was to be trusted. The War on Poverty was the only war he was interested in. What a laugh.

Not that I'm sure that Goldwater would have wanted to expand our involvement in the war. He has proved to be a lot smarter than we gave him credit for. If they hadn't let him nuke the place, he might very well have pulled out.

In any case, a Goldwater presidency would have meant no massive American commitment in Vietnam, which would have meant that Richard Nixon could not have played upon the chaos of the times to get elected president, so that we would not have had the Watergate scandal, without which the Holi-er-Than-Thou Jimmy Carter would never have been elected president, without whom we probably would not have gotten Ronald Reagan nor his caddy, George Bush, in which case it is more than unlikely that Bill Clinton could have been elected, which means Rush Limbaugh wouldn't have anybody to kick around and he'd be playing *Golden Oldies* on the midnight-to-6 shift for a Wichita FM station.

In other words, life would be swell.

Republican conservatives aren't happy with Goldwater. "The former Barry Goldwater," Alan Simpson, the sidwinding senator from Wyoming, calls him. They suggest he's old and gone a little soft in the head.

They've been sucking up to the religious right so long, they don't know a principled conservative when they see him anymore.

Let's face it: In your heart, you know he's right.

DONALD KAUL is a *Register* columnist.

WR - Mass

# Clinton hears Weld on welfare

## But signals Democrats are factor in any plan

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GLOBE STAFF

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## Weld tries his welfare proposals on Clinton

### ■ WELFARE

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Weld told Clinton he would guarantee that the state would entirely subsidize jobs for those recipients who cannot find work in the private sector, and would not ask Washington for a dime.

That may help Weld's case. Clinton told the Globe that, while he has granted 15 or 16 welfare waivers, he is opposed to waivers that allow states to make changes that "increase federal spending so that one state can access more federal money than another can."

Clinton said he would oppose waivers that "undermine the fundamental purposes of the law in the first place," and added: "Unless people have a job, you can't cut them off benefits."

Weld also said Clinton told him his administration wants to give five states waivers to experiment with welfare plans with less than two years of benefits.

—The Legislature passed its own



GLOBE STAFF PHOTO / JOHN TLUMACKI

**Gov. Weld (left), who tried to muster support yesterday for his welfare plan, listens as President Clinton addresses the nation's governors.**

welfare reform measure, which Weld promptly vetoed. As the stalemate lingers, Weld has already refiled his own bill.

If the Clinton administration grants Weld a waiver, it would be contingent on approval by the same Massachusetts Legislature that has balked at Weld's moves on welfare.

Clinton offered no guarantees on the waiver, Weld said.

"He didn't say 'Drop dead,'" Weld said. "I got an eyebrow raised when I said we planned to abolish the cash grant. But then I told him what we would do with the money ... and I could see the wheels turning."

Weld has proposed eliminating the cash grant to able-bodied recipients after 60 days and using the money to fund day care and health care for recipients' families so they can work.

Weld said that after he described his plan in detail, Clinton told him about a recent conversation with two Florida women who urged the president to force welfare recipients to work while providing them with health care and day care. The president also recounted that conversation during his speech to the governors, to the elation of Weld administration officials who have made similar arguments.

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# Cardinal Law asks Clinton to reject Mass. welfare curb

By Doris Sue Wong  
GLOBE STAFF

Cardinal Bernard Law is calling on President Clinton to reject two principal features of Massachusetts' new welfare law, features sharply criticized in a report released today by the Archdiocese of Boston.

Drawing from existing studies, the 40-page archdiocese report assails provisions in the new welfare law that limit the amount of time recipients can spend on welfare and deny additional aid to recipients who have more children. The report said the changes will likely plunge families deeper into poverty.

"Unfortunately, the current welfare reform law is likely to make the already arduous lives of welfare recipients more difficult," the report said.

The time limit would restrict Aid to Families with Dependent Children benefits for able-bodied recipients to two years within a five-year cycle. Currently, families may receive welfare benefits as long as they financially qualify for the aid.

The so-called family cap would deny additional cash benefits for children who are born onto welfare. The state now provides \$90 a month for the children.

Although the changes are slated to go into effect July 1 under state law, they may not be implemented unless and until the Clinton administration grants a federal waiver to the state. A spokesman for Catholic Charities, the social services branch of the Catholic Church, said Law will shortly be sending a letter to Clinton urging rejection of the waiver.

The archdiocese report was written by researchers at Brandeis University's Heller Graduate School for Advanced Studies in Social Welfare. The report calls assumptions in the

law "critically flawed."

"One wonders if the policy analysts and politicians who designed this program have reviewed the relevant data and substantial literature that have been produced on the status of the labor market, the skills levels of welfare recipients and the fertility decision of AFDC mothers," the report said.

Citing studies by the Weld administration's Department of Employment and Training, the report says labor market trends showing a decline in manufacturing jobs do not bode well for welfare recipients, mostly single mothers, half of whom never finished high school.

Given these trends, the report states that recipients who are pushed off welfare will be unable to find and keep jobs that pay enough to sustain their families. The report said the law fails to give welfare recipients adequate education, job training and support services, such as child care and transportation.

Citing studies by the Urban Institute and University of Wisconsin, the report concludes that recipients who have more children while on welfare are not motivated by the additional \$90 in monthly cash benefits.

The report notes that the state Department of Transitional Assistance, formerly the welfare department, estimates mothers on welfare account for between 9 and 10 percent of all births in Massachusetts. Other studies have indicated women on welfare give birth at a much lower rate than women who are not on welfare.

Given all these factors, the report says the family cap would have marginal, if any, impact on births to welfare mothers and its unintended consequences could include increased abortions, adoptions, destitution and family stress and violence.