WORKING SESSION

ON

WELFARE REFORM

January 28, 1995

Blair House

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Working Session on Welfare Reform

Logistics

Where:	The Blair House Entrance at 700 Jackson Place Washington, DC Access to Blair House for all participants is at this entrance only. Security check will occur at this entrance only.
When:	Saturday, January 28, 1995 8:00 am - 1:30 pm Continental Breakfast begins at 8:00 am. Working Session begins promptly at 8:30 am. Working Lunch served at approximately Noon. Session will end at approximately 1:30 pm.
Attendance:	Each participant is limited to one staff person. The Secret Service will allow only one staff person per participant into Blair House. By Friday, all staff must provide their date of birth and social security number to Naomi Goldstein at: (202) 690 - 7858 (ph) (202) 690 - 7383 (fx)
Parking:	There is no reserved parking available at Blair House.
Phone Number:	On Saturday, January 28 only, Blair House can be contacted at: (202) 393 - 6492 (202) 647 - 0668
Security:	Secret Service provides security when the President is at Blair House. A holding Room will be provided for all other protective details.
Press:	Blair House is closed to the press.

2

Welfare Reform Working Session
Agenda

8:30 am	Opening President Vice-President	
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	

3

BACKGROUND MATERIALS

WORK

Important Facts about Welfare Durations
Selected Characteristics by Total Time on Welfare
Findings on Welfare-to-Work Programs
Employment Status of Women on AFDC
Earnings and Benefits in Pennsylvania

RESPONSIBILITY

The $34 Billion Gap in Child Support
Births to Unmarried Women
Percentage of Out-of-Wedlock Childbearing

OTHER

The State of the Child
Benefits, Expenditures, Recipients and Child Poverty
Facts Related to Welfare Reform: AFDC

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.

Selected Characteristics of AFDC Recipients by Total Time on Welfare

Characteristics at Beginning of First AFDC Spell	Percent of Total in Group by Time on Welfare Over a 25-Year Period			
	<= 24 Months	25-60 Months	More Than 60 Months	All Recipients
Education at Time of Initial Receipt				
Less than HS	34.8	45.3	62.8	46.9
HS or GED	45.1	42.2	31.8	39.8
Post-Secondary	20.1	12.5	5.5	13.3
No Work Experience in Year Prior to Initial Receipt	30.2	37.2	50.1	38.7
Own Disability or Health Problem that Limits Work at Initial Receipt	14.0	7.6	7.4	10.2
Age When First Received AFDC				
Under 20	17.9	28.5	42.3	28.8
20-24	26.4	23.0	21.3	23.9
25-30	28.4	28.3	18.3	24.9
Over 30	27.3	20.3	18.0	22.5
Race/Ethnicity				
White/Other	64.8	58.1	42.8	55.6
Black	22.6	30.7	33.8	28.4
Hispanic	12.6	11.3	23.4	16.0
Never Married When First Received AFDC	47.7	56.2	72.2	58.2
Age of Youngest Child at First Receipt				
<=12 months	43.5	57.4	58.9	52.1
13-36 months	17.5	12.6	18.2	16.6
37-60 months	11.8	11.6	9.2	10.9
61+	27.3	18.4	13.8	20.5
Number of Children at Time of Initial Receipt				
1	58.3	52.4	59.1	57.2
2	32.9	37.6	30.5	33.2
3 or More	8.8	10.0	10.4	9.7
Disabled Child at Time of Initial Receipt	6.4	5.6	8.4	6.9
Lived in Public or Subsidized Housing at Time of First Receipt	14.4	14.7	20.0	16.4
Percent of All New Recipients	42.2	23.1	34.7	100.0

Note: All characteristics are measured when a recipient first receives welfare. Many of these characteristics can and do change over time. However, these changes are not represented in the data presented here.

FINDINGS ON WELFARE-TO-WORK PROGRAMS

Overall, many welfare-to-work programs have been successful in increasing the employment and earnings of women on welfare and producing cost savings for the government.

- One county in the evaluation of California's GAIN program -- Riverside -- has shown strong results.

  - Riverside produced a 50 percent increase in earnings, a 15 percent decline in welfare outlays, and 26 percent increase in the number of welfare recipients working. Importantly, it returned to taxpayers (in terms of redneed welfare outlays and increased tax payments by participants) three dollars for every dollar spent on the program. In spite of this success, only 23 percent of the program participants were working and off AFDC at the end of the three-year follow-up period, indicating the challenges faced by these programs.

  - The Riverside program is distinguished by a pervasive emphasis on getting a job quickly, a strong reliance on job search but with some use of education activities, tough enforcement of the participation requirement, close links to the private sector, and an outcome-hased management style.

- Many other programs have produced more modest but significant results.

  - The SWIM program in San Diego -- a program emphasizing job search and work experience followed by education and training -- increased earnings by 15 percent and decreased welfare payments by 11 percent. The SWIM program saved taxpayers over two dollars for every dollar spent on the program.

  - The Baltimore Options program -- which allowed women to choose between job search, work experience, and education and training activities -- increased earnings by 15 percent. These gains were sustained over a five-year period.

  - The Center for Education and Training (CET) in San Jose -- providing immediate job training integrated with remedial education to single mothers -- increased earnings by 22 percent.

Several studies have suggested that different welfare-to-work approaches achieved different results.

- <u>Job search activities</u> helped welfare recipients obtain employment quickly and saved taxpayers money, however, they did not improve job quality or succeed with the most disadvantaged. Including <u>skills training</u> led to better jobs -- which may make a greater long-term difference in earnings -- but these programs also cost taxpayers more.

- The Riverside approach suggests that programs that strongly emphasize quick employment but also include some education services can combine the benefits of both strategies.

- Programs providing subsidized employment to welfare recipients -- where the employer provides training to the welfare recipient in exehange for a wage subsidy and the recipient receives a wage in return for the work performed (such as Supported Work and on-the-job training programs) -- have typically produced large earnings and many have been cost-effective.

- Mandatory work-for-benefits programs ("workfare") have not generally improved the employment prospects of welfare recipients or paid off in budgetary terms. However, welfare recipients found these programs fair and they maintained a safety net for children while sending a pro-work signal to parents and producing socially useful work.

