





NEW JERSEY SENATE

SENATE CHAMBERS

CN000

TRENTON, NEW JERSEY 08625-0000

Senator Wayne R. Bryant, Esquire  
200 North Fifth Street  
Camden, NJ 08102  
(609) 757-0552

February 22, 1995

Bruce Reed, Assistant to the President  
for Domestic Policy  
Executive Office of the President  
Old Executive Office Building  
2nd Floor, West Wing  
1600 Pennsylvania Avenue, N.W.  
Washington, DC 20500

RE: Working Session on Welfare Reform  
January 28, 1995 - Blair House

Dear Mr. Reed:

Let me thank you for being so attentive to the policy issues. I wanted to bring out at the working session on welfare reform. It was a pleasure not only to be involved in that working session but I was able to express ideas that have worked in New Jersey with regard to families, education and responsibility. These points need to be major ingredients in any welfare reform system.

Your guidance in helping me deliver that message to the President and distinguished guests is well appreciated. I stand ready, willing and able to assist the President on this or any other issue at any time and look forward to working with this administration in future endeavors.

Yours in Humanity,

  
WAYNE R. BRYANT, Esquire  
Senator - 5th District

WRB:vlw

### WELFARE TO WORK

Objective: ✓ Reach consensus that the central goal of welfare reform must be moving people from welfare to work.

Questions: What strategies are working around the country?  
What can we do to change the culture of the welfare office to emphasize work?  
How can we work with the private sector to make more jobs available?

Key Points:

- \* All major reform plans emphasize work requirements and time limits.
- \* Most women leave welfare (66% in 2 years), but most eventually return. The key isn't just getting people off, it's helping them stay off.
- \* We'll never do this unless we can find ways to involve the private sector.
- \* In the end, our success will be measured by how many people we move off welfare altogether, into jobs where they don't need us anymore. The number of people working should be one objective we use to measure results.

Pitfalls: Republican governors may try to leap ahead to discussion of block grants and state flexibility. Other Republicans may launch into an attack on training programs.

Who to Call On:

Leads: Carlson  
Carnahan [You announced your welfare plan in Kansas City and met with recipients who got off welfare through his program.]

Other Allies: Breaux  
Carper  
Thompson

## PARENTAL RESPONSIBILITY / CHILD SUPPORT ENFORCEMENT

Objective: ✓ Consensus that tough child support enforcement must be part of welfare reform

Questions: What programs are working?  
Why aren't states doing better? What tools do they need?  
How can we improve paternity establishment?  
What can we do to increase parental involvement from absent fathers?

Key Points:

- \* Child support enforcement must be a central component in any welfare reform bill. This is an issue where both parties should be able to agree.
- \* The gap between what absent parents pay and what they could pay is an estimated \$34 billion.
- \* In this area, the federal government needs to play a major role, because a third of child support cases are interstate cases, where it's toughest to collect.
- \* [NOTE: Our plan calls for improved paternity establishment in hospitals, tougher cooperation requirements for mothers who seek AFDC, central state registries, mandatory W-4 reporting of new employees, revocation of drivers and professional licenses, work requirements for parents who don't pay.]

Pitfalls: Some participants may complain about excessive federal mandates, but most states welcome tougher federal role. House Republicans may press their approach, which denies benefits to a child until paternity is established, even if the mother is cooperating.

### Who to Call On:

Lead: Thompson [He launched a successful demo which requires delinquent parents to pay child support or work off what they owe.]

Other Allies: Gibbons  
Mikulski

## TEEN PREGNANCY / OUT-OF-WEDLOCK BIRTHS

Objective: ✓ Build consensus on the urgency of preventing teen pregnancy and discouraging births outside marriage. Try to show that Republican governors (and senators) oppose cutting off children of unwed teen mothers. Build consensus around our approach -- requiring teen mothers to live at home, stay in school, and cooperate in identifying father -- and enlist everyone's help in our National Campaign Against Teen Pregnancy.

Questions: What works in preventing teen pregnancy?  
What can we do to change the signals that welfare sends teen parents about responsibility? What should happen to a teen mother who applies for welfare? Does it make sense to permanently deny aid to teen parents and their children? What can we do to discourage teens from becoming fathers?

Key Points:

- \* This March marks the 30th anniversary of the Moynihan report, which first called the nation's attention to the problem of illegitimacy. In 1965, the rate of illegitimacy was around 7%. Now it's 30%, on its way to 40% in a decade.
- \* We do not know to what extent the welfare system is responsible for the breakdown of the family, but we do know that it sends the wrong signals and reinforces the wrong values.
- \* Any welfare reform plan must emphasize work and responsibility -- to make clear that welfare will no longer be a way of life, and that fathers and mothers alike will have to take responsibility for their children.
- \* Government will never solve this problem alone. I hope you'll join me in a national campaign against teen pregnancy that involves parents and religious, civic, and business leaders. This may be our greatest, and most difficult, social problem.

Pitfalls: Participants will be far more likely to bemoan the problem than to focus on concrete solutions. House Republicans will argue that welfare is entirely to blame for this problem, and that taking away welfare will magically solve it.

### Who to Call On:

Lead: Carper

Other Allies: Moynihan -- he should be the first to speak after Carper  
Bryant -- author of the family cap  
Engler -- opposes mandatory family cap, cutoff of unwed teen mothers  
Local and county officials -- oppose cutoff of unwed teen mothers

## STATE FLEXIBILITY / ACCOUNTABILITY

Objective: ✓ Look for ways to increase state flexibility while still holding the system accountable for national goals -- in moving people from welfare to work, improving paternity establishment and child support collection, and reducing out-of-wedlock births. Discuss potential financial risks of block grants. Try to distinguish the GOP governors' desire for flexibility from the House GOPs' desire to save money at the states' expense. Show House GOPs as only ones who want to 1) cut off legal immigrants and 2) block grant food stamps.

Questions: What are some areas where state flexibility can be expanded, and where a lack of flexibility has stood in the way of reform?  
What are the right national objectives for reform (e.g., work, parental responsibility, teen pregnancy, reduced fraud)?  
Is there any way to design a block grant formula that 1) won't put states at risk and 2) sets national goals for reform?  
Shouldn't nutrition programs be treated differently?

Key Points:

- \* This Administration has done more to promote state flexibility than any other. Welfare waivers to 23 states. Our welfare plan took many items that currently require waivers (like family cap) and turned them into state options.
- \* We're open to more ways to give states more flexibility and fewer rules. As Speaker Gingrich said, we shouldn't trade social engineering of the left for social engineering of the right.
- \* But we should distinguish matters of principle from matters of money. Our goal is not just more flexibility, but better results. In the end, our reforms will be judged by how many people we move from welfare to work, how much we improve child support enforcement and reduce teen pregnancy.

Pitfalls: GOP governors will try to get you to commit to endorsing a block grant or the proposed NGA policy. We should encourage them to keep Congress honest and continue to look out for the states' financial interests -- but we don't want to jump on board anybody's proposal right now. Instead, we should commit to keep talking with all parties involved. (Kassebaum, Grassley, and Meyers are also ardent block grant proponents.)

### Who to Call On:

Leads: Engler -- the most ardent proponent of no-strings block grant  
Dean -- wants national minimum benefit as condition of block grant

Other Allies: Carper  
Kennedy  
Moynihan

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 1  
LISTED IN THE WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

THE FOLLOWING PAGE HAS HAD MATERIAL REDACTED. CONSULT THE  
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER FOR FURTHER  
INFORMATION.

JAN 27 1995

4:30 pm

January 28, 1995  
Working Session on Welfare Reform  
Blair House

Alphabetical list of all attendees

Mary Jo Bane..... P6/(b)(6)

Jeremy Benami..... WH staff

The Honorable John Breaux  
U.S. Senate

Emily Bromberg.....HHS staff

Susan Brophy.....WH staff

The Honorable Hank Brown  
U.S. Senate

Peggy Ada Brown..... P6/(b)(6)

The Honorable Wayne Bryant  
Member, New Jersey State Assembly

Bryant, WH communications

The Honorable Yvonne Brathwaite-Burke  
Chair, Los Angeles County Board of Supervisors

Laird Burnett..... P6/(b)(6)

The Honorable Dave Camp  
U.S. House of Representatives

The Honorable Arne H. Carlson  
Governor of Minnesota

The Honorable Mel Carnahan  
Governor of Missouri

The Honorable Thomas R. Carper  
Governor of Delaware

The Honorable William L. Clay  
U.S. House of Representatives

Debra Colton..... P6/(b)(6)

The Honorable Howard Dean  
Governor of Vermont

Julie Demeo.....  
WH staff

David T. Ellwood.....

John Emerson.....

The Honorable John Engler  
Governor of Michigan

Richard A. English.....

The Honorable Harold Ford  
U.S. House of Representatives

Randi Fredholme.....

Jill Friedman.....

Bill Galston..... WH staff

Mark Gearan.....WH staff

The Honorable Richard A. Gephardt  
U.S. House of Representatives

The Honorable Sam Gibbons  
U.S. House of Representatives

Toby Graff..... HHS staff

The Honorable Charles E. Grassley  
U.S. Senate

Pat Griffin.....WH staff

Ellen Haas.....

Marsha Hale.....

Lori Harju.....

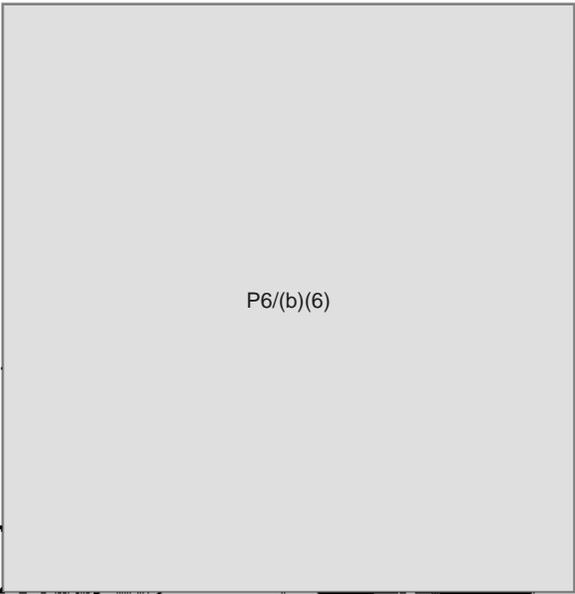
Ronald T. Haskins.....

Alexis Herman.....  
WH staff

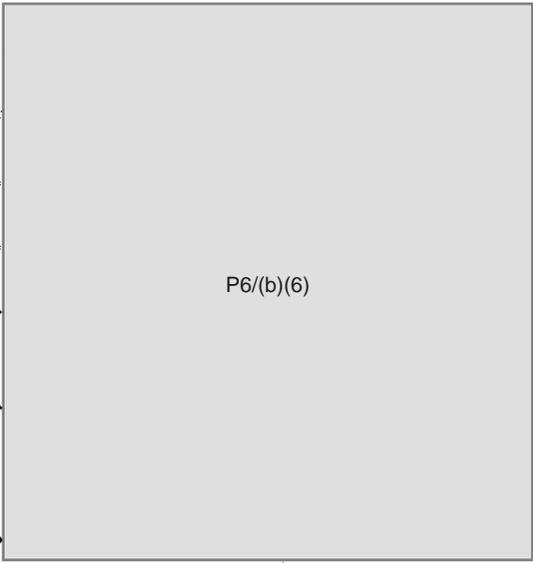
Jim Hickman.....

Hodges, WH communications

Jack Howard.....



P6/(b)(6)



P6/(b)(6)

The Honorable Tim Hutchinson  
U.S. House of Representatives

Michele Johnson.....

P6/(b)(6)

Elaine Kamarck..... WH staff

The Honorable Nancy Landon Kassebaum  
U.S. Senate

Tim Keating.....WH staff

The Honorable Edward M. Kennedy  
U.S. Senate

Kevin Kelly.....

P6/(b)(6)

Andrea King.....

Kinlaw, WH communications

The Honorable James Lack  
Senator of the State of New York

Lafond, WH communications

The Honorable Greg Lashutka  
Mayor of Columbus

Mary Catherine Mantho.....

P6/(b)(6)

Michael McCurry.....WH staff

The Honorable Jan Meyers  
U.S. House of Representatives

Gerald Miller.....

P6/(b)(6)

Rosalyn Miller.....  
WH staff

The Honorable Barbara A. Mikulski  
U.S. Senate

John E. Molloy.....

P6/(b)(6)

The Honorable Daniel Patrick Moynihan  
U.S. Senate

Carmen Nazario.....

P6/(b)(6)

Nociollo, WH communications

Kimberly Barnes O'Connor.....

Paul Offner.....

P6/(b)(6)

Orange, WH communications

The Honorable Bob Packwood  
U.S. Senate

The Honorable Leon E. Panetta  
White House Chief of Staff

The Honorable Michael Pappas  
Freeholder, Somerset County

John Petraborg.....

P6/(b)(6)

Lindy L. Paull.....

Carol H. Rasco  
Assistant to the President for Domestic Policy

Bruce Reed..... WH staff

Grace Reef.....

P6/(b)(6)

The Honorable Alice M. Rivlin  
Director, Office of Management and Budget

Nelson Rockefeller, Jr.....

Robert E. Rogan.....

P6/(b)(6)

Shannon Royce.....

note: If Ms. Royce is not able to attend,  
Veronica McCarthy (9-16-55, [REDACTED])  
will attend in her place

Marilina Sanz.....

P6/(b)(6)

Belle Sawhill..... WH staff

Ray Scheppach.....

P6/(b)(6)

The Honorable Joe Serna, Jr.  
Mayor of Sacramento

The Honorable Donna E. Shalala  
Secretary of Health and Human Services

The Honorable E. Clay Shaw  
U.S. House of Representatives

Marsha Simon.....

P6/(b)(6)

Melissa Skolfield.....

Sheri Elissa Steisel.....

Barrie Tabin.....

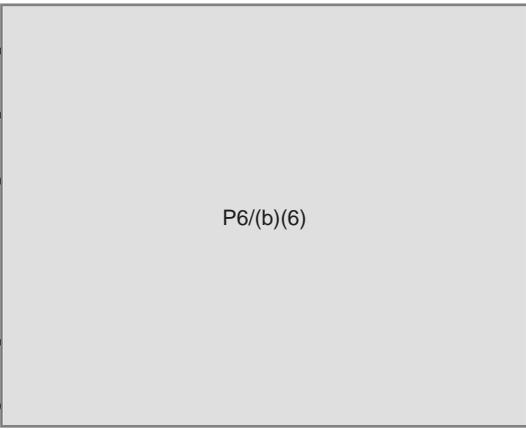
Eddy S. Tanaka.....

The Honorable Tommy Thompson  
Governor of Wisconsin

James Uzcategui-Gaymon.....

Gail Weiss.....

Wurmstein, WH communications

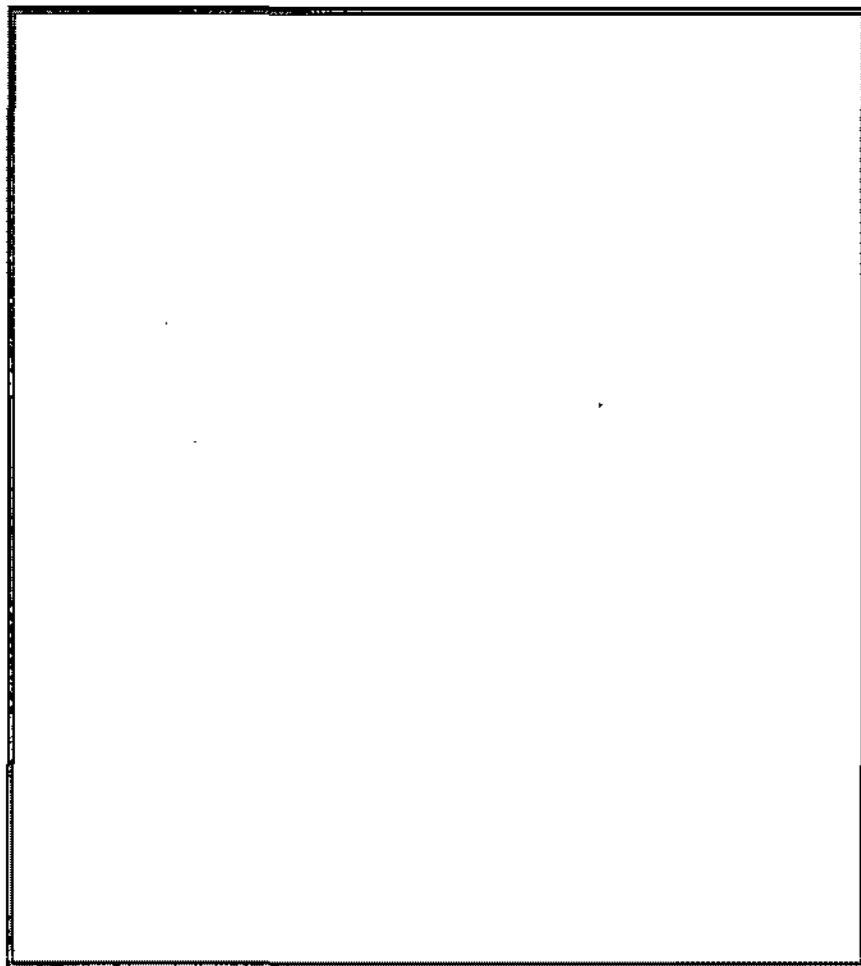


P6(b)(6)

Handwritten notes at the top of the page, possibly including a date or time.

Carlson  
Serna  
Engler  
Rivlin  
Ford  
M. Kuliski  
Pappas  
meyers

Grassley  
Lack  
Breaux  
Shaw  
VPOTUS  
Moynihan  
Carnahan  
Basco  
Carper



Kassebaum  
Dean  
Bryant  
Thompson  
POTUS  
Gephardt  
Shalala  
Clay  
Lashutka

Bruce Reed

Bill Galston

Brown  
Burke  
Camp  
Gibbons  
Panteta  
Kennedy  
Packwood  
Hutchinson

Room entrance

THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 2  
LISTED IN THE WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

THE FOLLOWING PAGE HAS HAD MATERIAL REDACTED. CONSULT THE  
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER FOR FURTHER  
INFORMATION.