Programs for teen mothers on welfare have been effective in getting these young mothers to remain in or return to school. Because longer follow-up is needed to fully understand the effects of programs for youth, results are not yet available to understand if and how additional education translates into increased earnings and reduced welfare receipt.

- The LEAP program in Ohio encourages teen mothers on welfare to stay in or return to school by increasing their monthly grant when a school attendance requirement is met, and decreasing the grant when it is not. This program produced a 20 percent increase in school retention for those who were in school when they enrolled in LEAP, and a 42 percent increase in school enrollment for those who had already dropped out when they entered LEAP. Information on school completion is currently only available in one site -- Cleveland. Here, LEAP increased the graduation rate from 20 percent to 29 percent (a 45 percent increase) for those who were in school when they enrolled in LEAP. However, LEAP had no effect on graduation rates for those who had already dropped out of school when they entered the LEAP program.

- The Teen Parent Demonstration program in Camden, Chicago, and Newark required teen mothers to participate in education or job training or become employed as a condition of receiving their full welfare grant. This program significantly increased school enrollment and modestly increased graduation rates. Within a modest follow-up period, the program increased earnings by 20 percent and lead to an 8 percent increase in paternity establishment.

- New Chance is a voluntary program in 16 sites providing adult education, training, and parenting services to a very disadvantaged group -- young mothers on welfare who had dropped out of school. New Chance substantially increased participation in education programs and the portion who received a GED, however, within the relatively short follow-up period available, there was no effect on earnings or welfare receipt.

EMPLOYMENT STATUS OF WOMEN ON AFDC

Working Full-Time	2.6%
Working Part-Time	3.9
In JOBS or Food Stamp Training	6.2
In Self-Initiated Training	6.0
Other (Not working or in any education and training--includes those who are unemployed)	81.3

Source: 1993 AFDC-QC

EARNINGS AND BENEFITS FOR A MOTHER WITH TWO CHILDREN IN PENNSYLVANIA: JANUARY 1994				
Earnings	EITC	AFDC and Food Stamps	Taxes and Work Expenses	"Disposable Income"
$0	$0	$7,548	$0	$7,548
$5,000	1,500	4,856	1,883	9,473
$10,000	2,528	2,208	3,799	10,937
$15,000	1,820	1,308	5,522	12,606
$20,000	936	0	7,102	13,834

Source: Congressional Research Service

In this Pennsylvania example, a mother of two who has earnings of $10,000, has disposable income only $3,389 more than a mother of two who earns nothing. For the working mother, this is comparable to an hourly wage of only $1.60 an hour.

THE $34 BILLION GAP IN CHILD SUPPORT

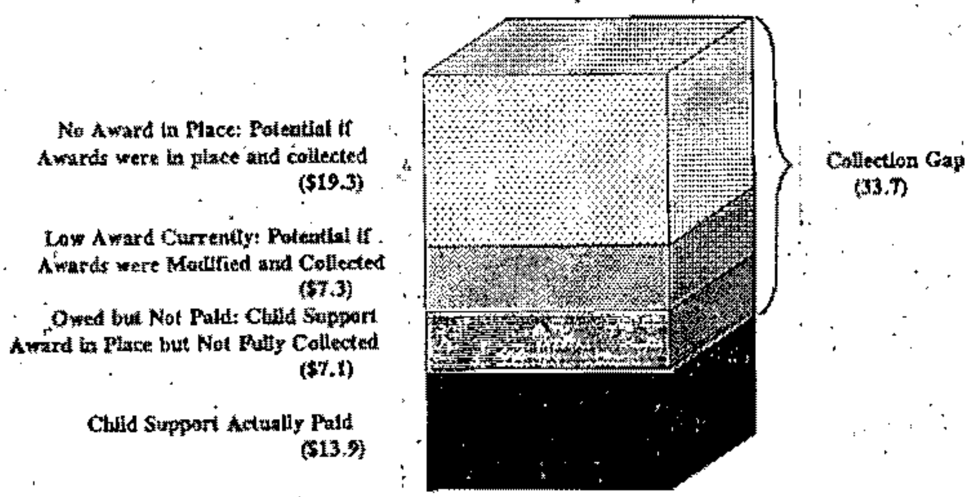
Recent research indicates that the potential for child support collections is approximately $48 billion per year, yet only $14 billion is actually paid. This means that there is a gap between what is currently received and what could theoretically be collected of about $34 billion dollars.. There are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

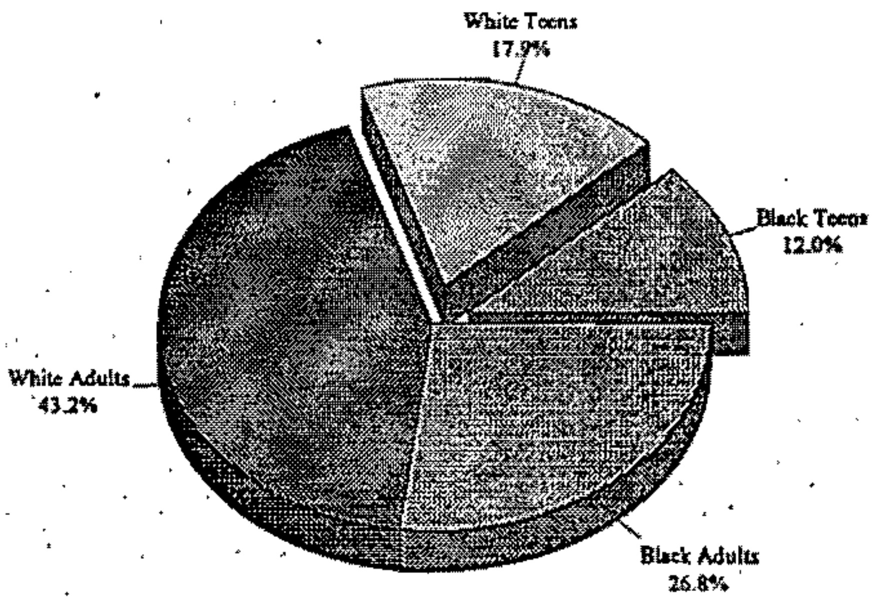
- Finally, many single parents lack a legal child support order. If they did have an order in place, an additional $19.3 billion (57 percent of the gap) could be collected. About half of those who do not have an award lack one because they do not have paternity established for their child(ren).