JAN 27 1995

4:30 pm

January 28, 1995  
Working Session on Welfare Reform  
Blair House

Principals attending  
with accompanying staff

Governors		
Principal	Staff	Staff info
The Honorable Arne H. Carlson Governor of Minnesota	John Petraborg	P6/(b)(6)
The Honorable Mel Carnahan Governor of Missouri	Jill Friedman	
The Honorable Thomas R. Carper Governor of Delaware	Carmen Nazario	
The Honorable Howard Dean Governor of Vermont	Robert E. Rogan	
The Honorable John Engler Governor of Michigan	Gerald Miller	
The Honorable Tommy Thompson Governor of Wisconsin	Mary Catherine Mantho	

U.S. Senate		
Principal	Staff	Staff info
The Honorable John Breaux U.S. Senate	Laird Burnett	P6/(b)(6)
The Honorable Hank Brown U.S. Senate	Peggy Ada Brown	
The Honorable Charles E. Grassley U.S. Senate	Either Shannon Royce or Veronica McCarthy	
The Honorable Nancy Landon Kassebaum U.S. Senate	Kimberly Barnes O'Connor	
The Honorable Edward M. Kennedy U.S. Senate	Marsha Simon	
The Honorable Barbara A. Mikulski U.S. Senate	Kevin Kelly	
The Honorable Daniel Patrick Moynihan U.S. Senate	Paul Offner	
The Honorable Bob Packwood U.S. Senate	Lindy L. Paull	

U.S. House of Representatives		
Principal	Staff	Staff info
The Honorable Dave Camp U.S. House of Representatives	Lori Harju	P6(b)(6)
The Honorable William L. Clay U.S. House of Representatives	Gail Weiss	
The Honorable Harold Ford U.S. House of Representatives	Richard A. English	
The Honorable Richard A. Gephardt U.S. House of Representatives	Andrea King	
The Honorable Sam Gibbons U.S. House of Representatives	Debra Colton	
The Honorable Tim Hutchinson U.S. House of Representatives	Randi Fredholme	
The Honorable Jan Meyers U.S. House of Representatives	Michele Johnson	
The Honorable E. Clay Shaw U.S. House of Representatives	Ronald T. Haskins	

State and Local Officials		
Principal	Staff	Staff info
The Honorable Wayne Bryant Member, New Jersey State Assembly	James Uzcategui-Gaymon	P6(b)(6)
The Honorable Yvonne Brathwaite Burke Chair, Los Angeles County Board of Supervisors	Eddy S. Tanaka	
The Honorable James Lack Senator of the State of New York	Sheri Elissa Steisel	
The Honorable Greg Lashutka Mayor of Columbus	Barrie Tabin	
The Honorable Michael Pappas Freeholder, Somerset County	Marilina Sanz	
The Honorable Joe Serna, Jr. Mayor of Sacramento	John E. Molloy	

Administration Officials		
Principal	Staff	Staff info
The Honorable Leon E. Panetta White House Chief of Staff		
Carol H. Rasco, Assistant to the President for Domestic Policy	Jeremy Benami Bill Galston Bruce Reed	WH staff WH staff WH staff
The Honorable Alice M. Rivlin Director, Office of Management and Budget	Belle Sawhill	WH staff
The Honorable Donna E. Shalala Secretary of Health and Human Services	Mary Jo Bane  David T. Ellwood  Melissa Skolfield	P6/(b)(6)

Additional Staff	
Name	Staff info
Susan Brophy	WH staff
John Emerson	WH staff
Mark Gearan	WH staff
Pat Griffin	WH staff
Marsha Hale	WH staff
Ellen Haas	P6/(b)(6)
Alexis Herman	
Jack Howard (Speaker Gingrich)	
Elaine Kamarck	WH staff
Michael McCurry	WH staff
Grace Reef (Senator Daschle)	P6/(b)(6)
Nelson Rockefeller, Jr. (Senator Dole)	
Ray Scheppach Executive Director National Governors Association	

WH staff support:

Julie Demeo  
Rosalyn Miller  
Tim Keating      WH staff

P6/(b)(6)

WH Communications:

Hodges      Wurmstein  
Lafond      Bryant  
Orange      Kinlaw  
Nociollo

HHS staff support:

Emily Bromberg  
Toby Graff  
Jim Hickman

file = princ.stf

TALKING POINTS  
PRE-SESSION PRESS AVAILABILITY

\* Today, I am hosting an all-day bipartisan working session on welfare reform with Governors, members of Congress, and local officials. I am determined to work with all of them to pass welfare reform and I hope we can make some progress today.

\* I believe that welfare reform is the most important social problem we face as a country. The welfare system is badly broken, and we've got to fix it.

\* As I said in the State of the Union, we need a New Covenant that provides more opportunity and demands more responsibility in return. People on welfare who can work should go to work. Parents who owe child support need to pay it, because government doesn't raise children, people do. And we need a national campaign against teen pregnancy and births outside marriage.

\* If we're going to end welfare, let's do it right. We should require work and responsibility, but we shouldn't cut people off just because they're poor, or young, or unmarried. We should promote responsibility by requiring young mothers to live at home with their parents and to finish school. But we shouldn't put them and their children on the street.

\* I have worked on this issue for 14 years, and I know that the people who want to change welfare most are the people trapped on it. Yesterday, here at the White House, I met with four women who have fought to free themselves from the welfare system. Our job is not to tear them down. It's to liberate them and lift them up so they don't need us anymore.

\* The American people want us to put politics aside and get this done for the country. I hope today will be a good start.



January 25, 1995

TO ALL GOVERNORS:

Welfare reform at both the national and state levels is a priority issue for Governors.

Current NGA policy contains both a set of general principles to guide the development of national reform and more detailed recommendations for specific program changes. While many of these principles and recommendations are still valid, they were developed at a time when federal constraints on program growth appeared unlikely and when there was significant Congressional opposition to broadening state flexibility in program design and operation.

These conditions have changed significantly and the Governors may wish to consider changing NGA's welfare policy as well. Toward that end, the Governors-only session scheduled from 10:15 a.m. - 12:15 p.m. on Sunday, Jan. 29, will be devoted in part to a discussion of welfare reform.

While welfare reform policy changes have not yet been proposed by the Committee on Human Resources, the Committee is prepared to consider such changes later on Sunday if a consensus is reached at the Governors-only session. Should the committee decide to propose changes their consideration at the closing plenary would require a three-quarters vote to suspend the rules and a three-quarters vote to approve.

Working together, the Governors with leadership responsibility on welfare have developed a discussion document (Attachment 1) that sets forth a set of tentative recommendations for your consideration. While some Governors may want to discuss other issues, we are in general agreement on this approach and we would like this document to serve as the basis for our discussions on Sunday.

The second attachment outlines some concerns that are specific to Puerto Rico and the territories that currently participate in AFDC. We also would like to discuss this issue on Sunday.

We hope that you will review these materials carefully and be prepared to discuss your reactions and suggestions frankly and openly.

The Governors-only sessions are closed to the press. Governors may have one staff member accompany them to the meeting as an observer.

If you have any questions or need any further information prior to the meeting, please contact Ray Scheppach (202/624-5320) or Barry Van Lare (202/624-5342) at NGA.

We look forward to a productive discussion.

Sincerely,



Governor Howard Dean, M.D.

Chair



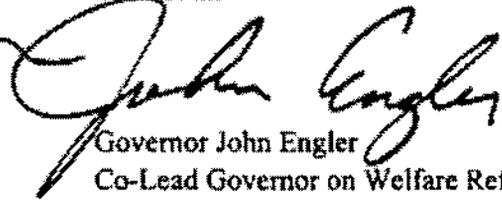
Governor Tommy G. Thompson

Vice Chair



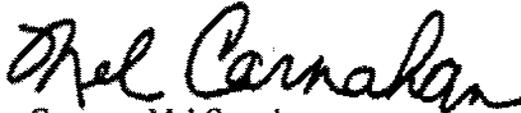
Governor Tom Carper

Co-Lead Governor on Welfare Reform



Governor John Engler

Co-Lead Governor on Welfare Reform



Governor Mel Carnahan

Chair, Committee on Human Resources



Governor Arne H. Carlson

Vice Chair, Committee on Human Resources

c: Washington Representatives  
NGA State Contacts

<sup>1705</sup>  
~~CONFIDENTIAL~~ DRAFT-- FOR DISCUSSION ONLY  
NOT FOR DISTRIBUTION

Welfare Reform  
Options Regarding Program Structure

January 24, 1995

Overview

The current federal programs that provide income assistance to families and children in need do not work. These programs, which are outdated and overly complex, create a climate of dependency and undercut the value and rewards of work. In their place we need to create a new system that builds on the successful initiatives underway in individual states and communities. The new system needs to recognize that one size does not fit all and that effective programs must be tailored by the states to meet the needs and expectations of their communities. Instead we need a new simpler structure that is fair to taxpayers and those who are in need of assistance.

Federal, state, and local governments have a responsibility to provide for the needs of poor children. Governments must also, however, create a system that encourages meaningful work and facilitates the move to independence for adults. In addition to rewarding work, assistance programs should seek to discourage teenage pregnancies, support stable family relationships, ensure child support collection, and provide assistance to obtain the educational and job skills necessary to long-term self-sufficiency. Cash benefits should be time-limited. Welfare should be a transitional program that moves people from temporary assistance to self-sufficiency. Welfare benefits should be based on a social contract that sets forth the responsibilities and obligations of both the recipient and the government. The goals of this temporary assistance should include recognition of the essential dignity, well-being, and responsibility of every American.

Fiscal Constraints

All levels of government are facing severe fiscal constraints. Federal, state, and local budgets already have experienced substantial reductions. State and federal efforts to maintain or achieve balanced budgets and to reduce the tax burden on middle income Americans will require further reductions.

Federal budget decisions should recognize that federal financial support for programs for needy children should remain a high national priority. Any federal budget savings in this area should

come from simplifying the structure and efficiency of the program and not in areas that would interfere with the long-run goals of work and self-sufficiency. Most of the budget savings will come from giving states the flexibility to operate cost-effective systems. Arbitrary spending limits without flexibility and the elimination of federal benefits to currently eligible groups will likely shift costs to other levels of government. Instead, real savings must come from program initiatives that will encourage responsible behavior: programs that will ensure that work pays, and programs that will support the education and training needed to find stable employment. There should not be any new mandates imposed on states. However, if any new federal mandates regarding benefits levels, eligible populations, or required programs or services are created, they should be fully funded by the federal government. The federal share of the cost of existing mandates that are retained in a reformed program must be maintained.

States are firmly committed to reform and have led the way over the past decade in developing new and effective program initiatives at the state and local level. Given the authority and flexibility they need, the states will quickly develop the programs needed to provide real budget savings.

While states recognize the need to reduce the dependency costs associated with legal immigration, many states will be unable to completely deny benefits to such individuals. As a result, the States oppose the elimination of federal funding for legal immigrants and instead support increased efforts to secure financial support from sponsors.

### **The Federal Role**

All Governors recognize the importance of a federal role in financing income assistance to families and children. However, the continuation of the current welfare system is unacceptable. Tinkering and changes at the margin will not be sufficient. We need to create a new, simpler, and more responsive federal role. At the same time, the rapid rate of change in the economy and the demographics of the welfare population suggest the need for flexibility and continued innovation. A new program structure that provides states the option of an individual entitlement program that allows wide state latitude or a state entitlement block grant, will provide that flexibility, encourage constructive experimentation, and ensure significant budget savings over time. A completely restructured individual entitlement should combine certain minimum federal standards with much greater flexibility for the states in setting the form and conditions of assistance. A state entitlement block grant should provide capped funding with no federal restrictions except that the federal funds be used to assist poor families and children.

### **A New State Entitlement Block Grant Program**

The Governors believe states that wish should be given the option of substituting a state entitlement block grant program for a national individual entitlement program for children and families. Under this concept, states would be required only to ensure that the funding received is used to provide services for poor children. While states would be required to describe their program in a state plan and to provide periodic reports to the public, the plans would not be subject to federal approval or federal revision. Financial audits would be conducted to ensure that moneys were properly spent, and states would be required to pay back any misspent funds.

In return for this broad flexibility, states electing the block grants would agree to an initial allotment based on the average of several prior years, with restricted growth in future years. There would be no maintenance of effort provisions and states would be allowed to keep all savings so long as the total federal allocation was spent. Unexpended federal funds should remain available for at least three years to maximize flexibility and to encourage the creation of a "rainy day" fund.

To provide for significant changes in the cyclical economy and for major natural disasters, an additional amount equal to 2 percent of the total funds distributed in block grants should be set aside each year for distribution to states that experience higher-than-average unemployment or a major disaster in their states.

### **An Individual Entitlement Program**

The Governors also support the creation of a new national program of individual entitlements to meet the needs of children and their families. This program would replace the current AFDC program. Such a national program should establish clear policy objective and certain minimum standards, but provide states with broad flexibility to design key program elements.

Policy objectives and standards should include:

**Time-Limited Cash Assistance.** Assistance in the form of cash grants to families and children should be available for a time-limited period during which activities that are designed to make the transition from welfare to work take place.

**Social Contract.** The expectations and responsibilities of both the recipient and the government should be clearly defined and incentives and sanctions should be designed to ensure that those responsibilities are carried out. States should be granted broad flexibility in defining the components of the social contract, including requirements to begin work before the maximum time is exhausted. Receipt of assistance should be conditioned upon ongoing compliance with the social contract.

**Support Services.** State programs should include the education, training, and support services necessary to help participants become self-sufficient. Such services should be funded either as a component of the income support program or through broader block grants.

**Long Term Assistance.** Continued federal, state, county, and local assistance under the national program after the time-limited period should be dependent upon a requirement of work or work-related activities unless no job, community service work opportunity, or community service placement is available. Federal funds equivalent to the assistance payment should be available to the states to support the creation of needed work. States should be allowed to create work directly and through subsidies to the private sector. The on-going financial needs of children must be addressed in any time-limited system.

**Flexibility.** States are opposed to overly prescriptive federal management of the cash assistance program. Federal guidelines should be reasonably general in nature and states should have broad flexibility to adjust benefit levels and to determine the form and condition of assistance. This flexibility should be in the form of allowable options and should not require federal waivers or plan approval. Examples of flexibility include the use of voucher payments, incentives and sanctions for school attendance, requirements that teenage mothers live with a responsible adult, and the ability to limit benefits to mothers with additional children born while they are on welfare. Governors oppose federal legislation that would mandate such state policies.

States should have the flexibility to extend assistance as needed, with full federal financial participation, for a limited period beyond the federal standard on a case-by case basis in order to ensure that recipients complete education or job training programs, complete training for substance abuse or other physical or mental impairments, or resolve emergency situations such as homelessness.

**Funding.** Federal funding for time-limited assistance payments and for longer term work-based assistance should remain an individual entitlement. Federal funding for administrative costs and for services required under a reformed program should remain as a state entitlement.

### **Program Consolidation**

The Governors believe that maximum budget savings are possible only if flexibility is extended beyond the income assistance program. Therefore, Governors support efforts to consolidate and integrate employment and training programs, child care programs, and social service programs to allow the states the flexibility to develop programs tailored to meet the needs and priorities of individual communities in a coordinated and cost-effective manner.

### **Coordination with Other Programs**

Successful state and local programs often rely upon incentives and sanctions that are designed to encourage responsible behavior. States should be given broad flexibility in the design of such incentives, including income disregards. Federal policies in food stamps and housing programs should be modified to ensure that such programs support, not counteract, the incentives and sanctions built into the state programs. In particular states should be allowed to cash out Food Stamp benefits for AFDC recipients.

In addition to rewarding meaningful work, the welfare program should seek to support a long-term connection to the labor market and stable family relationships. Such assistance can only be provided effectively if education, training, and employment policies are coordinated across agencies at the federal, state, and local levels. Coordination also is needed with the earned-income tax incentive program and with programs designed to provide child care and health services both to those on AFDC and for former or potential recipients who are employed.

### Long-Term Dependency

The programs needed to serve those who are expected to work differ from those needed to serve those who are not. The effectiveness of the transitional programs for children and families could be enhanced if eligibility for other governmental programs, such as Supplemental Security Income and Social Security Disability Insurance, were expanded to assist those for whom work is not an option because of age or disability. However, independence and self-sufficiency should not be excluded as an appropriate goal for all Americans.

**PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION  
OFFICE OF THE GOVERNOR**

**PEDRO ROSELLÓ  
GOVERNOR**

**WANDA RUBIANES  
DIRECTOR**

**Suggested National Governor's Association Policy  
Welfare Reform  
Puerto Rico**

**ATTACHMENT 2**

Governors believe that national welfare reform legislation provides Congress with the opportunity to implement social policy for Puerto Rico that empowers the Island's 3.6 million U.S. citizens, fosters economic self-sufficiency and promotes long-term economic growth.

Governors believe that Puerto Rico should receive equitable treatment in any new welfare reform proposal brought before Congress including full inclusion in the workforce training, education and job creation proposals crucial to economic development.

Likewise, Governors believe that Puerto Rico's existing successful welfare reform efforts should be fostered by equitable federal funding levels for its existing AFDC block grant and the implementation of programs for children and the elderly on the Island.

**CONTACT: Courtney McKinnon  
202-778-0732**

PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION  
OFFICE OF THE GOVERNOR

PEDRO ROSSELLÓ  
GOVERNOR

WANDA RUBIANES  
DIRECTOR

To: Raymond Scheppach  
NGA

FROM: Courtenay McKinnon   
Office of the Governor, Puerto Rico

DATE: January 24, 1994

RE: Attached Policy - PUERTO RICO -- Background Information

---

**Background - Section 1108 Block Grant in Puerto Rico**

Puerto Rico is treated as a state for the majority of federal social services programs. The exceptions are: AFDC, SSI, Foster Care, Adoption Assistance, Independent Living, At-Risk and Transitional Child Care programs. These programs have been block-granted since 1950. The capped grant has not been increased since 1988 when it was set at \$82 million.

As in any state, demand for programs under the cap is large. Our government allocates the majority of funds to providing minimal benefits under AFDC and SSI. The Foster Care program is funded primarily through local monies; the Adoption Assistance and Independent Living programs are limited, and the At-Risk and Transitional Child Care programs do not operate on the Island.

Puerto Rico looks forward to implementing national reforms and to continuing its move toward economic self-sufficiency. However, to enable our 3.6 million U.S. citizens to fully participate in the responsibilities and mandates of reforms, it is necessary to bring programs under the cap up to 1995 funding levels before we are capped again, along with other states.

**Since the cap was last raised:**

+ Puerto Rico's AFDC caseload has more than doubled -- from 98,509 to 183,540 individuals. Puerto Rico does not operate the UP program.

+ Monthly payments have been reduced to \$32 for each adult, \$24 for the first child, and \$8 for the second child. The national average is \$135 per individual and \$405 per family.

+ Payments to 15,615 elderly, 260 blind and 28,000 disabled persons -- the population normally served by the Supplemental Security Income (SSI) program on the mainland - have been reduced to \$32 per month for the elderly and \$37 per month for the disabled. These populations receive an average of \$446 and \$549 per month on the mainland.

Raymond Scheppach

January 24, 1995

Page 2 of 2

+ Foster care cases have increased from 143 in 1984 to over 5,200 today. Currently, over 4,000 children are on a waiting list for Foster Care placement.

+ Puerto Rico has spent about \$12 million a year to provide Foster Care payments and about \$3 million a year to provide preventive services. In the states, these expenditures would be matched at between 50% and 83% percent, depending on FMAP, by the federal government.

+ Child abuse cases have increased by 460% since 1978. Currently, about 2,000 cases are reported a month. Funding limitations have resulted in only the most severe cases being removed from the home.

+ An estimated 179,000 children are eligible for, but not receiving, child care.

#### **LEGISLATIVE HISTORY - Section 1108 Block Grant in Puerto Rico**

Congress first established the capped block grant as an amendment to the Social Security Act in 1950; it appropriated \$4.2 million to Puerto Rico for aid to families with dependent children, aid to the blind, aid to the permanently and totally disabled, and aid to the elderly.<sup>1</sup>

The legislative history does not indicate why a capped payment was established, but it appears that Congress intended for the payment to be reviewed and increased on a regular basis. The cap was reviewed and increased yearly or bi-yearly for most years between 1956 to 1972.

Since 1972 the cap has been increased only three times -- in 1978, 1980 and 1988. The 1980 increase, \$10 million, included new federal mandates to provide Foster Care and Adoption services under the cap.

---

<sup>1</sup>Social Security Act, Section 1108, "Limitation on Payments to Puerto Rico and the Virgin Islands." Pub. L. No. 734, c. 809, section 361 (g) (1950), reprinted in 1950 U.S.C.C.S. 561, 638. The Act limited payments to the Virgin Islands to \$160,000.

# ***POLICY BRIEFING***

January 25, 1995

## **JOB PLACEMENT VOUCHERS: A PROGRESSIVE ALTERNATIVE TO BLOCK GRANTS**

### ***Refocusing Welfare Reform on Work***

The national welfare reform debate should focus on how to move recipients from dependence on public assistance into work in private-sector jobs. That focus has all but been lost since the November elections. Loss central issues have captured the lion's share of attention, including the effect of welfare on illegitimacy and mechanisms for "devolving" administrative responsibility for welfare away from micromanagement by Washington. But the key to genuine welfare reform remains *work*, and none of the outstanding proposals supplies a practical solution.

Last year's Clinton Administration proposal supplied an incentive to work through a time limit on cash assistance, but maintained and even expanded an ineffective education and training system that recipients would go through before work is expected. Last year's Republican Congressional proposals also imposed a time limit, and insisted on immediate work, but provided no mechanism for linking recipients with private jobs, implying a vast public jobs program. The latest Republican Congressional leadership proposal evades the issue by shifting the problem to the states, with no framework for welfare reform whatsoever.

The Progressive Policy Institute now offers a proposal that refocuses the debate on welfare-to-work, and creates a specific, non-bureaucratic mechanism to radically change the incentives of the current welfare system and quickly move recipients into private sector employment. The proposal calls for a complete overhaul of the welfare system to make rapid placement and retention in private jobs the overriding objective for both the government and the recipient, with an emphasis on immediate job placement wherever possible. More specifically, PPI proposes the use of state-issued "Job Placement Vouchers" that would be given directly to recipients to tap (and build) a growing competitive market of public agencies and private firms providing placement and support services.

Existing public subsidies for welfare recipients would be used to finance the new system. Match rates for employment and training dollars would become performance-based, with placement and retention of recipients in private jobs, not participation levels, the key to enhanced federal funding. Use and design of Job Placement Vouchers would be a state option, but states that adopted this approach would retain the savings in reduced costs. In a full-fledged application of the voucher approach, state welfare bureaucracies could be transformed into agents for job placement in two ways: by the performance incentives accompanying the federal funds, and by direct competition with private providers for voucher benefits. It is assumed that states would be allowed to impose a time limit on cash assistance, and an "outside" time limit on public subsidies, to reinforce the individual's incentive to go to work.

This proposal would firmly commit the federal government to a clear strategy for welfare reform, based on the principle that work experience is the best path to permanent private employment. *It would also spur a more serious devolution of power than any block grant proposal, leapfrogging both federal and state bureaucrats to place resources in the hands of the actual recipients in a competitive job placement market, while giving each state the flexibility to tailor the new system to its particular economic and social circumstances.*

Job Placement Vouchers would reduce the cost of welfare-to-work programs by cutting out bureaucratic intermediaries between the recipient and private labor markets. But more importantly, the proposal is aimed at significantly cutting long-term public costs by moving those on public assistance move into productive private-sector jobs. A strong federal commitment to a feasible job placement strategy is much more cost-effective than any short-term block-and-cut approach that abandons fiscal responsibility for the welfare population without supplying incentives to work.

### ***Specifics of a Voucher System***

- Each recipient would sign an employability contract upon entering the AFDC system and would receive a voucher after undertaking job search
- Recipients would have access to an array of job placement and work experience services
- State boards would accredit service providers and publish names and descriptions of the providers
- Service providers would redeem vouchers only upon successful job placement and retention
- Existing public subsidies would gradually be converted to vouchers
- Match rates for employment and training dollars would become performance-based

- States would keep savings realized from implementing a voucher system
- States also could convert post-welfare public employment dollars and General Assistance resources into vouchers

Job Placement Vouchers would quickly place into the hands of those ready an opportunity to work. Recipients would be offered choices now unavailable to them. Instead of being assigned to a program at the whim of a social worker, recipients would consult with a social worker, review all available options and choose the program most suited to their needs. Vouchers would give recipients quick access to placement and support agencies such as New York's America Works, Cleveland Works and the Good Will Job Connection in Sarasota, Florida; temporary private-sector work experience supplied by employers; state-run welfare-to-work programs including JOBS programs; microenterprise training programs; and other employment-based services.

States would develop a list of available service providers—placement agencies, private employers, employment-based JOBS programs, etc.—available to welfare recipients once they have applied for public assistance and undertaken a job search. Recipients would use the lists to make their service choices.

Payment to public and private placement agencies, employers and other approved employment programs would be based on performance only. Vouchers for the public and private sector alike would be redeemed in full only after an organization had successfully placed the recipient in a full-time unsubsidized job for a set period of time to be determined by the states.

As noted earlier, existing public subsidies for welfare recipients would be used to finance the new system. Match rates for employment and training dollars would become performance-based, with placement and retention of recipients in private jobs, not participation levels, the key to enhanced federal funding. States that adopt a voucher system would retain the administrative savings.

Finally, Job Placement Vouchers should not be limited to AFDC recipients. The states should also be encouraged to convert post welfare public employment dollars and General Assistance resources into Job Placement Vouchers. Wherever possible, vouchers should be used to place in jobs not only the women on AFDC but the men on General Assistance.

## WELFARE TO WORK

Objective: Reach consensus that the central goal of welfare reform must be moving people from welfare to work.

Questions: What strategies are working around the country?  
What can we do to change the culture of the welfare office to emphasize work?  
How can we work with the private sector to make more jobs available?

Key Points:

- \* All major reform plans emphasize work requirements and time limits.
- \* Most women leave welfare (66% in 2 years), but most eventually return. The key isn't just getting people off, it's helping them stay off.
- \* We'll never do this unless we can find ways to involve the private sector.
- \* In the end, our success will be measured by how many people we move off welfare altogether, into jobs where they don't need us anymore. The number of people working should be one objective we use to measure results.

Pitfalls: Republican governors may try to leap ahead to discussion of block grants and state flexibility. Other Republicans may launch into an attack on training programs.

Who to Call On:

Leads: Carlson  
Carnahan [You announced your welfare plan in Kansas City and met with recipients who got off welfare through his program.]

Other Allies: Breaux  
Carper  
Thompson

## PARENTAL RESPONSIBILITY / CHILD SUPPORT ENFORCEMENT

Objective: Consensus that tough child support enforcement must be part of welfare reform

Questions: What programs are working?  
Why aren't states doing better? What tools do they need?  
How can we improve paternity establishment?  
What can we do to increase parental involvement from absent fathers?

Key Points:

- \* Child support enforcement must be a central component in any welfare reform bill. This is an issue where both parties should be able to agree.
- \* The gap between what absent parents pay and what they could pay is an estimated \$34 billion.
- \* In this area, the federal government needs to play a major role, because a third of child support cases are interstate cases, where it's toughest to collect.
- \* [NOTE: Our plan calls for improved paternity establishment in hospitals, tougher cooperation requirements for mothers who seek AFDC, central state registries, mandatory W-4 reporting of new employees, revocation of drivers and professional licenses, work requirements for parents who don't pay.]

Pitfalls: Some participants may complain about excessive federal mandates, but most states welcome tougher federal role. House Republicans may press their approach, which denies benefits to a child until paternity is established, even if the mother is cooperating.

### Who to Call On:

Lead: Thompson [He launched a successful demo which requires delinquent parents to pay child support or work off what they owe.]

Other Allies: Gibbons  
Mikulski

## TEEN PREGNANCY / OUT-OF-WEDLOCK BIRTHS

Objective: Build consensus on the urgency of preventing teen pregnancy and discouraging births outside marriage. Try to show that Republican governors (and senators) oppose cutting off children of unwed teen mothers. Build consensus around our approach -- requiring teen mothers to live at home, stay in school, and cooperate in identifying father -- and enlist everyone's help in our National Campaign Against Teen Pregnancy.

Questions: What works in preventing teen pregnancy?  
What can we do to change the signals that welfare sends teen parents about responsibility? What should happen to a teen mother who applies for welfare? Does it make sense to permanently deny aid to teen parents and their children? What can we do to discourage teens from becoming fathers?

Key Points:

- \* This March marks the 30th anniversary of the Moynihan report, which first called the nation's attention to the problem of illegitimacy. In 1965, the rate of illegitimacy was around 7%. Now it's 30%, on its way to 40% in a decade.
- \* We do not know to what extent the welfare system is responsible for the breakdown of the family, but we do know that it sends the wrong signals and reinforces the wrong values.
- \* Any welfare reform plan must emphasize work and responsibility -- to make clear that welfare will no longer be a way of life, and that fathers and mothers alike will have to take responsibility for their children.
- \* Government will never solve this problem alone. I hope you'll join me in a national campaign against teen pregnancy that involves parents and religious, civic, and business leaders. This may be our greatest, and most difficult, social problem.

Pitfalls: Participants will be far more likely to bemoan the problem than to focus on concrete solutions. House Republicans will argue that welfare is entirely to blame for this problem, and that taking away welfare will magically solve it.

### Who to Call On:

Lead: Carper

Other Allies: Moynihan -- he should be the first to speak after Carper  
Bryant -- author of the family cap  
Engler -- opposes mandatory family cap, cutoff of unwed teen mothers  
Local and county officials -- oppose cutoff of unwed teen mothers

## STATE FLEXIBILITY / ACCOUNTABILITY

Objective: Look for ways to increase state flexibility while still holding the system accountable for national goals -- in moving people from welfare to work, improving paternity establishment and child support collection, and reducing out-of-wedlock births. Discuss potential financial risks of block grants. Try to distinguish the GOP governors' desire for flexibility from the House GOPs' desire to save money at the states' expense. Show House GOPs as only ones who want to 1) cut off legal immigrants and 2) block grant food stamps.

Questions: What are some areas where state flexibility can be expanded, and where a lack of flexibility has stood in the way of reform?  
What are the right national objectives for reform (e.g., work, parental responsibility, teen pregnancy, reduced fraud)?  
Is there any way to design a block grant formula that 1) won't put states at risk and 2) sets national goals for reform?  
Shouldn't nutrition programs be treated differently?

Key Points:

- \* This Administration has done more to promote state flexibility than any other. Welfare waivers to 23 states. Our welfare plan took many items that currently require waivers (like family cap) and turned them into state options.
- \* We're open to more ways to give states more flexibility and fewer rules. As Speaker Gingrich said, we shouldn't trade social engineering of the left for social engineering of the right.
- \* But we should distinguish matters of principle from matters of money. Our goal is not just more flexibility, but better results. In the end, our reforms will be judged by how many people we move from welfare to work, how much we improve child support enforcement and reduce teen pregnancy.

Pitfalls: GOP governors will try to get you to commit to endorsing a block grant or the proposed NGA policy. We should encourage them to keep Congress honest and continue to look out for the states' financial interests -- but we don't want to jump on board anybody's proposal right now. Instead, we should commit to keep talking with all parties involved. (Kassebaum, Grassley, and Meyers are also ardent block grant proponents.)

### Who to Call On:

Leads: Engler -- the most ardent proponent of no-strings block grant  
Dean -- wants national minimum benefit as condition of block grant

Other Allies: Carper  
Kennedy  
Moynihan

- Entitlement issues
- Federal strategy
- What applicant things do we want

New areas of agreement

Remaining areas of disagreement

Changes in bill

TALKING POINTS  
PRE-SESSION PRESS AVAILABILITY

\* Today, I am hosting an all-day bipartisan working session on welfare reform with Governors, members of Congress, and local officials. I am determined to work with all of them to pass welfare reform and I hope we can make some progress today.

\* I believe that welfare reform is the most important social problem we face as a country. The welfare system is badly broken, and we've got to fix it.

\* As I said in the State of the Union, we need a New Covenant that provides more opportunity and demands more responsibility in return. People on welfare who can work should go to work. Parents who owe child support need to pay it, because government doesn't raise children, people do. And we need a national campaign against teen pregnancy and births outside marriage.

\* If we're going to end welfare, let's do it right. We should require work and responsibility, but we shouldn't cut people off just because they're poor, or young, or unmarried. We should promote responsibility by requiring young mothers to live at home with their parents and to finish school. But we shouldn't put them and their children on the street.

\* I have worked on this issue for 14 years, and I know that the people who want to change welfare most are the people trapped on it. Yesterday, here at the White House, I met with four women who have fought to free themselves from the welfare system. Our job is not to tear them down. It's to liberate them and lift them up so they don't need us anymore.

\* The American people want us to put politics aside and get this done for the country. I hope today will be a good start.

THE WHITE HOUSE

WASHINGTON

January 27, 1995

WORKING SESSION ON WELFARE REFORM

DATE: January 28, 1995

LOCATION: Blair House

TIME: 8:00 a.m.

FROM: Carol H. Rasco

I. PURPOSE

This Working Session provides an opportunity for you to regain a central role in the debate over national welfare reform. It provides a very Presidential opportunity to bring together a bipartisan group of leaders from every level of government to explore areas of common agreement as well as points of contention.

II. BACKGROUND

This Working Session comes at a critical point in the welfare debate. The House is about to mark up the Personal Responsibility Act, and the National Governors Association meets this weekend to perhaps adopt a new welfare policy. This Session provides a rare opportunity to talk across party lines and across levels of government about an issue of critical national importance.

III. PARTICIPANTS

List of participants is attached.

IV. PRESS PLAN

The meeting is closed to the media. A still photograph will be taken and distributed to the media following the meeting. There will be a press briefing, led by Leon Panetta, after the meeting in which you will not participate.

V. SEQUENCE OF EVENTS

See attached agenda.

VI. REMARKS

Attached are talking points for your brief remarks at the beginning of the meeting.

# Welfare Reform Working Session

## Agenda

- 8:30 am                      Opening
- President Clinton  
                                    Vice-President Gore
- 8:50 am                      Work/Welfare
- Lead Discussants:    Governor Arne Carlson  
   Governor Mel Carnahan
- 9:45 am                      Parental Responsibility
- Lead Discussant:     Governor Tommy Thompson
- 10:30 am                     Teen Pregnancy/Out-of-Wedlock Childbearing
- Lead Discussant:     Governor Thomas Carper
- 11:15 am                     State Flexibility
- Lead Discussants:    Governor John Engler  
   Governor Howard Dean
- Wrap-Up
- 1:30 pm                      Adjourn

WELFARE REFORM WORKING SESSION  
JANUARY 28, 1995

PARTICIPANT LIST

Sen. John B. Breaux	(D-LA)	[Sen. Daschle-designate]
Sen. Barbara A. Mikulski	(D-MD)	[Sen. Daschle-designate]
Sen. Edward M. Kennedy	(D-MA)	Ranking Member Senate Labor and Human Resources Committee
Sen. Daniel Patrick Moynihan	(D-NY)	Ranking Member Senate Finance Committee
Sen. Charles E. Grassley	(R-IA)	[Sen. Dole-designate]
Sen. Hank Brown	(R-CO)	[Sen. Dole-designate]
Sen. Nancy Landon Kassebaum	(R-KS)	Chairman Senate Labor and Human Resources Committee
Sen. Bob Packwood	(R-OR)	Chairman Senate Finance Committee
Rep. Richard A. Gephardt	(D-MO)	Minority Leader
Rep. Harold E. Ford	(D-TN)	[Minority Leader-designate]
Rep. William L. Clay	(D-MO)	Ranking Member House Economic and Educational Opportunities Committee
Rep. Sam M. Gibbons	(D-FL)	Ranking Member House Ways and Means Committee
Rep. Dave Camp	(R-MI)	[Rep. Gingrich-designate]
Rep. Tim Hutchinson	(R-AR)	[Rep. Gingrich-designate]
Rep. Jan Meyers	(R-KS)	[Rep. Goodling-designate]
Rep. E. Clay Shaw	(R-FL)	[Rep. Archer-designate]
Gov. Howard Dean	(D-VT)	
Gov. Tommy G. Thompson	(R-WI)	
Gov. Arne H. Carlson	(R-MN)	
Gov. Mel Carnahan	(D-MO)	
Gov. Thomas R. Carper	(D-DE)	
Gov. John M. Engler	(R-MI)	

Wayne Bryant, Member, New Jersey State Assembly  
Yvonne Brathwaite Burke, Chair, L.A. County Board of Supervisors  
James Lack, State Senator, New York  
Greg Lashutka, Mayor of Columbus, Ohio  
Michael Pappas, Freeholder, Somerset County (New Jersey)  
Joe Serna, Jr., Mayor of Sacramento, California

TALKING POINTS  
WELFARE REFORM WORKING SESSION

\* Thank you for taking time away from your families to be here this weekend. This is such an impressive group, I think it will be worth your while. I mostly want to listen this morning, and hear what you think needs to be done. But let me say a few things, and ask the Vice President to say a word as well.