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.

Births to Unmarried Women by Age and Race, 1992



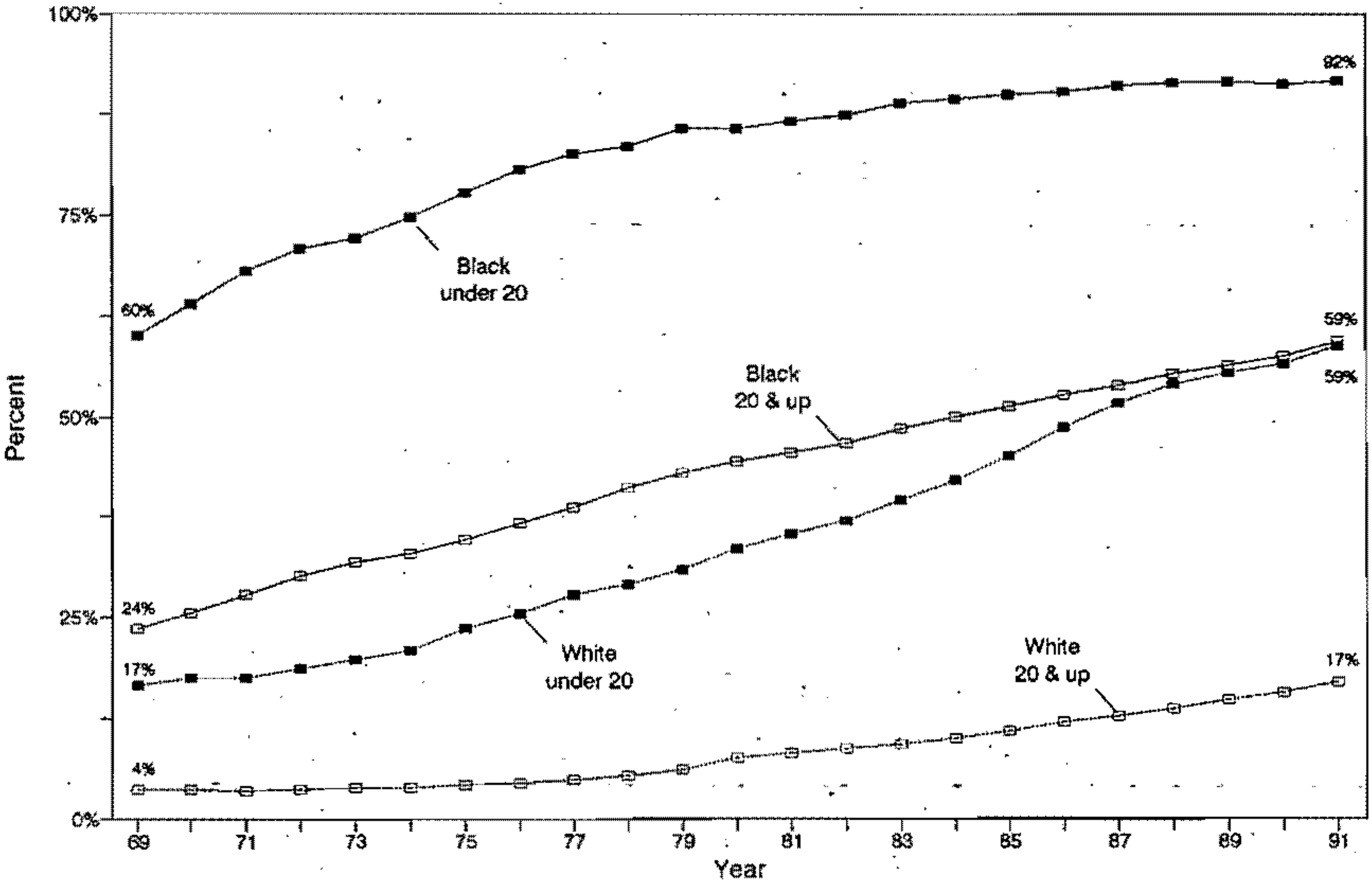
1,224,876 Births

SOURCE: Prepared by CRS based on NCHS data.

- Most births to unmarried women are to adult women.
- In 1992, 30% of babies born to unmarried women were born to adolescents.
- In 1992, 60% of babies born to unmarried women were white.
- In 1955 (the first year NCHS data by race are available), 35% of babies born to unmarried women were white (not shown).

PERCENTAGE OF OUT-OF-WEDLOCK CHILDBEARING

Nonmarital Births as a Percentage of Total Births



Source: National Center for Health Statistics, *Vital Statistics of the United States*, annual and *Monthly Vital Statistics Report*, Vol. 43, No. 5, Supplement, October 25, 1994.

THE STATE OF THE CHILD

Living Arrangements of Children Related Children under 18 (in thousands)	1960	1980	1990	1993
Total child population	63,727	63,427	64,137	66,893
Percent of all children:				
Living with one parent	9.1	19.7	24.7	26.7
Living with never-married parent	0.4	2.9	7.6	9.4

Teenage Pregnancy	1973	1980	1985	1992
Female Population (ages 15-19)	10,193,000	10,413,000	9,174,000	8,324,000
Births	604,096	552,161	467,485	505,415
Legal Abortions	232,440	444,780	399,200	NA
Estimated Miscarriages	144,060	149,000	114,000	NA
Pregnancies	980,596	1,145,941	980,685	NA
Rate per thousand	96.2	110.0	106.9	NA

Child Poverty (Number in thousands and rate)	1974		1979		1989		1993	
Children below poverty								
Total	10,156	(15.4)	10,377	(16.4)	12,590	(19.6)	15,727	(22.7)
Black	3,755	(39.6)	3,833	(41.2)	4,375	(43.7)	5,125	(46.1)
White	6,223	(11.2)	6,193	(11.8)	7,599	(14.8)	9,752	(17.8)
Hispanic	NA	--	1,535	(28.0)	2,603	(36.2)	3,873	(40.9)

Child poverty rate by race and family type, 1993:	Female Head	Married-Couple
Total	53.7	11.7
Black	65.9	18.0
White	45.6	10.8
Hispanic	66.1	30.1

Governmental Policy--Disposable Income of mother and 2 children (1993 $)	1972	1980	1994	Percent change 1972-94
Wages of $0				
AFDC	8,531	6,275	4,530	-46.9
Food Stamps	2,150	2,350	2,896	34.7
Total	10,681	8,625	7,426	-30.5
Wages of $7500				
Wages	7,500	7,500	7,500	--
AFDC	5,584	2,794	737	-86.8
Food Stamps	911	612	2,721	198.8
Federal (Taxes) Refunds	(390)	299	1,677	--
Total	13,605	11,204	12,634	-7.1

Child Support Enforcement	1978	1989	1989 Divorced or Remarried	1989 Never Married
Families with children with an absent father (millions)	7.1	10.0	5.6	3.0
Percent with awards	59	58	78	24
Percent who received payment	35	37	51	14
Percent receiving full payment	24	26	NA	NA

Benefits, Expenditures, Recipients & Child Poverty in 1993, By State

States	Monthly AFDC Benefit July 94 Mother & 2 Children	Monthly AFDC + Food Stamps Mother & 2 Children	Total AFDC Benefits Paid (in millions)	Percent Of All Children on AFDC (monthly avg recp)	Child Poverty Rate (%) 5-17 Years
Alabama	$174	$469	$95.9	9.3	22.1
Alaska	933	1,161	110.7	10.1	10.3
Arizona	357	615	269.6	11.8	23.1
Arkansas	214	509	59.5	8.3	23.2
California	617	797	5,897.4	19.4	24.2
Colorado	366	621	164.0	9.0	11.1
Connecticut	690	848	386.3	13.4	16.1
Delaware	348	606	39.7	12.0	12.6
District of Columbia	430	666	110.7	38.1	40.8
Florida	313	584	830.4	13.6	24.5
Georgia	290	566	433.9	14.6	22.9
Guam	340	770	9.2	2.3	--
Hawaii	722	1,097	143.5	12.1	14.8
Idaho	327	594	28.5	4.3	17.4
Illinois	387	641	899.5	15.4	19.8
Indiana	298	573	221.2	9.1	12.0
Iowa	436	670	163.4	9.5	13.0
Kansas	439	689	125.9	8.5	14.7
Kentucky	237	531	210.5	15.2	24.4
Louisiana	200	495	177.5	16.0	36.0
Maine	428	664	117.1	14.4	17.2
Maryland	383	646	316.5	11.8	14.8
Massachusetts	589	777	750.3	14.8	17.6
Michigan (Wayne Co.)	469	693	1,192.1	17.6	21.2
Minnesota	542	744	385.8	10.2	14.8
Mississippi	137	432	87.2	17.1	31.0
Missouri	302	576	286.1	12.4	19.5
Montana	426	663	47.0	8.9	14.7
Nebraska	374	627	65.9	7.6	14.0
Nevada	358	615	44.0	8.3	16.1
New Hampshire	560	757	56.0	6.4	11.6
New Jersey	209	504	533.6	13.1	14.9
New Mexico	391	639	118.5	11.8	23.6
New York (N.Y.C.)	587	792	2,837.4	16.5	24.3
North Carolina	282	562	357.0	12.4	20.9
North Dakota	441	674	28.1	7.2	11.5
Ohio	351	611	980.8	17.7	18.7
Oklahoma	334	599	172.6	10.7	21.5
Oregon	470	729	202.6	10.1	13.2
Pennsylvania	431	667	916.3	13.8	16.3
Puerto Rico	190	190	77.0	3.7	--
Rhode Island	564	798	135.0	17.1	20.3
South Carolina	210	505	118.0	10.7	27.4
South Dakota	440	673	25.0	6.4	16.7
Tennessee	194	489	220.6	13.9	23.9
Texas	198	493	533.8	10.4	23.4
Utah	424	662	78.0	5.3	13.4
Vermont	660	827	65.9	12.0	13.2
Virgin Islands	250	612	3.5	2.7	--
Virginia	364	620	231.7	8.1	13.0
Washington	556	780	602.4	12.9	13.4
West Virginia	263	549	122.2	17.6	31.6
Wisconsin	527	734	441.6	12.8	14.9
Wyoming	370	624	26.5	9.0	11.9

HHS FACT SHEET

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

January 1995

Contact: ACF Press Office
(202) 401-9215

FACTS RELATED TO WELFARE REFORM
Aid to Families with Dependent Children (AFDC)

(Figures are for 1993, except where noted)

Benefits

- AFDC benefit levels range from $120 per month for a family of three in Mississippi to $950 per month in Alaska, with the median state paying $365 in AFDC benefits. Food stamp benefits fall as AFDC benefits increase, however, offsetting to some degree the disparity in AFDC benefit levels among the different states.

- After accounting for inflation, the average monthly benefit for a mother and two children with no earnings has shrunk from $690 in 1972 to $395 in 1993, a 43 percent decline.

- This decline has been partly offset by an increase in food stamp benefits, such that the combination of AFDC and food stamps for a mother and two children with no earnings declined by 26 percent between 1972 and 1993.

- In all 50 states and the District of Columbia, AFDC benefits are below the Census Bureau's poverty threshold, varying from 12 percent of the threshold in Mississippi to 75 percent in Alaska (median of 38 percent).

Caseloads

- The number of persons receiving AFDC increased significantly between 1975 and 1993. In 1975, 11.1 million individuals received benefits, and in 1993, 14.2 million persons received AFDC (up from 12.6 million in 1991). Over the same period, the average size of AFDC families has fallen, from 3.3 persons in 1975 to 2.8 persons in 1993.

- Recipiency rates, defined as the total number of AFDC recipients divided by the state population, have not followed a uniform trend among all states. While rates in some states increased substantially between 1975 and 1992, 22 states experienced a decline in monthly recipiency rates over that time period.

- Two-thirds of AFDC recipients are children. During an average month in FY 1993, 9.7 million children received AFDC benefits.