\* First, let me say that I believe this is the most important social problem we face as a country.

\* Second, I believe we can do this, in an honest, bipartisan way. Seven years ago, many of us in this room worked with a Republican White House, a Democratic Congress, and a bipartisan group of governors to pass the Family Support Act. We can do it again.

\* Third, I want to applaud all of you for what you're doing in your own states and here in Washington to advance this national debate. I know Clay Shaw is already hard at work in his subcommittee, and the governors are going to discuss this issue at their winter meeting, and that's good. It's about time we had a national debate on this issue.

\* Finally, I hope we'll always remember why we're doing this. [Refer to 4 welfare recipients who came to White House yesterday.] As we do this, we have to do right by the taxpayers, but also by the people on welfare who really want to get off it.

\* This morning, we're going to talk about four big questions -- how to move people from welfare to work, how to make sure both parents take responsibility, how to reduce teen pregnancy and births outside marriage, and how to give the states more flexibility in a way that will produce better results. I'm going to ask the governors to lead off each discussion, and encourage the rest of you to jump in.

\* I hope we can talk about where we agree, and where we still have work to do. And I hope that as this debate goes forward in the weeks and months to come, we can work together without regard to party to finally get this done for the country.

## WELFARE TO WORK

Objective: Reach consensus that the central goal of welfare reform must be moving people from welfare to work.

Questions: What strategies are working around the country?  
What can we do to change the culture of the welfare office to emphasize work?  
How can we work with the private sector to make more jobs available?  
Should states be required to provide job placement, education, and training?

Key Points:

- \* All major reform plans emphasize work requirements and time limits.
- \* Most women leave welfare (66% in 2 years), but most eventually return. The key isn't just getting people off, it's helping them stay off.
- \* We'll never do this unless we can find ways to involve the private sector.
- \* In the end, our success will be measured by how many people we move off welfare altogether, into jobs where they don't need us anymore. The number of people working should be one objective we use to measure results.

Pitfalls: Republican governors may try to leap ahead to discussion of block grants and state flexibility. Other Republicans may launch into an attack on training programs.

Who to Call On:

Leads: Carlson  
Carnahan [You announced your welfare plan in Kansas City and met with recipients who got off welfare through his program.]

Other Allies: Breaux  
Carper  
Moynihan  
Thompson  
Bryant

## **Important Facts About Welfare Durations for All Women *Beginning A Spell of Welfare Receipt***

The AFDC Microsimulation Model developed by DHHS/ASPE shows that:

- ◆ 66 percent of all women beginning a first spell of welfare receipt will have left the welfare rolls by the end of twenty-four months.
- ◆ 34 percent of the women who leave, return to the welfare rolls within the first year after leaving; by the end of five years, 61 percent have returned.
- ◆ When one takes into account multiple spells of welfare receipt, one finds that 58 percent of all women who start on welfare will spend more than 24 months on the welfare rolls.
- ◆ When one takes into account multiple spells of welfare receipt, one finds that 35 percent of all women will spend more than 60 months on the welfare rolls.
- ◆ 42 percent of those who will spend more than five years on the welfare rolls started receiving welfare as teenagers. They are at greatest risk of long-term welfare use.

## PARENTAL RESPONSIBILITY / CHILD SUPPORT ENFORCEMENT

Objective: Consensus that tough child support enforcement must be part of welfare reform

Questions: What programs are working?  
Why aren't states doing better? What tools do they need?  
What can we do to hold mothers, fathers, and government responsible for improving paternity establishment? Should children without paternity established be denied aid even if their mother is cooperating?  
What can we do to increase parental involvement from absent fathers?

Key Points:

- \* Child support enforcement must be a central component in any welfare reform bill. This is an issue where both parties should be able to agree.
- \* The gap between what absent parents pay and what they could pay is an estimated \$34 billion.
- \* In this area, the federal government needs to play a major role, because a third of child support cases are interstate cases, where it's toughest to collect.
- \* [NOTE: Our plan calls for improved paternity establishment in hospitals, tougher cooperation requirements for mothers who seek AFDC, central state registries, mandatory W-4 reporting of new employees, revocation of drivers and professional licenses, work requirements for parents who don't pay.]

Pitfalls: Some participants may complain about excessive federal mandates, but most states welcome tougher federal role. House Republicans may press their approach, which denies benefits to a child until paternity is established, even if the mother is cooperating.

Who to Call On:

Lead: Thompson [He launched a successful demo which requires delinquent parents to pay child support or work off what they owe.]

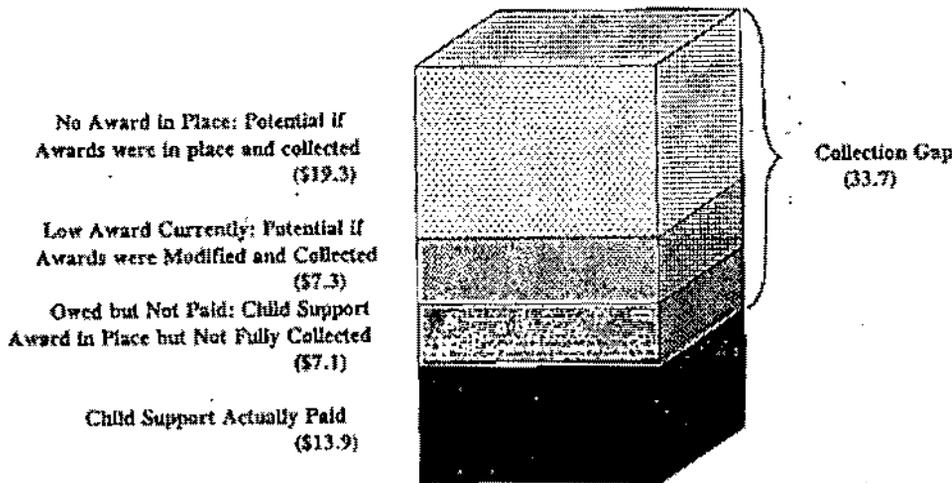
Other Allies: Gibbons  
Mikulski

## THE \$34 BILLION GAP IN CHILD SUPPORT

Recent research indicates that the potential for child support collections is approximately \$48 billion per year, yet only \$14 billion is actually paid. This means that there is a gap between what is currently received and what could theoretically be collected of about \$34 billion dollars. There are three reasons for this gap:

- First, not all existing awards are paid--for lack of enforcement. Currently, an additional \$7.1 billion (21 percent of the gap) could be collected if the full amount of child support due was enforced.
- Secondly, awards are generally set too low, are not adjusted for inflation, and do not reflect the noncustodial parents' current ability to pay. If awards were modified to reflect current guidelines, an additional \$7.3 billion (22 percent of the gap) could be collected.
- Finally, many single parents lack a legal child support order. If they did have an order in place, an additional \$19.3 billion (57 percent of the gap) could be collected. About half of those who do not have an award lack one because they do not have paternity established for their child(ren).

**The Gap Between Actual and Potential Child Support Collections**  
(in billions)



Source: Elaine Sorensen, *Non-Custodial Fathers: Can They Afford to Pay More Child Support?*, The Urban Institute, 1994.

## TEEN PREGNANCY / OUT-OF-WEDLOCK BIRTHS

Objective: Build consensus on the urgency of preventing teen pregnancy and discouraging births outside marriage. Try to show that Republican governors (and senators) oppose cutting off children of unwed teen mothers. Build consensus around our approach -- requiring teen mothers to live at home, stay in school, and cooperate in identifying father -- and enlist everyone's help in our National Campaign Against Teen Pregnancy.

Questions: What works in preventing teen pregnancy?  
What can we do to change the signals that welfare sends teen parents about responsibility? What should happen to a teen mother who applies for welfare? Does it make sense to permanently deny aid to teen parents and their children? What can we do to discourage teens from becoming fathers?

Key Points:

- \* This March marks the 30th anniversary of the Moynihan report, which first called the nation's attention to the problem of illegitimacy. In 1965, the rate of illegitimacy was around 7%. Now it's 30%, on its way to 40% in a decade.
- \* We do not know to what extent the welfare system is responsible for the breakdown of the family, but we do know that it sends the wrong signals and reinforces the wrong values.
- \* Any welfare reform plan must emphasize work and responsibility -- to make clear that welfare will no longer be a way of life, and that fathers and mothers alike will have to take responsibility for their children.
- \* Government will never solve this problem alone. I hope you'll join me in a national campaign against teen pregnancy that involves parents and religious, civic, and business leaders. This may be our greatest, and most difficult, social problem.

Pitfalls: Participants will be far more likely to bemoan the problem than to focus on concrete solutions. House Republicans will argue that welfare is entirely to blame for this problem, and that taking away welfare will magically solve it.

### Who to Call On:

Lead: Carper

Other Allies: Moynihan -- he should be the first to speak after Carper  
Bryant -- author of the family cap  
Engler -- opposes mandatory family cap, cutoff of unwed teen mothers  
Local and county officials -- oppose cutoff of unwed teen mothers

## STATE FLEXIBILITY / ACCOUNTABILITY

Objective: Look for ways to increase state flexibility while still holding the system accountable for national goals -- in moving people from welfare to work, improving paternity establishment and child support collection, and reducing out-of-wedlock births. Discuss potential financial risks of block grants. Try to distinguish the GOP governors' desire for flexibility from the House GOPs' desire to save money at the states' expense. Show House GOPs as only ones who want to 1) cut off legal immigrants and 2) block grant food stamps.

Questions: What are some areas where state flexibility can be expanded, and where a lack of flexibility has stood in the way of reform?  
What are the right national objectives for reform (e.g., work, parental responsibility, teen pregnancy, reduced fraud)?  
Is there any way to design a block grant formula that 1) won't put states at risk and 2) sets national goals for reform?  
Shouldn't nutrition programs be treated differently?

Key Points:

- \* This Administration has done more to promote state flexibility than any other. Welfare waivers to 23 states. Our welfare plan took many items that currently require waivers (like family cap) and turned them into state options.
- \* We're open to more ways to give states more flexibility and fewer rules. As Speaker Gingrich said, we shouldn't trade social engineering of the left for social engineering of the right.
- \* But we should distinguish matters of principle from matters of money. Our goal is not just more flexibility, but better results. In the end, our reforms will be judged by how many people we move from welfare to work, how much we improve child support enforcement and reduce teen pregnancy.

Pitfalls: GOP governors will try to get you to commit to endorsing a block grant or the proposed NGA policy. We should encourage them to keep Congress honest and continue to look out for the states' financial interests -- but we don't want to jump on board anybody's proposal right now. Instead, we should commit to keep talking with all parties involved. (Kassebaum, Grassley, and Meyers are also ardent block grant proponents.)

### Who to Call On:

Leads: Engler -- the most ardent proponent of no-strings block grant  
Dean -- wants national minimum benefit as condition of block grant

Other Allies: Carper  
Kennedy  
Moynihan

# State Welfare Reform Demonstrations



 **Clinton Administration**

As of January 25, 1995

 **Previous Administrations**

★ Demonstration Also Approved in Previous Administrations

## KEY DIFFERENCES MAJOR WELFARE REFORM PLANS

### WORK

- Admin.:** Phase-in 24 & under -- 400,000 in work program by year 2000  
Work for wages: people get paid based on # of hours worked  
Ultimate cutoff: No benefits for those who refuse to work  
Additional funding for working poor child care
- Contract:** Faster phase-in -- 900,000 in work program by year 2000  
Work for welfare: people work 35 hrs/wk. for same welfare check  
State option to cut off entire family after 2 years on welfare. States must cut off adult portion after 5 years on welfare.  
Ends state requirement to provide JOBS services
- Block Grant:** GOP gov. want flexibility, no performance standard.  
House GOPs want 20% of caseload (1 million) working by 2002.  
GOP gov. want no ultimate time limit; House GOPs want 5 years.
- Mainstream:** Same phase-in as House GOP.  
Work for wages  
Cut off adults after 4 years on welfare, but state option to grant extensions to certain % (probably 20%) of caseload.
- Progressives:** No individual time limits or work requirements  
Increased participation rates for states -- 25% in work activities by 2000

### CHILD SUPPORT ENFORCEMENT

- Admin.:** Mother must cooperate in paternity establishment to get AFDC  
Central state registries, mandatory W-4 reporting  
Take away drivers licenses; report to credit bureaus  
State option to require work/training of fathers
- House GOP:** No benefits for child until paternity established, even if mother cooperates  
Work programs for fathers.  
Few other provisions in Contract, but Shaw has now agreed to work with us to include toughest possible child support in whatever welfare bill they pass
- Block Grant:** Does not deal with child support programs
- Mainstream:** Same as Administration.
- Progressives:** Same as Administration.

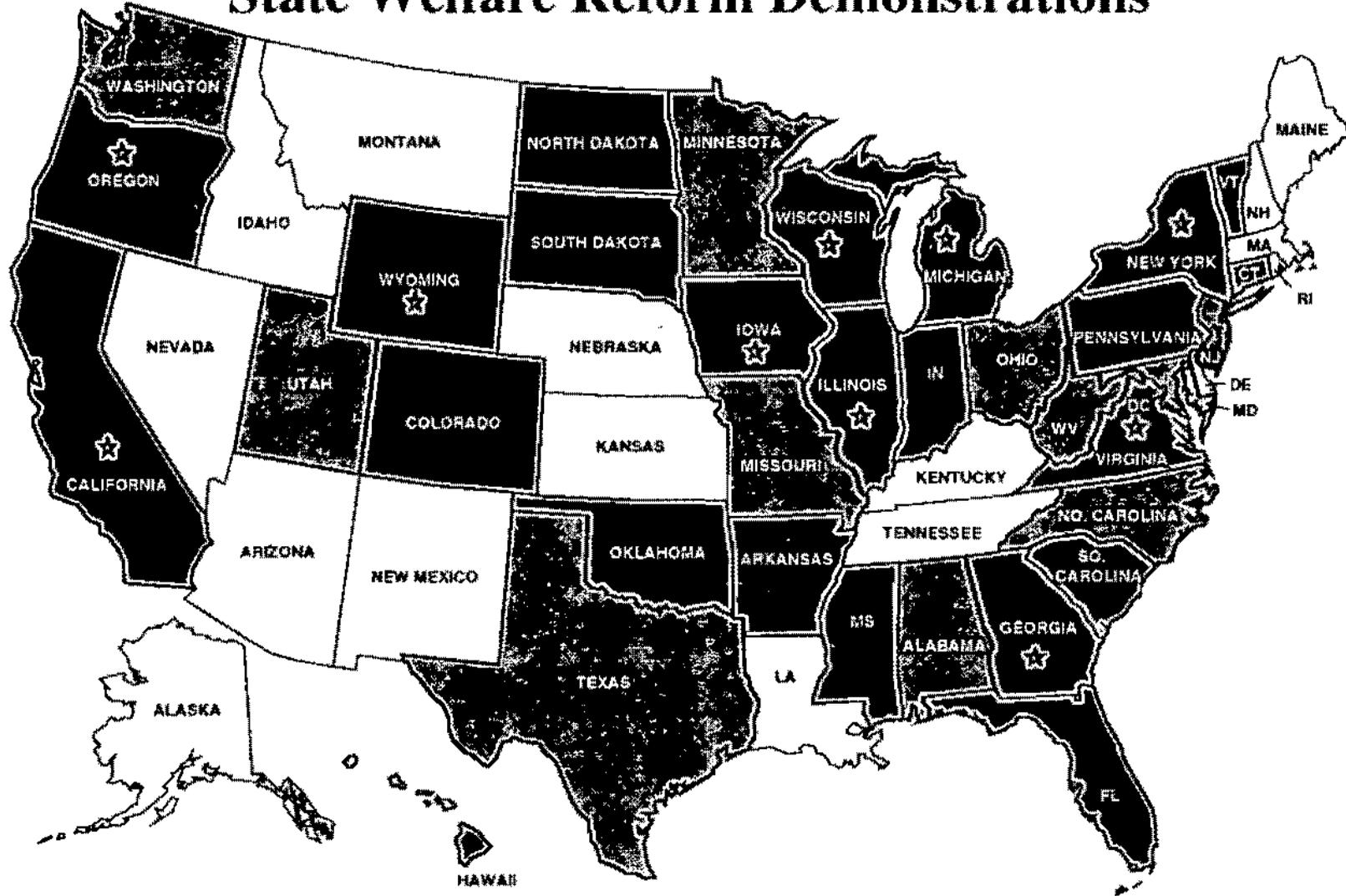
## TEEN PREGNANCY / PARENTAL RESPONSIBILITY

- Admin.: Minor mothers must live at home and stay in school  
State option to impose family cap  
Prevention grants to schools with highest teen pregnancy rates
- House GOP: Children born to unwed mothers under 18 permanently denied benefits; state option to apply to all mothers under 21  
Mandatory family cap  
Savings from denying benefits to out-of-wedlock children go to states for orphanages, foster care, group homes
- Block Grant: GOP govts oppose mandatory family cap; House GOP support it  
GOP govts oppose cutoff of unwed teen mothers; House GOP support it.  
[Note: Dole says this provision "isn't going to happen"]
- Mainstream: Mandatory family cap, but states can opt out of it.
- Progressives: Minor mothers live at home  
No family cap

## STATE FLEXIBILITY / FINANCING

- Admin.: State options on many things which now require waiver, such as family cap, earnings disregards, 2-parent rules  
Major financing provision requires families of legal immigrants to take responsibility by deeming for 5-10 years before benefits  
Maintains individual entitlement
- House GOP: Mandates family cap, cutoff of unwed teens  
Bars legal immigrants from AFDC, SSI, school lunch, immunization  
[Note: Gingrich said he prefers our approach -- deeming -- but Shaw says House will go forward with cutoff anyway]  
Nutrition block grant would cut food stamps by 12%, cost 200,000 jobs  
Ends individual entitlement. Block grant formula would have cut federal AFDC aid to states by 26% if in place over the last 5 years.  
Nearly \$60 billion in cuts used to pay for tax cuts
- Block Grant: GOP govts oppose mandatory cutoff of legal immigrants; House GOP supports  
GOP govts want capped entitlement; House wants discretionary block grant
- Mainstream: Last year's bill paid for by ending benefits to legal immigrants. We're trying to convince them to do less of that this year.
- Progressives: No financing specified. Prefer to cut "welfare for the wealthy"

# State Welfare Reform Demonstrations



 **Clinton Administration**

As of January 25, 1995

 **Previous Administrations**

★ Demonstration Also Approved in Previous Administrations

PRESIDENT'S STATEMENT  
WELFARE REFORM  
December 8, 1994

Today, in a meeting with governors from both parties, I announced that the White House will convene a national bipartisan working session on welfare reform next month.

Welfare reform is a top priority for my Administration, for the governors, for the new Congress, and above all, for the American people. Americans have asked their elected officials to put aside politics as usual and begin earnest work to solve our nation's problems – and welfare reform is at the very top of our agenda.

I have called for this session as a first step in an honest dialogue about our country's broken welfare system and what we must do to fix it. Washington doesn't have all the answers, and government doesn't, either. Every one of us in this country has to begin taking individual responsibility for turning this country around.

I have worked on this issue for my whole career in public life. When I was a governor, I worked closely with President Reagan and Senator Moynihan to develop the bipartisan consensus that led to passage of important legislation to strengthen families and move people from welfare to work.

I believe we must end welfare as we know it, because the current welfare system is a bad deal for the taxpayers who pay the bills and for the families who are trapped on it. The American people deserve a government that honors their values and spends their money judiciously, and a country that rewards people who work hard and play by the rules.

People want their leaders to stop the partisan bickering, come together, and roll up their sleeves and get to work. This meeting will be the beginning of a new day not just for the welfare system, but for how our government works.

## WELFARE REFORM Q&A

Q. What is it?

A. The White House will convene a national bipartisan working session on welfare reform. Welfare reform is a top priority for the Administration, the new Congress, governors, and the American people. This meeting is the first step in bringing leaders together from around the country and across party lines to look for common ground on the problems and solutions to welfare reform.

Q. What do you expect from this session?

A. There are plenty of different ideas in both parties and around the country about how to overhaul the welfare system. We don't expect to reach consensus on legislation at this session, but our hope is that participants will come with an earnest interest in finding areas of agreement and disagreement. We hope that the bipartisan atmosphere can lead to an honest debate, in which leaders from around the country may realize that when you put politics aside, the distance between their goals for welfare reform is not so great.

Q. Why are you doing this?

A. The American people want their elected officials to put aside their partisan differences and work in new ways to solve their problems. We think this meeting can begin to do just that. We don't want to let partisan differences or politics get in the way of fixing a welfare system that all Americans without regard to party agree needs fundamental change.

Q. When and where will this meeting take place?

A. In Washington, at a site and date to be announced soon.

Q. Who will come?

A. The meeting will bring together elected officials from both parties and around the country -- governors, members of Congress, mayors and county officials.

Q. What does this mean for the Clinton Administration's welfare reform bill?

A. We introduced a good, strong, centrist bill this year that was based on the President's fundamental principles and lifetime of work on this subject -- work requirements, time limits, the toughest possible child support enforcement, preventing teen pregnancy, and eliminating fraud and abuse. We'll put our ideas on the table in the new Congress, and so will others. The important thing is that we are all committed to working across party lines and listening to leaders at all levels of government to produce real, lasting welfare reform.

Q. Does this mean everything is on the table, including orphanages?

A. No. Our principles haven't changed. This Administration is firmly opposed to the Republican Contract's orphanage proposal which would cost billions of dollars, create a new government bureaucracy, and divide families instead of strengthening them. But we believe that there are many solutions to teen pregnancy, welfare dependency, deadbeat parents, etc. on which both parties and the overwhelming majority of Americans can agree.

Q. What role will Speaker Gingrich and other Republican leaders play in this session?

A. We look forward to and welcome his participation, and the participation of other Republican leaders.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ASSISTANT SECRETARY FOR PLANNING AND EVALUATION



PHONE: (202)690-7858 FAX: (202)690-7383

Date: 1/25/95

From: Naomi

To: Bruce Reed

Division: \_\_\_\_\_

Division: \_\_\_\_\_

City & State: \_\_\_\_\_

City & State: \_\_\_\_\_

Office Number: \_\_\_\_\_

Office Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Fax Number: 456-5557

Number of Pages + cover 5

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To: Bruce Reed  
From: Naomi Goldstein  
Re: Draft one-page guides for working session sessions  
Date: January 25, 1995

---

We will be sending over a full draft briefing book for the President later this morning.

I attach four draft one-page guides for the President to use in the four sessions on Saturday.

*(for comment, of course. Thx)*

## State Flexibility Session

### Objectives

- Explore the balance of state flexibility and a national framework, exploring potential distinctions between nutrition programs and cash programs.
- Understand the potential dangers to states and to recipients of caps and block grants.
- Discuss alternative strategies for achieving more state flexibility within the current entitlement framework.

### Possible opening:

We've talked all through the earlier sessions about the importance of state flexibility. We can probably all agree that we can and should loosen up some of the requirements in the AFDC program and give the states more flexibility to develop individual approaches to training, work, parental responsibility, teen pregnancy, and so on. But we've also talked about national purposes and national commitments; some things every welfare program should do and some things no welfare program should do. Perhaps we can start by exploring the advantages and the risks of converting some of the public aid programs to a block grant.

### Directions to avoid:

The main direction to avoid is too early or too easy closure on a poorly thought out block grant proposal. It will be essential to emphasize and explore the twin themes of national goals/purpose and the dangers to states and vulnerable populations from a rigid funding structure inherent in block grant approaches. Thus it might be helpful to governors or local officials to ask what would happen in their state/locale if a severe recession hit or if population grew rapidly due to migration. It will also be important to consider distinctions between food stamps and AFDC.

### Leading questions:

- What are some areas where state flexibility is most important? Where has a lack of flexibility prevented real change in the welfare system?
- What are legitimate national objectives for reform, protecting the vulnerable, and accountability? How can we get states to reform welfare, to prevent fraud, to focus on work and responsibility?
- If every new dollar in spending for innovative programs must come from the states, will that spur or deter real welfare reform in most states? Won't this create especially large problems in states with very limited fiscal capacity?
- If there is block grant funding, what will the state do when the economy turns down and state costs rise dramatically? What if population grows? (The child population in Florida grew by 17 percent between 1988 and 1993) Is there a danger of waiting lists, or arbitrarily reduced benefits, or groups of people being cut off? Could a block grant which is adjusted by formula really adjust for changing local conditions?
- Wouldn't a welfare block grant be particularly vulnerable to future federal budget cuts?
- Will states maintain their current level of support for low income families? Is there a danger that some states will simply dramatically cut back benefits to reduce state costs and encourage out-migration of the poor?
- Should nutrition programs, with their national nutrition standards and 100% federal funding be seen differently from AFDC with its highly variable benefit levels and 55% federal funding?

## Parental Responsibility

### Objectives:

- Reach consensus on need for child support enforcement as a part of welfare reform.
- Recognize the critical federal role in child support enforcement activities.
- Conclude with general bipartisan and intergovernmental support for the broad direction toward child support enforcement taken in the Work and Responsibility Act.

### Possible Opening:

This may be the area where there is the greatest agreement among all of us. No one can dispute the importance of holding both parents responsible for the support of their children. And we all know we have a long way to go if we are going to achieve that objective. I also think the case for a major federal role is perhaps strongest here. Over a third of child support cases are interstate cases. They are currently a nightmare to collect. And the federal government has played a major role in helping states to invest in computerization which is essential for child support enforcement to work. The question is what steps must we take to get achieve real change in the system and close the \$34 billion gap in child support payments.

### Directions to Avoid:

Some participants may complain about excessive federal mandates. Others will argue that most states have not taken the issue seriously until they were pressured to do so. Alice Rivlin or Donna Shalala might note that states have done very well on their federal reimbursements, which often pay more than the cost of the program (net of state AFDC savings). Participants may also seek to use this session to focus on the issue of out-of-wedlock childbearing.

### Leading Questions:

- One striking fact in the briefing book is that 57 percent of the potential child support that goes uncollected occurs because we fail to establish paternity. Why are most states doing such a poor job? What has worked in improving paternity establishment? What tools do states need?
- Is the basic problem that welfare mothers are not willing to cooperate in identifying the father or that states and localities lack the resources or the resolve to actually pursue the cases?
- A common theme in most proposals is the greater use of technology and the need to coordinate systems across states. A number of proposals have been proposed, including central state registries linked to a national registry, W-4 reporting, increased use of IRS. Are these sensible ideas?
- To what extent can and should we hold states responsible for improving their child support system? How can the federal government help?
- Should our child support reforms also include strategies to increase parental involvement by absent parents? Should training and mandatory work programs be applied to non-custodial parents as well as custodial parents?

## Work/Welfare Session

### Objectives:

- Reach consensus on the need to move people from welfare into private sector jobs that allow them to support their families and achieve independence.
- Discuss strategies for moving people to work and acknowledge the barriers (lack of health coverage, limited child care, poor training, lack of jobs, culture of welfare offices).
- Discuss what should happen to people who have not moved from welfare to work within a specified time limit.

### Possible Opening:

We all agree that the welfare system fails to reinforce work and responsibility, don't we? A central goal of welfare reform must be to move people from welfare into jobs where they can support their families. Welfare must become the transitional system it was meant to be. The primary issue for this session is: what strategies are most effective for transforming the welfare system into something truly transitional and how can we successfully move people from welfare to work?

### Directions to Avoid:

A few areas could lead to a less fruitful discussion here. The first digression might occur if the governors argue that the most important impediment to reform is Washington, making the discussion a debate about state flexibility. That discussion ought to be deflected by focussing on specifics that have worked in their states and by noting that the topic will be discussed later. The second danger is that people spend all their time attacking the current system without considering real alternatives. Again the best strategy may be to focus on specifics. A third danger is the belief that education and training don't work. The best strategy for this is the evidence from carefully evaluated work-to-welfare programs.

### Leading Questions:

- How important is training, education, and job placement in successfully moving people from welfare to work? How much can these achieve?
- How successful was the Family Support Act in achieving real reform? Why haven't more states done some of the dramatic reforms that governors in this room have done? How can the federal government help?
- What will it take to genuinely transform the mission of the welfare system and the nature of welfare offices?
- Why is it so common that women leave welfare (70% leave in first 2 years) but return to it (3/4s eventually return)? What can be done to address that problem?
- What are the barriers that people face in moving from welfare to work--adverse incentives, limited child care, lack of health care, lack of jobs, the culture of welfare offices?
- If we do impose time limits, what happens to people when they hit the limit? What if they live in a weak economy? What about people who are severely disadvantaged?
- Are there enough jobs out there for recipients now? In areas where there are not, where will the jobs come from?

## Teen Pregnancy/Out-of-Wedlock Childbearing

### Objectives:

- Build on consensus about the need to prevent teen pregnancy and out-of-wedlock childbearing.
- Discuss/debate strategies for preventing these behaviors.
- Recognize the complexity of the problem and the serious limitations in our knowledge and ability to change the behavior.

### Possible Opening:

We all agree that the growth in the proportion of children born out-of-wedlock creates huge problems for our society. (Acknowledge Senator Moynihan's role in calling attention to this problem.) We must send a clear message about avoiding sexual activity and delaying parenting. We all seem to agree that the welfare system often sends the worst possible signals when it allows unmarried teenage mothers to set up independent households, drop out of school, and collect welfare indefinitely. Yet we know all too little about what really will turn the problem around. What can we do to really prevent teen pregnancy and out-of-wedlock childbearing?

### Directions to Avoid:

One concern is that the discussion will get tied up in a rather abstract bemoaning of the problem and the failures of welfare. A related danger is that people will spend so much time emphasizing the problems that they will feel comfortable promoting draconian solutions without thinking either about their real effectiveness or about the implications for the parents and mothers involved. In each case forcing people to think concretely about specific plans and about people in specific situations would be helpful. Throughout the discussion, the question of will it work and who could be harmed ought to be considered.

### Leading Questions:

- How do we send the message to young people that sexual activity and parenting should be delayed until both parents are in a position to nurture and provide for their children?
- How do we get communities and schools to take seriously the task of reducing teen pregnancy?
- What role should elected officials play in changing the attitudes of young people?
- What specific ways could be used to change the messages of the welfare system about teen parenting? In each case: what evidence do we have they will work, and what will be the impact on children and families?
- What should happen to a young unmarried mother who applies for welfare? Can we at least agree that teen parents should stay in school, stay at home, and identify the father before they are allowed to get public assistance?
- Does it make sense to permanently deny aid to teen parents and to their children?
- Should family caps be mandatory or state option?

January 19, 1995

## WORKING SESSION ON WELFARE REFORM

### Tentative Agenda

**Goal:** To explore vigorously and thoughtfully the key issues surrounding welfare reform with elected officials from all levels of government. In a small, off-the-record format, participants will be able to speak openly and practically about the critical policy questions.

**Structure:** The working session will include a mix of Governors, members of Congress, state legislators, and local officials, both Democrats and Republicans. It would be divided into discussions of four topics. Approximately one hour would be available for each issue. For each topic, several designated participants would begin with very brief presentations designed to help frame the issues from their perspectives. Discussion would then be open-ended with the President acting as a participant/moderator.

**Topics:** The list of topics could include:

Work/Welfare--This discussion would focus on ways to make welfare transitional and to move people into work. Work requirements, time limits, and job opportunities would be included in this discussion.

Parental Responsibility--The primary topic in this category would be the need for non-custodial parents to do their share to support and nurture their children. Key issues would include specific ways to establish paternity, improve child support enforcement, and the proper role of the states and federal government in these efforts.

Teen Pregnancy/Out-of-Wedlock Childbearing--This category centers on strategies to reduce teen pregnancy and out-of-wedlock childbearing. Specific ideas include community-based prevention strategies, eliminating benefits to minors and children born to minors, and requiring minor parents to complete school and live with a responsible adult.

State Flexibility--This discussion would include creating more flexibility within the individual entitlement structure, block grants, entitlement versus discretionary funding, and waiver issues.

January 19, 1995

## WORKING SESSION ON WELFARE REFORM Tentative Agenda

**Goal:** To explore vigorously and thoughtfully the key issues surrounding welfare reform with elected officials from all levels of government. In a small, off-the-record format, participants will be able to speak openly and practically about the critical policy questions.

**Structure:** The working session will include a mix of Governors, members of Congress, state legislators, and local officials, both Democrats and Republicans. It would be divided into discussions of four topics. Approximately one hour would be available for each issue. For each topic, several designated participants would begin with very brief presentations designed to help frame the issues from their perspectives. Discussion would then be open-ended with the President acting as a participant/moderator.

**Topics:** The list of topics could include:

Work/Welfare--This discussion would focus on ways to make welfare transitional and to move people into work. Work requirements, time limits, and job opportunities would be included in this discussion.

Parental Responsibility--The primary topic in this category would be the need for non-custodial parents to do their share to support and nurture their children. Key issues would include specific ways to establish paternity, improve child support enforcement, and the proper role of the states and federal government in these efforts.

Teen Pregnancy/Out-of-Wedlock Childbearing--This category centers on strategies to reduce teen pregnancy and out-of-wedlock childbearing. Specific ideas include community-based prevention strategies, eliminating benefits to minors and children born to minors, and requiring minor parents to complete school and live with a responsible adult.

State Flexibility--This discussion would include creating more flexibility within the individual entitlement structure, block grants, entitlement versus discretionary funding, and waiver issues.

*more time* { legal issues, financing

*Ray - 1 1/2 hrs.*

for the

100 call

Case Ref  
228-4538

Case by  
702-8153

Conference Call With State & Local Elected Officials  
In Preparation for Welfare Working Session

January 23, 1995

Conference Call Numbers:

456-6755

456-6766

Code Number: 4059

List of Participants

**Mayors**

Greg Lashutka (R)  
Mayor of Columbus, Ohio

\*\* Joseph Serna, Jr. (D) (has not yet been confirmed)  
Mayor of Sacramento, California

**County Officials**

Yvonne Brathwaite Burke (D)  
Chair, Los Angeles County Board of Supervisors

Michael Pappas (R)  
Freeholder, Somerset County  
Summerville, New Jersey

**State Legislators**

Wayne Bryant (D)  
Assemblyman of the State of New Jersey

James Lack (R)  
Senator of the State of New York

**Administration Officials**

Marcia L. Hale  
Carol Rasco  
Bruce Reed  
John Monahan

## **JANUARY EVENTS**

<b>Friday, January 20</b>	<b>Ways and Means subcommittee hearing - teens and illegitimacy</b>
<b>Monday, January 23</b>	<b>Ways and Means subcommittee hearing - child welfare (Bane testifies)</b>
	<b>Ways and Means subcommittee hearing - work</b>
<b>Tuesday, January 24</b>	<b>State of the Union</b>
<b>Wednesday, January 25</b>	<b>Senate Government Affairs hearing</b>
<b>Thursday, January 26</b>	
<b>Friday, January 27</b>	<b>Ways and Means subcommittee hearing - SSI.</b>
	<b>Ohio Waiver granted?</b>
	<b>CNBC "America's Talking" - Secretary Shalala (tentative)</b>
	<b>CNN "Newsmaker" - Secretary Shalala (tentative)</b>
<b>Saturday, January 28</b>	<b>Welfare Working Session</b>
<b>Sunday, January 29</b>	<b>"Face the Nation" - Secretary Shalala (tentative)</b>
<b>Monday, January 30</b>	<b>Wall Street Journal lunch - Secretary Shalala</b>
<b>Tuesday, January 31</b>	<b>NGA Speech</b>

**POSSIBLE ADDITIONS TO SCHEDULE**  
**U.S. Conference of Mayors event?**  
**Breaux Breakfast?**

THE WHITE HOUSE

WASHINGTON

Office of Legislative Affairs  
Fax Cover Sheet

Date

1/19

To:

Bruce Reed

Jeremy Ben-Ami

Fax Number:

6-7431 / 6-5557

From:

Susan Brophy

at (202) 456-2230.