Expenditures

- Despite the increase in the number of recipients over the time period, total AFDC benefit expenditures have remained relatively constant in real terms between 1975 ($22.6 billion) and 1993 ($22.3 billion). Real spending on AFDC benefits apart from AFDC-UP (aid for certain poor two-parent families) has actually fallen since 1975, from $21.6 billion in 1975 to $20.0 billion in 1993. *(Figures shown are constant 1993 dollars.)*

- Contrary to the general conception, not all states have experienced an increase in total AFDC expenditures. While the national average between 1985 and 1993 was a 14 percent increase, state-by-state figures varied from an increase of 206 percent in Arizona to a decrease of 41 percent in Wisconsin.

- The share of federal spending devoted to AFDC has declined from 1.6 percent in 1975 to 1.0 percent in 1993.

- For FY 1995, it is estimated that AFDC spending will total $22.8 billion, including $10.3 billion by states and $12.5 billion by the federal government.

Recipient Characteristics

- Thirty-eight percent of AFDC parents in 1993 were white, 37 percent were black and 19 percent Hispanic, as compared to 1973, when 38 percent of AFDC parents were white, 46 percent black and 13 percent Hispanic.

- At any point in time, only 21 percent of AFDC families report any non-AFDC income; only 7 percent report earnings.

- Forty percent of female welfare recipients gave birth to their first child before the age of 19. Seven percent of children (about 650,000) now receiving AFDC were born to unmarried mothers under the age of 18; 21 percent (almost 2 million children) were born to unmarried mothers under 21.

- Fifty-five percent of children (5.3 million) receiving AFDC were born out-of-wedlock, and 33 percent (3.2 million) of AFDC child recipients do not have paternity established.

- Fifty-four percent of AFDC adult recipients have a high school degree, and 49 percent had not worked in the 12 months prior to receiving AFDC benefits.

The JOBS Program

- On an average monthly basis, 17 percent of adult non-exempt AFDC recipients nationwide were enrolled in the JOBS program in 1993. Only California, Hawaii, and Guam failed to reach the 11 percent participation rate mandated in the Family Support Act for fiscal year 1993.

- Fiscal year 1993 federal funding for the JOBS program was capped at $1 billion. However, state spending was only sufficient to draw down about three-fourths of the available federal funding for fiscal year 1993, and only 17 states (plus the Virgin Islands) claimed their full allocation of federal JOBS funds.

OTHER FACTS

Living Arrangements of Children

- While the total child population in the United States was approximately the same in 1960 as in 1993, the percent of children living with a single parent increased from 9 percent to 27 percent. The majority of children born today will spend some time in a single-parent family.

Labor Force Participation of Women

- The percent of women who work in the wage labor market has increased dramatically in recent decades. Between 1950 and 1993, the labor force participation of women with children under age 6 increased from 14 percent to 58 percent.

Child Poverty

- In 1993, 23 percent of all children lived in poverty. Among children in female-headed families, the rate was 55 percent; among children in families with a male present, the rate was 13 percent.

Child Support Enforcement

- Of the 10 million families with children with an absent father in 1989, 58 percent had a child support order in place. Of those with child support payment due, 51 percent received full payment, an additional 24 percent received partial payment, and 25 percent did not receive any payment.

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Minnesota WORKS '95

Governor Carlson's welfare reform plan

Briefing for President Bill Clinton
Blair House
Washington, D.C.
January 28, 1995

Minnesota WORKS '95

■ The effect so far of MinnesotaCare on economic assistance programs is that 2,400 families were able to stay healthy and off welfare–improving their lives and saving taxpayers $1.8 million a month in public assistance costs.

State flexibility key to national reform

A key ingredient for national welfare reform's success will be flexibility for states to tailor economic assistance programs to state need, culture and priorities. Minnesota believes flexibility is a *must* because with it we have produced results.

Flexibility produces results

EXAMPLE #1:

Minnesota shows welfare, health care link

The effect on welfare–thus far–of the MinnesotaCare health care reform effort is that 2,400 families stayed healthy and off welfare because they had health care coverage. This lends factual support to the long held hunch that affordable health care coverage can keep people off welfare. So besides the value of healthier parents and children, MinnesotaCare saves taxpayers $1.8 million a month in public assistance costs.

EXAMPLE #2:

Minnesota shows reform is a tool to achieve the greater goal of a better life for families and children

With federal flexibility, Minnesota consolidated several state/federal programs into one that rewards work, reinforces responsibility and supports family. It is called the Minnesota Family Investment Program (MFIP). One of the key features of MFIP is to offer the temporary support that some families need while they become established in the work force. At the same time, MFIP enforces the notion of a "social contract" by placing specific performance expectations on those enrolled and sanctions for non-performance after two years. Early results (first eight months) show 32 percent of urban MFIP families employed compared with 14 percent in a non-MFIP comparison group. 52 percent of rural MFIP families are employed compared with 34 percent in their non-MFIP comparison group.

MFIP always makes families better off if they work. And it demonstrates that most people on welfare want to work if given a chance and services that are flexible.

Minnesota WORKS '95

■ The Minnesota Family Investment Program (MFIP) shows 31% of urban MFIP families employed compared with 14% in a comparison group. 52% of rural MFIP families are employed compared with 34% in their non-MFIP comparison group.

Work, responsibility, family and building supports outside welfare to improve the lives of children

In Minnesota's reform efforts, work, responsibility and family are key themes, meaningfully incorporated into our strategies. Minnesota believes that reforming welfare is not an end in itself but a tool to achieving better lives for our families, and, most importantly, our children. Therefore, in addition to flexibility, our state believes these values must orient national reform.

EXAMPLE: MINNESOTA VALUES WORK

■ Through the Minnesota Family Investment Program (MFIP), Minnesota puts into practice the words "working should always make a family better off," by allowing families to keep some benefits as they transition to self-sufficiency–rewarding work and improving family quality of life.

EXAMPLE: MINNESOTA REINFORCES MUTUAL RESPONSIBILITY

■ Through MFIP, the social contract is reinforced. The state provides benefits, training and other assistance in return for a signed, mutually agreed upon contract outlining what a family will do to become self-sufficient. If families do not meet their responsibilities, they are sanctioned.