Comments:

Proposed agenda for 4pm

Note: The information contained in this facsimile message is CONFIDENTIAL and intended for the recipient ONLY. If there is a problem with this transmission, please contact the sender as soon as possible.

19/95

04:00

2024566220

AGENDA FOR DEMOCRATIC WELFARE MEETING  
January 19, 1995

- I. Pat Griffin: Welcome and Logistics of Working Session  
(5 minutes)
  
- II. Carol Rasco: The President's Goals -- what he hopes  
(5 - 10 minutes) to get out of the session.  
  
Four Topic Areas
  
- III. Bruce Reed (1) Administration principles based on  
David Ellwood WRA  
Mary Jo Bane (2) Short discussion of key issues  
(15 - 20 minutes) within four categories  
  
(3) Contrast with Republican plan
  
- IV. DISCUSSION  
(25 - 35 minutes)

January 19, 1995

## WORKING SESSION ON WELFARE REFORM

### Tentative Agenda

**Goal:** To explore vigorously and thoughtfully the key issues surrounding welfare reform with elected officials from all levels of government. In a small, off-the-record format, participants will be able to speak openly and practically about the critical policy questions.

**Structure:** The working session will include a mix of Governors, members of Congress, state legislators, and local officials, both Democrats and Republicans. It would be divided into discussions of four topics. Approximately one hour would be available for each issue. For each topic, several designated participants would begin with very brief presentations designed to help frame the issues from their perspectives. Discussion would then be open-ended with the President acting as a participant/moderator.

**Topics:** The list of topics could include:

Work/Welfare--This discussion would focus on ways to make welfare transitional and to move people into work. Work requirements, time limits, and job opportunities would be included in this discussion.

Parental Responsibility--The primary topic in this category would be the need for non-custodial parents to do their share to support and nurture their children. Key issues would include specific ways to establish paternity, improve child support enforcement, and the proper role of the states and federal government in these efforts.

Teen Pregnancy/Out-of-Wedlock Childbearing--This category centers on strategies to reduce teen pregnancy and out-of-wedlock childbearing. Specific ideas include community-based prevention strategies, eliminating benefits to minors and children born to minors, and requiring minor parents to complete school and live with a responsible adult.

State Flexibility--This discussion would include creating more flexibility within the individual entitlement structure, block grants, entitlement versus discretionary funding, and waiver issues.

WELFARE REFORM STRATEGY  
POTUS Mtg. 1/19/95

Run-up to Summit:

- Press on waivers

Where the Govs are

- Main issues: block grants, reqts.

Strategic Options after the Summit

1. Reintroduce WRA old bill -- perhaps with more financing.
  - Pros: Sticking to your principles; any bill you put in won't matter, so why worry?
  - Cons: Yesterday's news -- won't look much like what passes. Financing.
2. Develop new plan with govts, moderates -- more state flex, maybe block option
  - Do quickly (Subcomm hearings in Feb) -- or start Mainstream process like HC
  - Pros: Gets us back in the game with viable plan. Bipartisan. Aligns us w/govts.
  - Cons: Left may grumble. May be best deal we can get, and if it's your idea, Gingrich/Dole may insist on passing something else. Financing.
3. Stick to principles, with aggressive amdt and PR strategy -- any bill that meets these tests
  - Pros: Keeps us out of legislative details. Maximum flexibility. No financing.
  - Cons: Leaves Dems w/o compelling alternative. We'll get whacked from the left for vacating the field and from the right for not having a plan.
4. Endorse someone else's bill -- ask Breaux, Castle, NGA to work something out, bless it
  - Pros: More likely to prevail if it's not our bill.
  - Cons: Less credit (and control). Could wait awhile, House will pass in meantime.

Combination of #2 and #3 -- principles for now, while we work out a plan with our allies.

WELFARE SUMMIT LIST

SENATE:

The Honorable Bob Dole  
Majority Leader  
United States Senate  
Washington, D.C. 20510  
contact: Sheila Burke 224-6521

The Honorable John B. Breaux  
516 Hart Building  
United States Senate  
Washington, D.C. 20510  
contact: 224-4623

The Honorable Bob Packwood  
Chairman, Finance Committee  
United States Senate  
Washington, D.C. 20510  
contact: Lindy Paul 224-5244

The Honorable Daniel Patrick Moynihan  
Ranking Member, Finance Committee  
United States Senate  
Washington, D.C. 20510  
contact: Lawrence O'Donnell 224-4451

The Honorable Nancy Landon Kassebaum  
Chairman, Labor and Human Resources  
United States Senate  
Washington, D.C. 20510  
contact: Susan Hattan 224-4774

The Honorable Edward M. Kennedy  
Ranking Member, Labor and Human Resources  
United States Senate  
Washington, D.C. 20510  
contact: Nick Littlefield 224-4543

**HOUSE:**

The Honorable Newt Gingrich  
Speaker  
House of Representatives  
Washington, D.C. 20515  
contact: Jack Howard 225-4501

The Honorable Richard A. Gephardt  
Democratic Leader  
House of Representatives  
Washington, D.C. 20515  
contact: Andie King 225-2671

The Honorable Bill Archer  
Chairman, Committee on Ways and Means  
House of Representatives  
Washington, D.C. 20515  
contact: Phil Moseley 225-2571

The Honorable Sam Gibbons  
Ranking Member, Committee on Ways and Means  
House of Representatives  
Washington, D.C. 20515  
contact: Janice Mays 225-3376

The Honorable William F. Goodling  
Chairman, Committee on Economic and Educational  
Opportunities  
House of Representatives  
Washington, D.C. 20515  
contact: Jay Eagen 225-5836

The Honorable William Clay  
Ranking Member, Committee on Economic and Educational  
Opportunities  
House of Representatives  
Washington, D.C. 20515  
contact: Gail Weiss 225-2406

Participants in 1/28/95 meeting

**Governors**

The Honorable Howard Dean  
Governor of Vermont  
109 State Street  
Montpelier, Vermont 05609  
p-802-828-3333  
f-802-828-2218

P6/(b)(6)

The Honorable Tommy Thompson  
Governor of Wisconsin  
State Capitol, Room 115 E  
P.O. Box 7863  
Madison, Wisconsin 53702  
p-608-266-2734  
f-608-267-8983

P6/(b)(6)

The Honorable Arne H. Carlson  
Governor of Minnesota  
130 State Capitol  
St. Paul, Minnesota 55155  
p-612-296-3391  
f-612-296-2089

P6/(b)(6)

The Honorable Mel Carnahan  
Governor of Missouri  
State Capitol Building  
Room 216  
Jefferson City, Missouri 65101  
p-314-751-3222  
f-314-751-1495

P6/(b)(6)

The Honorable Thomas R. Carper  
Governor of Delaware  
Carvel State Office Building  
320 N. French Street  
Wilmington, Delaware 19801  
p-302-577-6636  
f-302-577-3118

P6/(b)(6)

The Honorable John Engler  
Governor of Michigan  
P.O. Box 30013

Lansing, Michigan 48909  
p-517-373-3400  
f-517-335-6949

P6(b)(6)

**Mayors**

not yet confirmed

*Laschetten-Columbus*

**County Officials**

The Honorable Yvonne Brathwaite Burke  
Chair, Los Angeles County Board of Supervisors  
500 West Temple Street, Room 866  
Los Angeles, California 90012  
p-213-974-1075  
f-213-680-3283

Mr. Michael Pappas  
Freeholder, Somerset County  
P.O. Box 3000  
Somerville, New Jersey 08876  
p-908-231-7030  
f-908-707-4127

**State Legislators**

Democratic State Legislator - not yet confirmed

*Wayne Bryant*

The Honorable James Lack  
Senator of the State of New York  
Albany, New York 12247  
p-518-455-2071  
f-518-455-3234

to school.

I have to leave at 3:15. Would you fix the stuff for

me 690-7383.

# AGENDA (1/18/25)

Press

Waiver list

Radio Address

POTUS speech

1. Update on Invites
2. Update on Staff Meetings
  - Review schedule of pre-meetings
3. Prep for Hill Staff Meetings *Fri 2-3 Bipartisan - 3:15 curr*  
*Thurs 4 D's*
4. Logistics Update
5. Next Steps
  - Daily staff call/meetings

**Current Schedule of Meetings**

**This Week**

**By January 19**

All individual Hill staff meetings complete

Rm. 180 Friday

**January 19**

Democratic Hill Staff

**January 20**

Bipartisan Hill Staff

By 1/20: Meeting with Gov staff(?)  
Conference Call with Locals

**Next Week**

**January 25**

Staff Attendees Identified  
Background Materials Submitted

**January 27**

POTUS Briefing

**To Be Scheduled**

Follow up Staff meetings

(?) All Dem staff meeting – Thursday or Friday –  
Distribute talking points, go over strategy?



NEW JERSEY GENERAL ASSEMBLY

DEPUTY DEMOCRATIC LEADER  
WAYNE R. BRYANT, ESQ.  
ASSEMBLYMAN, 5TH DISTRICT  
CAMDEN-GLOUCESTER COUNTIES  
200 N. FIFTH STREET  
(CORNER OF 5TH & COOPER)  
CAMDEN, NJ 08102  
609-757-0552

COMMITTEES  
LEGISLATIVE SERVICES  
COMMISSION  
POLICY AND RULES  
EDUCATION

TELECOPIER COVER LETTER

TOTAL NUMBER OF PAGES 15 (Including Cover)  
TO : BRUCE REED  
FROM: Assemblyman BRYANT  
DATE: 12-13-94  
RE: ~~THE~~ PRESIDENT'S WELFARE SUMMIT

REMARKS

Per the instructions of James Gaymon,  
enclosed is WELFARE REFORM INITIATIVES  
I AUTHORED IN NJ. AS PREVIOUSLY  
discussed w/ Clinton Admin. I'M VERY INTERESTED  
IN SERVING ON THE PRES. COMMITTEE.  
If you do not receive all the pages, please call  
sender as soon as possible.

Valerie Wallace / (609) 757-0552  
(Name) (Phone Number)

CONFIDENTIAL NOTICE

The information contained in this facsimile transmission  
may be privileged and confidential information from the  
office of Assemblyman Bryant intended for the sole use  
of the person(s) or entities named on this cover sheet.  
If you are not an intended recipient of this transmission,  
the dissemination, distribution, copying or use of the  
information it contains is strictly prohibited. If you  
have received this transmission in error, please call  
the sender immediately to arrange for the return of this  
information.



## NEW JERSEY GENERAL ASSEMBLY

DEPUTY DEMOCRATIC LEADER  
WAYNE R. BRYANT, ESQ.  
ASSEMBLYMAN, 5TH DISTRICT  
CAMDEN-GLOUCESTER COUNTIES  
200 N. FIFTH STREET  
(CORNER OF 5<sup>TH</sup> & COOPER)  
CAMDEN, NJ 08102  
809-767-0552

COMMITTEES  
LEGISLATIVE SERVICES  
COMMISSION  
POLICY AND RULES  
EDUCATION

### NEW JERSEY'S WELFARE REFORM PLAN by Assemblyman Wayne R. Bryant

#### GOALS:

Built around the principles of family unity, education, responsibility and opportunity, my new welfare reform laws have changed the purpose and structure of welfare in New Jersey.

Collectively, the six new laws are intended to give each member of the impoverished family access to educational and vocational opportunities in order to help them make the transition from welfare to gainful employment and self-sufficiency. No other program in the country deals so holistically with the entire family. My program acknowledges that until the needs and the problems of the family are confronted in a comprehensive way, welfare will continue its course of entrapping one generation after the next in a modern form of slavery.

The laws' other principle focus is to remove the financial disincentives to family unity that were present in the former New Jersey welfare laws.

#### WHY WELFARE IS NOT TRANSITIONAL:

In crafting this plan, I recognized that the traditional welfare system that provides Aid to Families with Dependent Children (AFDC) benefits to 360,000 individuals (112 adults/248,000 children) and general assistance to 22,000 single individuals, offers no programmatic means of breaking recipients' dependency upon welfare.

Development Act. In addition to establishing educational and vocational achievements as a condition for welfare benefits, I have directed the state to craft and monitor an assistance program tailored to an individual family's needs. This is an opportunity to offer a new and more comprehensive approach to addressing the needs and responsibilities of the recipients, with an emphasis on strengthening families, remedying basic deficiencies in educational skills and developing real private sector job opportunities with a future. The spirit of this program is to provide the AFDC family with substantive assistance, which allows for a smoother integration into society upon graduation from the program. So if, for example, a welfare mother needs child care services while she works toward her high school equivalency diploma, the state will provide it.

-3-

If a child in the family needs tutoring, the state will provide it. And if a member of the family requires substance abuse counseling or treatment, that will also become part of the individualized family plan.

Other programs and services to be offered to recipients taking part in the Family Development Act include: job development and placement in full-time permanent jobs, preferably in the private sector; counseling and vocational assessment; intensive remedial education, including instruction in English-as-a-second language; financial and other assistance for higher education, including four-year and community colleges, and for post-secondary vocational training programs; job search assistance; community work experience; employment skills training focused on a specific job; and on-the job training in an employment setting.

The program will be designed to ensure that each participant and member of the participant's family, as age appropriate, has attained the equivalent of a high school degree, before assigning that person to a vocational-related activity under the program. Participation in the program is mandatory for persons whose children are two years of age or younger. Single persons (generally males) receiving General Assistance (GA) grants will also be mandated to participate in this program (particularly job training or gainful employment).

The goal of education is fundamental if the welfare system is truly to become a transitional one. Before recipients can maintain a full-time job in the private sector, they must first obtain the education that is necessary to compete in the private sector. The same logic follows with vocational training. The program attempts to equip the recipients with the mental faculties necessary for their survival outside the welfare system. In addition, the program provides for one or more persons, in each participating county, to be responsible for job development for the program. The emphasis is on finding and creating permanent full-time unsubsidized jobs in the private sector which offer adequate wages and benefits to support a family.

In return, recipients and their families are asked to meet the terms of a contract that requires them to work toward an educational or vocational goal. They are responsible for that contract and the program provides meaningful penalties for noncompliance. If they break it, they risk a 20 percent reduction in benefits for a period of at least 90 days. The penalty is applicable to a recipient who, without good cause, fails or refuses to enroll and actively participate in the program or fails to attend or make satisfactory academic progress in the educational or vocational training classes under the program. The penalty is imposed as a measure to ensure compliance and to warn recipients of the seriousness of the program.

-4-

**Bill #2 A-4701**

In order for New Jersey's new welfare program to really work, the people who stand to benefit the most by it must have access to its services. The best way to gain access is by having information.

My second reform law puts that information in people's hands. This measure establishes a toll-free hotline through which anyone with a question about the myraid of social service programs and their eligibility can get answers.

The law establishes a 24-hour comprehensive social services toll-free computerized telephone hotline linked into a computerized statewide social services data bank to be developed by the Department of Human Services.

The services will receive and respond to persons seeking information and referrals concerning agencies and programs which provide various social services, including: child care, child abuse emergency response, job skills training, services for victims of domestic violence, alcohol and drug abuse, home health care, senior citizen programs, rental assistance, services for persons with developmental disabilities, mental health programs, emergency shelter assistance, family planning, legal services, assistance for runaways and services for the deaf and hearing impaired, as well as information about public assistance, Medicaid, Pharmaceutical Assistance to the Aged and Disabled, Lifeline, Hearing Aid Assistance for the Aged and Disabled, food stamps and Home Energy Assistance.

The new hotline will serve to consolidate and expand the information and referral resources currently available through a number of other State hotlines. This is designed to provide a more realistic approach to the system. Everyone must have access to vital information regarding social services and to avail that information strictly to English speaking recipients is to ignore the fact that a great percentage of recipients do not speak English. This law will facilitate the process for everyone involved, and will offer greater convenience for persons with multiple social service needs.

**Bill #3 A-4702**

The third component of my package is one of two bills that tears down the financial barriers to marriage and family life in the welfare household. Commonly referred to as the "step-parent law," its provisions allow AFDC benefits for children to continue if the natural parent marries. The children's benefits would be calculated based on a sliding scale, which does not take into account the income of the mother's husband, provided that the family's household does not exceed 150 percent of the official

-5-

poverty level (\$21,000 for a family of four). The spouse of the eligible parent and the spouse's natural child, if any, who is not the eligible parent's natural child, shall not be eligible for benefits.

My intent with this law is to encourage marriage and family stability among AFDC recipients by allowing for more flexibility for family development without penalizing the natural child of a recipient. The bill also allows for flexibility in the income generating ability of the family, while ensuring that fathers meet the financial responsibilities of supporting their spouses and their natural children. The promotion of two-parent families among AFDC recipients should enable more recipients to become economically self-sufficient.

Bill #5 A-4704

The second bill addressing family unity eliminates the 30 percent reduction in AFDC benefits when both natural parents are married and live in the home. The income of the family, however, must not exceed the state AFDC eligibility standard. No restrictions are placed on the employment of either parent.

The 30 percent reduction of the old system served as a disincentive to maintaining family unity and made it more difficult for them to achieve economic self-sufficiency. Able-bodied fathers of AFDC children living in the home should not be chased away from their families in order to maintain their sustenance. I want the welfare system in this state to promote family stability among AFDC recipients by eliminating the incentive to break up families.

Bill #4 A-4703

One of the more publicized components of my welfare package is known as the "Right to Choose" bill. It allows recipients to make choices as to whether to expand their families while on welfare. It disallows increased AFDC benefits for after-born children. However, a less-publicized, tandem part of this law also changes welfare rules to allow adult recipients to collect their full benefits while earning an income equal to 50 percent of their grant in order to support the new arrival.

-6-

The law emphasizes that welfare recipients can make the same planning and budgetary decisions everyone else makes surrounding additional children. Thus, the bill is an empowerment tool for the recipient. It empowers the recipient with the decision making power as to whether or not to have an additional child. If the family chooses in the affirmative, they must find the means to support that additional child. The bill allows the recipient to earn up to 50 percent of their grant in order to care for the new child. This method mirrors that of society outside the welfare system. Middle-class families exercise the same decision making power for themselves. If the welfare system is to be transitional, and if recipients one day want to assimilate into the mainstream, then they must live by the same rules that effect everyone else so that they are not shocked upon leaving the roles of welfare dependency. They must exercise similar decision making power and must understand the impact that their decision will have on their families. The bill templates reality in this respect.