EXAMPLE: MINNESOTA BELIEVES IN FAMILY

■ With MFIP, parents aren't penalized for working and therefore can provide good role models for their children. Additionally, the standard of living for MFIP families is improved because they can take a job that may not have health care benefits for themselves or their children and still be covered by Medical Assistance or by MinnesotaCare.

EXAMPLE: MINNESOTA BUILDS SUPPORTS OUTSIDE WELFARE

■ Minnesota is already rolling annually distributed family tax credits into monthly issuance to help families with cash flow. Minnesota wants federal tax credits distributed similarly. If reform is to achieve the greater goal, the tax system, like other non-welfare system supports, must be leveraged to help families make it in today's economy.

Minnesota WORKS '95

■ Minnesota believes that reforming the welfare system is not the goal. Reform is a *tool* for giving families the freedom and opportunity to achieve the greater goal of better lives for themselves and their children.

Minnesota's reform agenda '95

Minnesota WORKS '95 is a proposal by Governor Arne H. Carlson that is pro-work, pro-responsibility and pro-family welfare reform for Minnesota. **Minnesota WORKS '95** builds on the best of our state's tradition and offers people a chance to get off welfare and out of poverty by reforming current programs and by building supports outside the welfare system.

The Minnesota WORKS '95 proposal

■ Eliminating the Work Readiness Cash Grant Program.

Minnesota WORKS '95 would eliminate assistance for employable adults, using savings for reforms that better reinforce work, responsibility and family and that build supports outside the welfare system.

REWARDING WORK AND FAMILY

■ Expanding the MN Family Investment Program

Aid to Families with Dependent Children (AFDC) families in the St. Paul area would be eligible for the Minnesota Family Investment Program (MFIP) through expansion of the program to Ramsey County. MFIP rewards work, is a top-to-bottom redesign of welfare and currently is operating in seven counties. Early figures suggest MFIP is on track and moving families toward self-sufficiency.

■ Redesigning welfare-to-work training programs

The STRIDE state-wide welfare-to-work training program would be redesigned to focus on employment and establish performance-based standards for training providers and participants.

■ Eliminating anti-work rules

Current welfare rules that don't support work will be eliminated, including the 100-hour rule, work history requirement and 30-day waiting period. To assure reliable transportation to work, the value of a car a person on welfare can own and still be eligible will increase. Penalties for saving money for future education or employment needs by dependent children and minor caretakers will be eliminated. Work injury protection for mandatory work participants is also part of the proposal.

Minnesota WORKS '95

■ Preventing dependency through WorkFIRST

Welfare dependency would be prevented through a demonstration project for first-time AFDC or Family General Assistance applicants. With some exceptions, applicants will be required to conduct an immediate job search and work in a community service job, if necessary. Instead of a check, for the first six months, basic needs will be met through direct payments for rent and utilities.

■ Expanding the Self-Employment Investment Demonstration (SEID) Program

This program will be expanded to help more welfare recipients become self-employed.

REINFORCING RESPONSIBILITY AND FAMILY

■ Strengthening child support enforcement

Child support will be strengthened through initiatives to increase collections, including changes to make it easier for employers to handle employee child support obligations. Child support is a key ingredient to family self-sufficiency. While Minnesota has the fourth best collections rate in the country, improvements can move the state to number one.

■ Increasing family responsibility

Minor parents will have to live with their parents, legal guardian, other adult relative or in an adult-supervised living arrangement to get AFDC, except under special circumstances.

■ Expanding fraud prevention

Minnesota WORKS '95 would expand anti-fraud efforts, including the Fraud Prevention Investigation Program (FPI). FPI prevents fraud through quick, upfront investigation of applications that are inconsistent or questionable.

Minnesota WORKS '95

■ Minnesota will continue to champion supports outside the welfare system to help families including the MinnesotaCare health care waiver currently pending before the United States Department of Health and Human Services.

BUILDING SUPPORTS OUTSIDE THE WELFARE SYSTEM

■ Providing health care for low/middle income families

Early results show 2,400 families stayed off welfare because health care benefits were available through the MinnesotaCare program. Minnesota will continue to pursue sensible health care reforms in publicly funded programs through the MinnesotaCare waiver pending before the federal Health Care Financing Administration. The MinnesotaCare waiver would expand access to care for more low and middle income people, simplify complicated public programs and increase program flexibility to get quality care at an affordable price.

■ Providing monthly tax refunds for working families.

The Earned Income Tax Credit, the Minnesota Working Family Credit, property tax credits and the Minnesota Child and Dependent Care credit would be issued monthly instead of once a year. This would help low-income working families by providing another source of money each month.

■ Helping working families with child care assistance

Approximately $21 million will be added to the state's biennial budget to help families find and pay for quality child care.

■ Developing a housing assistance plan for working families

Over the biennium, the Minnesota Department of Human Services will continue to explore ways to help working families get decent, safe and affordable housing.

This briefing document was prepared by the
Minnesota Department of Human Services,
444 Lafayette Road
St. Paul, Minnesota 55155-3815.

Maria R. Gomez, Commissioner
John Petraborg, Deputy Commissioner

Upon request, it will be made available in an alternative format such as Braille, large print or audiotape.

OFFICE OF THE GOVERNOR
STATE OF MISSOURI
JEFFERSON CITY
(314) 751-3222

MEL CARNAHAN
GOVERNOR

ROOM 216
STATE CAPITOL
65101

January 25, 1995

The President
The White House
Washington, DC 20005

Dear Mr. President:

I am honored to submit information about our efforts to reform welfare in Missouri. Our proposals, "Beyond Welfare," were passed with bipartisan support in the last session of the Missouri General Assembly. The principles underlying our welfare reform proposals are to:

- Prevent welfare by targeting young children who are at risk of entering the welfare system;
- Reduce welfare by strengthening families' ability to be self-sufficient;
- End welfare by substituting wages for welfare.

It is this last proposal--wages not welfare--that is at the heart of my efforts. I believe that our efforts should be concentrated on moving people from welfare to work. I also believe this approach is supported by public opinion, as demonstrated by the recent Kaiser/Harvard public opinion study.

With your help, we have secured waivers to establish public/private partnerships between government and communities to create jobs and to produce a welfare system that promotes self-sufficiency and responsibility

I look forward very much to the welfare reform summit hosted by you and Vice President Gore.