Bill #6 A-4705

The final major component of this package will create a new 21-member council to look at the communities and neighborhoods in which many recipients live. Four of the council members will be members of the general public.

This body, the Council on Community Restoration, will recommend to state government leaders how to target resources to improve, redevelop, and rehabilitate urban neighborhoods. Specifically, the council will target certain neighborhoods as demonstration projects for new community development. These demonstration projects would include infrastructure improvement and expansion, facility rehabilitation and renovation, economic development, and neighborhood revitalization.



## NEW JERSEY GENERAL ASSEMBLY

DEPUTY DEMOCRATIC LEADER  
 WAYNE R. BRYANT, ESQ.  
 ASSEMBLYMAN, 5TH DISTRICT  
 CAMDEN-GLOUCESTER COUNTIES  
 200 N. FIFTH STREET  
 (CORNER OF 5<sup>TH</sup> & COOPER)  
 CAMDEN, NJ 08102  
 609-757-0552

COMMITTEES  
 LEGISLATIVE SERVICES  
 COMMISSION  
 POLICY AND RULES  
 EDUCATION

### NEW STEPS IN NEW JERSEY WELFARE REFORM

The Family Development Act (FDA) emphasizes employment, education, family values, training, and job development. The program offers its services such as counseling, ESL studies, remedial education and vocational assessment, to the entire family unit.

The initial results of the FDA are very positive. Additional legislation is now needed to ensure that welfare is a transitional program, not a life-long journey on a treadmill.

### SUMMARIES OF THE SECOND STAGE IN WELFARE REFORM

SPONSORED BY ASSEMBLYMAN WAYNE R. BRYANT

A-238 -- Conditions a parent's eligibility for Aid to Families with Dependent Children (AFDC) benefits on person's identifying the other parent.

To maintain AFDC eligibility, the recipient/parent would be required to furnish the name and social security number of the parent or the last known address of the other parent's place of employment.

A parent who is unable to supply the information or who is determined by the Commissioner of Human Services to have an acceptable reason for refusing to supply the information (e.g. physical or sexual abuse) would be exempted under this bill.

Please note that the proposed bill would not affect the eligibility of the child for Medicaid, food stamps, or child care benefits under the FDA.

An AFDC recipient will be requested to furnish the information, if the person has not already done so, at the time of that person's redetermination for benefits.

-2-

A-239 -- Provides additional requirements for AFDC recipients participating in the Family Development Program.

The bill requires that AFDC participant:

- \* to supply documentation that the recipient's preschool has received all required immunizations;
- \* to supply documentation of school attendance of children under 16 and attendance at parent-teacher conferences; and
- \* to complete a program of instructional classes in parenting and conflict resolution.

A-240 -- Conditions eligibility for AFDC benefits for a person under 18 who has never been married and is pregnant or caring for a dependent child on that person's residing with a parent, guardian or other adult.

The AFDC benefit will be paid to the parent or guardian.

An exemption is provided for an AFDC applicant who presents evidence that the parent, guardian or other adult:

- \* refuses or is unable to allow the applicant to live in his/her home;
- \* poses an emotional or physical threat to the applicant;
- \* has physically or sexually abused the applicant or the applicant's child, or poses a risk of doing so;
- \* has exhibited neglect of the applicant or the applicant's child; or
- \* has spent AFDC benefits in an improper manner.

The commissioner may also exempt an AFDC applicant or recipient from the requirements if he/she determines that the exemption would be in the best interests of the applicant and the child.

For those applicants or their children who are exempted, the county welfare agency or the FDP case manager must determine the most appropriate living arrangement that would be in the best interests of the applicant and the applicant's child.

-3-

**A-241 -- Exempts certain resources when determining eligibility for AFDC benefits.**

An AFDC recipient would be permitted to accumulate up to \$5,000 in savings or assets to be used solely to buy a home, for educational expenses for the recipient or the recipient's children, or meet work-related transportation costs, or a combination thereof; and one or more motor vehicles the equity value of which does not exceed \$15,000.

A person who expends the savings or assets for another purpose would be liable for a termination of AFDC benefits for at least 90 days.

**ASSEMBLYMAN WAYNE R. BRYANT**  
**DEPUTY DEMOCRATIC LEADER**  
**5th District - Camden/Gloucester Counties**

Wayne R. Bryant, Esquire, is the Deputy Democratic Leader for the New Jersey General Assembly.

Elected to the Assembly in 1981, Bryant became the nation's first African American to hold the position of Majority Leader of a legislative house during the 1990-91 legislative term.

He was recently honored as one of New Jersey's Best Legislators in the July issue of New Jersey Monthly Magazine.

Assemblyman Bryant has received national recognition for his pioneering work in the area of welfare reform. He is the prime architect of New Jersey's landmark welfare reform law, which was the model used to formulate the Democratic National Committee's platform for that issue.

Bryant's work on welfare reform earned him national attention from such publications as the Wall Street Journal, the New York Times, Newsweek and Time magazine. In addition, Bryant has appeared on national television programs such as 60 Minutes, the MacNeil/Lehrer News Hour and Firing Line.

Assemblyman Bryant also is the author of legislation that established the state Transportation Trust Fund, which has provided a stable source of funding for transportation projects throughout New Jersey since 1984.

-MORE-

-2-

Bryant also spearheaded the effort to construct the world-class Thomas H. Kean New Jersey State Aquarium of Camden, the largest aquarium on the Eastern Seaboard.

Bryant has been a legislative leader in the establishment of Urban Enterprise Zones. He has worked to promote public and private sector cooperation to foster economic revitalization of urban regions throughout New Jersey.

During his 13-year tenure in the Assembly, Bryant has served as the Chairman of the Transportation and Communications Committee, the Vice-Chairman of the Independent Authorities Committee and as the ranking Democrat on both the Policy and Rules and Education Committees.

Assemblyman Bryant is the recipient of many awards from community, civic and professional groups. His alma mater, Howard University, conferred upon him an honorary degree of Doctor of Laws for his community activism and outstanding achievements in public service. And most recently, Rutgers University School of Law-Camden, of which he also is a graduate, awarded him the Arthur Armitage Alumni Award, the highest honor an alumni can receive.

## VITAE

WAYNE R. BRYANT

**EDUCATION:** Rutgers University, School of Law  
Juris Doctor Degree, 1972

Howard University  
Washington, D.C.  
Bachelor of Arts Degree, 1969

**ACADEMIC HONORS** American Jurisprudence Award - Outstanding Achievement in the Study of Negotiable Instruments  
American Jurisprudence Award - Outstanding Achievement in the Study of Bankruptcy and Creditors Rights

**POST GRADUATE HONORS** Honorary Doctorate of Laws Degree, Howard University (1991)  
Arthur Armitage Distinguished Alumni Award for 1992, Rutgers University School of Law (Camden)

**BAR ADMISSIONS:** Supreme Court of New Jersey  
Court of Appeals - District of Columbia  
United States Supreme Court  
United States Court of Appeals for the Third Circuit  
United States District Court of the District of Columbia

**EMPLOYMENT**

1974-Present **FREEMAN, ZELLER AND BRYANT, Attorneys at Law**  
General Partner

Solicitor, Borough of Lawnside  
Solicitor, Camden City Housing Authority  
Bond Counsel to Boroughs of Lawnside, Somerdale and Cities of Camden and Trenton  
Solicitor, A. Philip Randolph Institute  
Solicitor, Grace Temple Baptist Church  
Solicitor, Mt. Zion United Methodist Church  
Solicitor, Juvenile Resource Center  
Solicitor, Camden County Office of Economic Opportunity, Inc.  
Solicitor, Jaycee Housing Counselling, Inc.  
Solicitor, Planning Board, Borough of Somerdale

**PAST EXPERIENCE**

Solicitor, Borough of Chesilhurst  
Solicitor, REACH Program, County of Gloucester  
Staff Attorney, Camden Regional Legal Services, Inc.

**TEACHING EXPERIENCE**

Glassboro State College  
Rutgers University, Institute of Continuing Legal Education

429  
6600

-2-

**ELECTED  
POSITIONS:**

**NEW JERSEY GENERAL ASSEMBLY (1981-Present)**  
 Deputy Democratic Leader (1992-93)  
 Majority Leader (1990-91)  
 Deputy Minority Leader (1988-89; 1991-92)  
 Chairman, Rules Committee (1990-91)  
 Legislative Services Commission (1990-92)  
 Appropriations Committee (1988-89)  
 Sub-Committee on Taxation and State Aid (1988-89)  
 Distressed Cities Task Force  
 Chairman, Committee on Transportation and Communications  
 (1984-85)  
 Vice-Chairman, Committee on Independent Authorities and  
 Commissions (1981-82)  
 Democratic Vice-Chair on Congressional Reapportionment (1992)  
 Chairman, Governor's Study Commission on Discrimination in  
 Public Works Procurement & Construction Contracts  
 (1991-Present)  
 Joint Committee to Review the Activities of the SCI (1992)

**CAMDEN COUNTY BOARD OF CHOSEN FREEHOLDERS (1979-81)**  
 Chairman, Committee on Municipal and County Services  
 Chairman, Committee on Transportation and Public Works  
 Chairman, Committee on Planning and Development  
 Chairman, Committee on Law and Judiciary

**PROFESSIONAL  
ORGANIZATIONS  
(Past and  
Present)**

American Bar Association  
 New Jersey State Bar Association  
 Camden County Bar Association - Board of Trustees  
 Conference of State Legislators  
 National Black Caucus of State Legislators  
 Rutgers University School of Law - Dean's Advisory Council  
 Rutgers University - EOF Advisory Board  
 National Conference of Black Lawyers  
 Conference of Minority Transportation Officials  
 National Caucus and Center on Black Aged, Inc.  
 Monorail Commission - State of New Jersey  
 National Association of Counties

**COMMUNITY  
ACTIVITIES  
(Past and  
Present)**

Camden County Council on Economic Opportunity, Inc.  
 Camden County Urban League, Board of Directors  
 Camden County YMCA - Assistant Secretary, Board of Directors  
 National Association for the Advancement of Colored People  
 (Lifetime Member)  
 Chairman, Finance & Membership Committee, Greater Camden  
 Movement  
 University of Medicine and Dentistry of New Jersey-Community  
 Board for the Sickle Cell Center

-3-

**POLITICAL  
ACTIVITIES**

Deputy Campaign Manager (1981, 1989, 1993) Gubernatorial  
Campaign of The Honorable James J. Florio  
Vice-Chairperson of Fundraising at the Democratic Gala for  
Congressman James J. Florio-1989 (Raised Over \$2.2 Million)  
Platform Committee, Democratic National Convention, 1988  
Delegate, Democratic National Convention, 1992  
Member - Democratic Leadership Council  
Vice-Chairperson of the Clinton/Gore Campaign, State of New  
Jersey, 1992

**AWARDS AND  
CITATIONS**

Legislative Achievement - National Business League, NAACP and  
the Atlantic County Minority Business Council  
Outstanding Legislative Achievement - Association of Black  
Women Lawyers of New Jersey  
National Political Congress of Black Women  
Legislative Achievement - New Jersey Federation of Democratic  
Women  
Honorary Member - Cooper's Trauma Team - Cooper  
Hospital/University Medical Center  
Outstanding Citizens Award - Southern New Jersey Regional  
Trauma Center, Cooper Hospital/University Medical Center  
Outstanding Young Men of America  
Who's Who in American Politics  
Who's Who Among Black Americans  
Fraternal Order of Police - Service Award  
Friend of Education Award - Camden School Administrators'  
Council, Local #39  
Equal Justice Award - Legal Services of New Jersey  
Legislator of the Year (1990) - New Jersey Sheriff's  
Association  
Outstanding Contribution Award - New Jersey Teachers of  
English as a Secondary Language (Bi-Lingual Education)  
Distinguished Service to the Community - Rancocas Valley  
Chapter of Links  
People Helping People Award - RESPOND, Inc.  
Legislative Appreciation Award - Camden County Family  
Development Program

## WORKING SESSION ON WELFARE REFORM Preliminary Ideas

JAN 13 1995

**Goal:** To explore vigorously and thoughtfully the key issues surrounding welfare reform with elected officials from all levels of government. The hope is that in a small, off-the-record format, participants can speak openly and practically about the critical policy questions.

**Structure:** The working session would include a mix of Governors, members of Congress, state legislators, and local officials, both Democrats and Republicans. It would be divided into discussions of four topics. Approximately one hour would be available for each issue. For each topic, two or four participants--one or two Democrats and one or two Republicans--would open with very brief presentations designed to help frame the issues from their perspectives. Discussion would then be open-ended with the President acting as a participant/moderator.

**Topics:** The list of topics could include:

Work/Welfare--This discussion would focus on ways to make welfare transitional and to move people into work. Work requirements, time-limits, and job opportunities would be included in this discussion. *Thompson, Breary*

Parental Responsibility--The primary topic in this category would be the need for non-custodial parents to do their share to support and nurture their children. Key issues would include specific ways to establish paternity, improve child support enforcement, and the proper role of the states and federal government in these efforts.

Teen Pregnancy/Out-of-Wedlock Childbearing--This category centers on strategies to reduce teen pregnancy and out-of-wedlock childbearing. Specific ideas include community-based prevention strategies, eliminating benefits to minors and children born to minors, and requiring minor parents to complete school and live with a responsible adult.

State Flexibility--This discussion would include creating more flexibility within the individual entitlement structure, block grants, entitlement versus discretionary funding, and waiver issues. *Englen*

January 13, 1995

DRAFT

MATERIALS for  
WORKING SESSION ON WELFARE REFORM

I. Briefing Book for all participants

Option One:

Send the following factual information to all participants on January 24 (Tuesday).

- Description of each Bill: ask each party to prepare summaries
- Model programs in each of the four topic areas--ask Governors and local officials for examples or produce ourselves from the state/city/county represented
- Data/demographics for each topic area
- Waiver summary
- Fact sheets on current programs (how they are funded, who is eligible, cost sharing, where state flexibility exists): AFDC, Child Support, JOBS
- State by state chart of federal and state spending on welfare programs

Option Two:

Ask each participant to send briefing material of their choice by Friday, January 20 (limited to 5 pages). Assemble and distribute on Tuesday, January 24.

II. Additional materials for Democrats

Distribute through surrogates (DGA, NGA, etc).

- State impact of AFDC and Food Stamp block grants in PRA
- Other state impact numbers (e.g. kids cut off)
- Summary of the PRA and WRA
- Analysis of the PRA
- Talking points on themes and principles

## WELFARE REFORM WORKING SESSION

### Planning Meeting Agenda 1/13/95

- I. Update on Invitations**
  - Senate and House
  - Intergovernmental
  
- II. Meetings with Staff**
  - Schedule
  - Review of Content
    - see suggested agenda
  - Materials
    - see suggested list of materials
  
- III. Report on Logistics**
  
- IV. Review of Next Steps**
  - Next core group meeting on 1/18
  - President's briefing

## STATUS OF INVITES/BRIEFING MEETING

Invitee	Acc/Decl/N.R.	Staff Meeting
Sen. Daschle → <i>Brown</i>	Y	1/5
Sen. Moynihan	Y	Thurs 1/17 <sup>th</sup> - O'Donnell
Sen. Kennedy	Y	12/16
Sen. Dole	?	
Sen. Kassebaum	Y?	1/4
Sen. Packwood	Y	1/4
Cong. Gingrich	?	tentative
Cong. Archer	Y?	1/17
Cong. Goodling	Y?	1/17
Cong. Gephardt	Y	12/22
Cong. Gibbons	Y	1/15 - Janie
Cong. Clay	Y	1/12 - staff
Gov. Dean	Y	1/12
Gov. Thompson	Y	
Gov. Carper	Y	
Gov. Engler	Y	
Gov. Carnahan	Y	
Gov. Carleson	Y	
Local #1 <i>Y. Burke</i>	Y	
Local #2 <i>M. Pappas</i>	Y	
Local #3 <i>Jim Lack</i>	Y	
Local #4		
Local #5		
Local #6		

70+ people - not a working session. It's a zoo.

# PROPOSED STAFF MEETING SCHEDULE

## WEEK OF JANUARY 17-20

### Congressional

Individual staff to staff meetings Complete all D's by  
1/19 group meeting

Complete all R's by  
1/20 group meeting

Democratic staff January 19

Bipartisan staff January 20

### Governors

Democratic staff (group) January 18

Republican staff (group) January 19

Option: bipartisan January 20

### Locals

Democrat staff by January 18

Republican staff by January 20

*Call call*

### All Democrats (option)

Dem gov, local and Hill staff pre-January 20 bipart

## WEEK OF JANUARY 23

### All Participants

January 24

option for others as necessary between January 24 and 27

GOP

DOLE

PACKWOOD

RASSEBAUM

SEN.

GINGRICH

ARCHER

GOODLING

HOUSE

DEM

DASCHLE → <sup>Brown</sup>  
<sup>or</sup>  
Mikulski

MOTKINAN

KENNEDY

GERHARDT

GIBBONS

CLAY

Bruce -

This is draft testimony for  
the W-M subcommittee  
hearing on Friday.

We'll circulate it officially  
tomorrow, but I'd really  
like any comments today.

M-

DRAFT ----

January 9, 1995

Dear \_\_\_\_\_,

A few weeks ago, in a meeting with governors from both parties, I announced that the White House would convene a bipartisan working session on welfare reform with governors, members of Congress, local and county officials and state legislators to begin an honest dialogue about our country's broken welfare system and what we must do to fix it. I would like to invite you to take part in this session, which will take place Saturday, January 28, from 8 a.m. to 1 p.m., at Blair House in Washington.

Welfare reform is a top priority for my Administration, for state and local officials, for the new Congress, and above all, for the American people. I hope we can use this working session to put aside politics as usual and begin earnest work to solve one of our nation's most pressing problems.

The current welfare system is a bad deal for the taxpayers who pay the bills and for the families who are trapped on it. The American people deserve a government that honors their values and spends their money judiciously, and a country that rewards people who work hard and play by the rules.

I have asked my staff to work closely with you over the next two weeks to develop a common agenda for the working session. I believe from my own experience in working closely with President Reagan and Senator Moynihan on the Family Support Act that we can achieve bipartisan consensus for strengthening families and moving people from welfare to work. This session can be an important first step.

People want their leaders to stop the partisan bickering, come together, and roll up their sleeves and get to work. I hope you will join in making this meeting the beginning of a new day not just for the welfare system, but for how our government works.

Sincerely,

Bill Clinton

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: RAHM EMANUEL  
BRUCE REED

SUBJECT: Talking Points on Welfare Reform Summit

At tomorrow's meeting with Republican and Democratic governors, the President should announce that in January, he will convene a national bipartisan summit on welfare reform, similar to the Little Rock economic conference.

He should say that the purpose of this summit is to make clear that welfare reform is at the top of the agenda for the Administration and the country.

It will be an opportunity to educate the public about the issue by listening to those who know most about it -- governors, local officials, experts, success stories, and most important, people on welfare who want to work, parents who want their children to get their child support, and taxpayers who want a government that reflects their values.

It will also be a chance to reach across party lines and outside Washington to solve problems.

This summit is not intended to produce legislation. We are committed to introducing our own plan in the weeks following the summit.

We recommend that the President discuss this idea with the governors, and formally announce it in a statement prior to his departure for Miami on Thursday evening.

Pat and Marcia will work to ensure that the President's proposal is warmly received on the Hill and by elected officials around the country. Pat's early soundings from Moynihan and Matsui have been positive.

12/14  
THE PRESIDENT HAS SEEN

THE WHITE HOUSE  
WASHINGTON

December 12, 1994

94 DEC 13 A 8:53

MEMORANDUM TO THE PRESIDENT

FROM: CAROL H. RASCO *CHR*  
THROUGH: LEON PANETTA *LP*  
SUBJECT: WORKING MEETING ON WELFARE REFORM

Following up your announcement of a working session on welfare reform with a bipartisan group of elected officials, we need to make a series of decisions about the meeting's structure and format. The plan sketched out below envisions a true working session, held at Camp David, with minimal press coverage other than statements by participants at the close of the meeting.

**Decisions**

1. Where

We recommend holding the summit at Camp David rather than the White House. The atmosphere is more relaxed, access to the press is more controlled, and the setting is more Presidential.

Approve

Disapprove

Discuss

If you do not wish to use Camp David, we recommend using White House facilities, either around the House itself (although that may be impossible due to renovations) or at the Jackson Place Conference Center.

2. When

Our first choice for a date would be Friday and Saturday, January 13-14, which would give us a way to get into the middle of the political debate before the State of the Union. We are working with NGA to finalize the date today or tomorrow.

3. Who

In keeping with the goal of having a working session, we will keep the number of invitations small. In discussions with Pat Griffin and Marcia Hale, we have tentatively agreed to the following invitation list:

6 Governors -- NGA Chair and Vice Chair  
NGA Welfare leads (D and R)  
NGA Human Resources Chair and Vice Chair

6 Senators and 6 members of the House

-- Pat will work with the majority and minority leaderships to determine representation

4 local elected officials

-- We will invite 2-3 Mayors and 1-2 county or other local officials. Marcia will coordinate these invitations.

4 representatives of the Administration

-- Yourself, the Vice President, Secretary Shalala, and Alice Rivlin

A minimal number of other staff including, Leon Panetta, myself, Bruce Reed and other staff as appropriate.

\_\_\_\_\_ Approve                      \_\_\_\_\_ Disapprove                      \_\_\_\_\_ Discuss

4. Format/Schedule

We envision the following schedule:

Friday evening	6:00	Arrival
	6:30	Dinner
	8:30	Introductory Discussion
	9:30	Movie/Other entertainment
Saturday	8:00	Breakfast
	8:30	Working Sessions
		Working Lunch
	2:00	Conclusion/Press statement

Handwritten notes: A bracket on the left side of the list, with 'A: M' and 'R: M' written vertically next to it.

The discussion sessions on Friday and Saturday would be structured thematic conversations perhaps based on materials circulated in advance. We do not envision in-depth presentations, rather free-flowing dialogue and discussion structured around our key themes.

Approve

Disapprove

Discuss

#### 5. Goals

We should be realistic about what we can accomplish at a summit with such a broad range of leaders. This is not the place to agree on financing or draft legislation. Our objectives should be more like the Education Summit -- to reach agreement on broad goals and principles. The summit could be organized around a few themes -- work, responsibility, family -- that would lead the discussion toward agreement on our key principles.

Approve

Disapprove

Discuss

#### 6. Next Steps

To put this plan in motion, we would like to announce on Wednesday the date and place for the working session, in conjunction with granting the Indiana welfare reform waiver.

Approve

Disapprove

Discuss

Based on your approval of the general framework outlined above, I will work with Pat and Marcia to begin outreach to NGA and congressional staff to put the planning into motion. We plan to conduct extensive staff work between now and the meeting and need to get started as soon as possible.

We have a meeting scheduled with you for Friday, at which time we can discuss the session with you in more detail.

cc: George Stephanopolous  
Pat Griffin  
Marcia Hale  
Bruce Reed  
Rahm Emanuel

DEC-13-1994 12



TI  
SERVICES

Office of the Secretary

Washington, D.C. 20201

Facsimile Cover Sheet

To: Bruce Reed

Organization: \_\_\_\_\_

From: JOHN MONAHAN, DIRECTOR, OFFICE OF INTERGOVERNMENTAL AFFAIRS

Date: \_\_\_\_\_

Intergovernmental Affairs  
200 Independence Ave., SW  
ROOM 600 F  
Washington, DC 20201  
phone: (202) 690-6060  
fax: (202) 690-5672

Recipient's Fax Number: 456-6-<sup>7431</sup>~~8779~~

Number of pages including this sheet: 3

Remarks:

## MEMORANDUM

TO: Marcia Hale  
FROM: John Monahan  
DATE: December 12, 1994  
RE: Possible Invitees for Welfare Reform Working Session

---

Per your request, here are a list of names for your consideration as invitees to the working session:

Governors

Howard Dean, D-Vt, Chair  
Tommy Thompson, R-WI, Vice-Chair  
Thomas Carper, D-DE, Co-Leader, Welfare Reform Task Force  
John Engler, R-MI, Co-Leader, Welfare Reform Task Force  
Mel Carnahan, D-MO, Chair, Human Resources Comm.  
Arne Carlson, R-MN, Vice-Chair, Human Resources Comm.

These governors represent the NGA leadership on welfare reform issues. We worked closely with Governors Dean, Carper, Thompson, and Engler during the development of the Work and Responsibility Act.

State Legislators

Jane Campbell, D-Rep. OH, Chair of NCSL\*  
Dan Blue, D-Rep, NC, Speaker of NC House  
James Lack, R-Sen. NY\*  
Grace Drake, R-Sen. OH, Chair of NCSL Welfare Task Force

Rep. Campbell is the newly appointed Chair of NCSL, who has an extensive background in welfare issues and assisted the Administration greatly during the outreach process in developing our welfare reform legislation. Speaker Blue, who is an African-American, provided substantial input to the Administration on the child support enforcement issues, although he knows welfare issues quite well.

Sen. Lack and Sen. Drake both are moderate Republicans who provided significant input to the Administration during the development of our welfare bill. Because Sen. Drake and Rep. Campbell each reside in Ohio, I assume that both of them could not attend the working session. Thus, I have listed Rep. Blue and Sen. Lack as appropriate alternates.

---

DEC

COUNTY OFFICIALS

Gloria Mollina or Yvonne Burke, D-Los Angeles County\*  
John Stroger, D-Cook County, IL, Chair of the Cook County Board  
Michael Pappas, R-NJ\*

Sixteen states, including California, administer their welfare programs at the county level. Consequently, I think at least one California county representative should be included. Mr. Pappas represented NACCO on the State and Local Task Force on Welfare Reform last year. We are still trying to gather more information on possible county officials, especially Republicans.

MAYORS

Emmanuel Cleaver, D-Kansas City\*  
Norm Rice, D-Seattle  
Rudolph Giuliani, R-New York\*  
Richard Riordan, R-Los Angeles

Steve Goldsmith, R-Indianapolis (alternate)  
Kay Granger, Ind.-Fort worth (alternate)  
Paul Helmke, R-Fort Wayne (alternate)

We worked very closely with Mayors Cleaver and Rice during the outreach process, and both were very helpful in securing support for our bill among African-American big city mayors and with the Conference of Mayors. Mayor Giuliani is one of the few mayors whose city runs and pays for welfare programs. Indeed, the welfare system in New York City is larger than that of many states. The City of Los Angeles does not operate any welfare programs, but Riordan has been a moderate who has been helpful to us on a number of issues. Mayors Granger and Helmke are both moderates who have helped us on health and human services issues. Mayor Helmke attended law school with President Clinton.

---

WELFARE REFORM ANNOUNCEMENT  
CHIEF OF STAFF LEON PANETTA  
December 8, 1994

Today, the President signed the most far-reaching trade agreement ever negotiated. This will preserve America's economic leadership well into the next century, and give American families a brighter economic future.

Even as we build a new American economy, we must get to work to make everyone a productive member of this new economy, and to build up the basic values of work, family, and responsibility that are the backbone of America's strength.

Today, after meeting with a group of governors from both parties, the President is announcing that the White House will convene a national bipartisan working session on welfare reform next month.

Welfare reform is a top priority for this Administration, for the governors, for the new Congress, and above all, for the American people. Americans have asked their elected officials to put aside politics as usual and begin earnest work to solve our nation's problems – and welfare reform is at the very top of our agenda.

The President has called for this session as a first step in an honest dialogue about our country's broken welfare system and what we must do to fix it. Washington doesn't have all the answers, and government doesn't, either. Every one of us in this country has to begin taking individual responsibility for turning this country around.

He has worked on this issue for his whole career in public life. As a governor, he worked closely with President Reagan and Senator Moynihan to develop the bipartisan consensus that led to passage of important legislation to strengthen families and move people from welfare to work.

As President, he has said that we must end welfare as we know it, because the current welfare system is a bad deal for the taxpayers who pay the bills and for the families who are trapped on it. The American people deserve a government that honors their values and spends their money judiciously, and a country that rewards people who work hard and play by the rules.

People want their leaders to stop the partisan bickering, come together, and roll up their sleeves and get to work. This meeting will be the beginning of a new day not just for the welfare system, but for how our government works.

THE WHITE HOUSE  
WASHINGTON

November 28, 1994

MEMORANDUM

TO: Carol Rasco  
Robert Rubin  
Sylvia Matthews  
Gene Sperling  
Bruce Reed  
Kathi Way  
Paul Weinstein  
Sally Katzen

FROM: Marcia Hale

SUBJECT: White House Meeting - NGA Leadership - December 8th

---

On Thursday, December 8th from 3:30 - 5:00 p.m. in the Roosevelt Room, Leon Panetta, Carol Rasco, Bob Rubin, and I will host a meeting with the NGA Leadership on Welfare Reform, Health Care Reform, and the Balanced Budget Amendment Working Group to discuss the Administration's approach to these issues and to receive ideas from the Governors about their approach to issues in the next Congress.

The Governors who have been invited are:

Howard Dean (D-VT) - Chair, NGA  
Tommy Thompson, (R-WI), Vice-Chair, NGA  
Tom Carper (D-DE), Co-Chair, NGA Welfare Leadership Team  
John Engler (R-MI), Co-Chair, NGA Welfare Leadership Team  
Roy Romer (D-CO), Co-Chair, NGA Health Care Leadership Team  
Carroll Campbell (R-SC), Co-Chair, NGA Health Care Leadership Team  
Mel Carnahan (D-MO), NGA Working Group on Balanced Budget  
William Weld (R-MA), NGA Working Group on Balanced Budget  
George Voinovich (R-OH), NGA Working Group on Balanced Budget  
Mike Leavitt, (R-UT), NGA Working Group on Balanced Budget

This will be the first bi-partisan meeting at the White House about a policy matter with the Governors since the recent elections. It is very important that we get together soon to develop our goals and objectives for this meeting.

Therefore, I would like to have a planning meeting on Tuesday afternoon at <sup>6:15</sup>~~6:00~~ p.m. in Carol Rasco's office. Please let Lawton Jordan (6-2896) in Keith Mason's office know if you are unable to attend. Thank you.

cc: Keith Mason  
John Hart  
Rosalyn Miller  
Linda McLaughlin

TALKING POINTS  
NGA LEADERSHIP MEETING  
December 8, 1994

\* Thank you for coming here to talk with us about welfare reform, health reform, the Balanced Budget Amendment, and other issues. I hope we can work together across party lines in the coming months to have a real contest of ideas that will be good for the country.

\* One of the things I miss most about being a governor is the real spirit of bipartisanship and working together to solve problems that is thriving in state capitols across the country but is not so common here in Washington. Whatever else they said in the elections, the American people made clear that they are tired of partisan wrangling and pointing fingers. They want us to put country over party, and just get the job done.

\* I want to work closely with all of you because I feel that without regard to party, we have a great deal of common ground:

\* As a former governor, I'm a big believer in state flexibility. We've given 9 waivers on health care and 20 on welfare reform -- more than either of my predecessors did in his term -- and I want to keep up the push to free you from federal red tape.

\* Like you, I want to see the federal deficit come down -- and I am looking forward to getting back the line-item veto. But I also don't want Washington to do to you in the '90s what it did to us all in the '80s, with a lot of fancy bookkeeping that just shifts new costs down to the state level.

\* Finally, I believe that no matter how hard politicians in Washington may try to take credit, we'll never really solve any of these problems if all we do is make it harder for you to make progress on them in the states, where the rubber hits the road.

\* So I hope that we can work together and agree that whether we're talking about a welfare reform bill or a health reform bill or a balanced budget amendment, if it's not a good deal for the states, chances are it's not a good deal for the country -- and we'd better change it so that it is one.

\* Today, I'd like to talk in particular about welfare reform, which is going to be a top priority for my Administration and the country in the next year. It's about time we had a national debate on this issue, and put a spotlight not only on the urgency of the welfare crisis, but on the innovative things that so many of you around the country are doing.

\* I think our fundamental goal in welfare reform is to prove to the hard-working people of this country that we're putting their government back in line with their values -- work, responsibility, family -- and also that we're not just doing whatever sounds good politically, we're really taking the problem head on.

\* When we sit down to hammer out a welfare reform bill, we should ask ourselves: Will it move people from welfare to work? Will it make parents take responsibility for paying their child support? Will it strengthen the family in this country, not divide families or harm children? And at the end of the day, will it make it easier for states to try new approaches and not just leave you to pick up the pieces and pick up the tab?

\* I want to ask you to help me start this national debate, by coming back here to Washington next month for a bipartisan national working session on welfare reform. Gov. Thompson and Gov. Dean, I hope you and your lead governors on welfare reform (Carper and Engler) will take part.

\* The purpose of this session will be to make clear that welfare reform should be at the very top of the country's agenda, and that we should get working to find a real, lasting, bipartisan solution.

\* It will also be a chance for us to put country over party, and do what we so seldom do here in this town, which is reach outside Washington to solve real problems.

\* People want their leaders to stop the partisan bickering, come together, and roll up their sleeves and get to work. I hope this meeting will be the beginning of a new day not just for the welfare system, but for how our government works.

THE WHITE HOUSE

WASHINGTON

REVISED TALKING POINTS  
NGA LEADERSHIP MEETING

December 8, 1994

\* Thank you for coming here to talk with us about welfare reform, health reform, the Balanced Budget Amendment, and other issues. I hope we can work together across party lines in the coming months to have a real contest of ideas that will be good for the country.

\* One of the things I miss most about being a governor is the real spirit of bipartisanship and working together to solve problems that is thriving in state capitols across the country but is not so common here in Washington. Whatever else they said in the elections, the American people made clear that they are tired of partisan wrangling and pointing fingers. They want us to put country over party, and just get the job done.

\* I want to work closely with all of you because I feel that without regard to party, we have a great deal of common ground:

\* As a former governor, I'm a big believer in state flexibility. We've given 9 waivers on health care and 20 on welfare reform -- more than either of my predecessors did in his term -- and I want to keep up the push to free you from federal red tape.

\* Like you, I want to see the federal deficit come down -- and I am looking forward to getting back the line-item veto. But I also don't want Washington to do to you in the '90s what it did to us all in the '80s, with a lot of fancy bookkeeping that just shifts new costs down to the state level.

\* Finally, I believe that no matter how hard politicians in Washington may try to take credit, we'll never really solve any of these problems if all we do is make it harder for you to make progress on them in the states, where the rubber hits the road.

\* So I hope that we can work together and agree that whether we're talking about a welfare reform bill or a health reform bill or a balanced budget amendment, if it's not a good deal for the states, chances are it's not a good deal for the country -- and we'd better change it so that it is one.

-- continued --

\* Today, I'd like to talk in particular about welfare reform, which is going to be a top priority for my Administration and the country in the next year. It's about time we had a national debate on this issue, and put a spotlight not only on the urgency of the welfare crisis, but on the innovative things that so many of you around the country are doing.

\* I think our fundamental goal in welfare reform is to prove to the hard-working people of this country that we're putting their government back in line with their values -- work, responsibility, family -- and also that we're not just doing whatever sounds good politically, we're really taking the problem head on.

\* When we sit down to hammer out a welfare reform bill, we should ask ourselves: Will it move people from welfare to work? Will it make parents take responsibility for paying their child support? Will it strengthen the family in this country, not divide families or harm children? And at the end of the day, will it make it easier for states to try new approaches and not just leave you to pick up the pieces and pick up the tab?

\* I want to ask you to help me start this national debate, by coming back here to Washington next month for a bipartisan national working session on welfare reform. Gov. Thompson and Gov. Dean, I hope you and your lead governors on welfare reform (Carper and Engler) will take part.

\* The purpose of this session will be to make clear that welfare reform should be at the very top of the country's agenda, and that we should get working to find a real, lasting, bipartisan solution.

\* It will also be a chance for us to put country over party, and do what we so seldom do here in this town, which is reach outside Washington to solve real problems.

\* People want their leaders to stop the partisan bickering, come together, and roll up their sleeves and get to work. I hope this meeting will be the beginning of a new day not just for the welfare system, but for how our government works.