Very truly yours,

Mel Carnahan

Mel Carnahan

MC/gjs
Enclosure

MISSOURI GOVERNOR MEL CARNAHAN'S
FAMILY SELF-SUFFICIENCY INITIATIVE

BEYOND WELFARE

PREVENTING IT

REDUCING IT

ENDING IT

BEYOND WELFARE
EXECUTIVE SUMMARY

Nearly everyone agrees that welfare is a burdensome system that undermines family strength and discourages work. But welfare reform too often means adding more restrictions and regulations to this already complicated system.

The welfare system needs more than tinkering around the margins. It needs to be replaced with a new system that supports the values Americans place on work and family.

BEYOND WELFARE is a comprehensive proposal with a single focus to *replace welfare with wages.*

It addresses the fundamental causes of welfare dependency: lack of family support; lack of job skills and work habits; and the intergenerational cycle of welfare reliance.

BEYOND WELFARE will:

- **Prevent Welfare** by targeting children and young adults who are at risk of entering the welfare system. It will wrap a comprehensive educational and job-training package around them to prepare them for work and self-sufficiency as adults.
- **Reduce Welfare** by strengthening families' abilities to be self-sufficient. The state will provide job training, education, and parenting skills while parents will be held accountable for their actions and responsible for their children.
- **End Welfare** by putting recipients to work, creating new jobs, and limiting the time they can rely on welfare. Recipients will work for wages, and transition gradually off welfare. They will be given the tools necessary to lift their families off the welfare roles and develop a time-limited plan for self-sufficiency.

Data from Missouri's FUTURES program and similar welfare-to-work programs around the country have shown that graduates who take advantage of job-training and educational opportunities increase their earnings and ability to lead a life free from welfare.

BEYOND WELFARE includes measures aimed at:

Wages not Welfare — AFDC grants will be used as wage supplements to create jobs, reward work, and promote economic development. AFDC recipients and community residents will be trained to provide some neighborhood services that are often assigned to professionals from outside the community. Work will be rewarded by allowing families to keep a greater share of the money they earn without experiencing a sudden loss of resources.

Family Self-Sufficiency — Families can negotiate a time-limited Family Self-Sufficiency Pact. The Pact will lay out steps a family will take to achieve self-sufficiency within a time period tailored to the needs of the family. In return, the state will provide needed support services.

Fathers and Their Children — Fathers who owe the state child support can earn credit against their debt by becoming more involved in their communities and their children's lives. Also, fathers paying child support will have a larger role in their children's lives by establishing savings accounts for their children with child support payments.

Educare — Child care funding will be used to increase the educational quality of day care. Schools will either establish Educare programs at sites away from schools, or provide support services and educational enhancements to child care providers that offer Educare. The proposal includes other educational measures to help young people at risk of becoming welfare dependent be self-sufficient.

PREVENTING WELFARE

Educare: Tie child care funding to school-linked sites, helping to ensure that all children begin their schooling ready to learn.

Parents as Teachers: Extend Parents as Teachers to meet the needs of low-income families and communities, increasing their access to the program.

Independent Living: Because former foster and juvenile-justice children have a much greater chance of becoming welfare dependent, increased employment opportunities and mentoring programs will stabilize their futures and help them move to work upon leaving state care, rather than depend on welfare.

Mentoring: Establish a volunteer program for business leaders, teachers, and neighbors to become mentors for adults, teens, and children who receive welfare.

School-to-Work: Because 40 percent of high-school graduates do not go on to college, begin an initiative that prepares secondary-school students to obtain jobs upon graduation.

Decentralization/ Integration of Services: Increase access to needed services and avoid duplication and waste by integrating human services and job-training programs at common sites.

REDUCING WELFARE

Expanding FUTURES: Because of the success of FUTURES, the availability of the program should be expanded.

Missouri Parents' Fair Share: Expand this program in Kansas City and St. Louis City, and expand it into other communities in the state. The program improves the job prospects of non-custodial fathers whose families receive welfare.

Child Support Credit: Allow fathers to earn credit against child support debt for responsible behavior exhibited through activities such as participation in community work programs and attending job-training or educational programs.

Mediation: Give parents greater voice in resolving disputes by increasing the availability of mediation services when visitation issues become barriers to child support payment.

Paternity Establishment: Expand programs that establish paternity in hospitals following birth, and obtain a waiver to deny benefits until the father has been identified.

Reward Work: Create a more gradual transition to self-sufficiency by allowing families to keep a greater share of the money they earn without experiencing a sudden cut in aid and loss of monthly income.

Family Stability: 1) Create more flexible eligibility requirements for adolescent parents so they are not forced to leave home to qualify for benefits.

2) Disregard wages of teenagers who remain in school, live with their families, and do not have children of their own.

ENDING WELFARE

Wages not Welfare: Work works, not welfare. Use AFDC grants as wage supplements to create jobs and economic development in low-income neighborhoods.

Missouri EITC: Enter into a partnership with the Treasurer's office to advance a portion of Earned Income Tax Credits to AFDC clients. The Treasurer would then be reimbursed by the federal government.

Family Development Accounts: Allow AFDC families to open savings accounts for a specific purpose, such as education or home purchase, and disregard the money invested from their eligibility calculation.

Savings Connection: Create a savings program for children whose parents participate in FUTURES or FUTURES Connection. The money would be saved for an agreed-upon item and available to the children when parents graduate from FUTURES.

Family Self-Sufficiency Pact: Upon application, each family member must agree to a plan that will lead to self-sufficiency within a time limit tailored to the needs of the family. The Pact would establish mutual obligations on the state and each family member.

In addition, the Pact would include a Parent and Child Development Plan that would improve the parents' skills as caregivers and identify, at an early age, special needs of the children.

Neighborhood Job Creation: Train AFDC recipients and neighborhood residents to work as:

- Parent educators in Parents as Teachers.
- Day-care providers.
- Elderly home-care givers.
- Foster parents.
- Mediators in child-support and custody disputes.

A "BETTER CHANCE": THE CARPER ADMINISTRATION'S WELFARE REFORM PROPOSAL

The Carper Administration's bold plan for welfare reform, "A Better Chance", will transform the current welfare system into a system that creates positive incentives for private sector employment, the formation and maintenance of two-parent families, and a reduction of teenage pregnancy.

Five key elements form the basis of A Better Chance: 1) that work should pay more than welfare; 2) that welfare recipients must exercise personal responsibility in exchange for benefits; 3) that welfare should be transitional, not a way of life; 4) that both parents are responsible for supporting their children; and 5) that the formation and maintenance of two-parent families should be encouraged, and that teenage pregnancy should be discouraged.

Highlights of each element are set forth below.

WORK SHOULD PAY MORE THAN WELFARE

- Rewards work by:
  - enabling welfare recipients who take jobs to continue to receive part of their welfare grants for their families and for placement in an individual development account for continuing education or job training;
  - emphasizing full use of the federal Earned Income Tax Credit ("EITC") which, by 1996, will turn a $4.25 an hour minimum wage job into a $6.00 an hour job; and
  - in 1997, proposing forward-funding of the EITC credit so that eligible families see the benefits of the credit in their paychecks on a regular basis.
- Provides two years of transitional Medicaid and child care to welfare recipients who go to work.
- Brings the Delaware Economic Development Office, the Department of Labor, the new Delaware Workforce Development Council and the private sector together to get jobs for welfare recipients by address the training, transportation, child care and work-readiness and work-reliability problems that impede the hiring and retention of welfare recipients.

WELFARE RECIPIENTS MUST EXERCISE PERSONAL RESPONSIBILITY

- Requires each welfare recipient to sign a contract of mutual responsibility. Responsibilities will include:
  - participating in job training and searches;
  - accepting a job if one is offered;
  - ensuring that the recipient's children (or the recipient herself, if she is a teenager) stay in school and get immunized; and
  - participating in parenting education and family planning.
- Strengthens sanctions for noncompliance.
  - Welfare recipients who refuse training or a job, quit a job, or fail to stay in school will lose 1/3 of their grant for a first violation, 2/3 for a second violation, and lose eligibility for AFDC permanently for a third violation.
  - Sanctions for noncompliance will reduce a recipient's AFDC and food stamps grants -- not just AFDC, as is currently the case.
- Emphasizes parental responsibility to keep children in school. The whole family's grant will be reduced until the children return to school.

WELFARE SHOULD NOT BECOME A WAY OF LIFE

- Subjects every welfare recipient age 19 and above to a two-year time limit. The entire AFDC population will be phased into time limits on or before 1997.
- At the end of the two-year time limit, requires recipients to find private sector jobs. For recipients who cannot locate private sector jobs despite good faith efforts to do so, the State will enable them to work in a workfare job for a maximum of two more years and receive a paycheck based on hours actually worked.
  - Welfare in its current form will be ended for adults in 1999. In 1999, new adult applicants may participate in a workfare program for a maximum of two years, during which time they will be paid only for hours worked.

BOTH PARENTS SHOULD HELP SUPPORT A CHILD

- Requires welfare recipients to cooperate in paternity establishment as a condition of eligibility.

- Holds young fathers accountable by requiring job training and search activities, parenting education, and by obtaining child support orders against them.

SUPPORT TWO-PARENT FAMILIES AND DISCOURAGE TEENAGE PREGNANCY

- Eliminates AFDC rules that discriminate against two-parent families.

- Undertakes, through an Alliance On Adolescent Pregnancy Prevention, a grassroots community and media outreach campaign to convince teenagers to postpone sexual activity and to avoid becoming or making someone else pregnant.

- Requires teenage mothers on welfare to live with their parents, stay in school, immunize their children and participate in parenting education.

- Imposes a "family cap" on welfare grants, denying increased benefits to families that conceive an additional child while on welfare.

- Ends welfare grants to teen mothers in 1999, and replaces those grants with services to teen mothers and their children. These services will not separate mothers and their children; however, the State will no longer pay wages to teenagers because they have children.

- Ends welfare "as we know it" in 1999. Establishes in its place a system of supports for intact families through forward-funding of the EITC, child care, and improved access to health care. These supports will provide incentives for people to get married, and pool their incomes, and share child-rearing duties.

STATE OF MICHIGAN

OFFICE OF THE GOVERNOR

LANSING

JOHN ENGLER
GOVERNOR

MEMORANDUM

TO: White House Welfare Reform Meeting Participants

FROM: Governor John Engler

RE: Proposal for Welfare Reform

DATE: January 24, 1995

Background: Michigan's statewide welfare reform initiative, To Strengthen Michigan Families (TSMF), was launched in October 1992. TSMF focuses on four principles: encouraging employment, targeting support, increasing personal responsibility, and involving communities. Approximately, 200,000 AFDC families are engaged in TSMF initiatives.

The results of TSMF to date provide important lessons for national welfare reform:

1. The first step toward self-sufficiency for families on public assistance is to become actively engaged in the community. Clients respond positively to expectations that they work or perform other productive activities in exchange for benefits.

   With increased incentives for employment, 26.1 percent of Michigan's AFDC families were employed and earning wages in December 1994. This compares to 15.7 percent in September 1992, before the implementation of TSMF. In the first two years of TSMF, 55,000 AFDC cases were closed due to earned income.

   Michigan's social contract requires AFDC families to be actively engaged for 20 hours a week in work, community service, or employment and training programs. Over 70 percent are productively involved in their communities.

2. Welfare reform does not require a large commitment of new dollars.

   Cost data for TSMF indicate that during the first two years of implementation, savings to the federal government and the State of Michigan totaled $100 million.

3. Many states have innovative ideas for reforming welfare. However, federal statutes and regulations stifle important and critical reforms.

> The confusing array of regulations governing AFDC, Food Stamps, Medicaid, and other programs are often at cross purposes. This creates an administrative nightmare for front-line workers delivering services to clients, and results in a system that does not clearly reward clients for working and other responsible behavior.

Proposal: Establishing federal block grants will allow states to design and implement programs to reduce welfare caseloads, increase self-sufficiency, and strengthen families. States have demonstrated leadership and creativity in reforming welfare but need greater flexibility to design programs that meet the needs of their citizens.

Capped state entitlements, with restricted growth in future years, will also provide a greater level of certainty in the federal budget.

Block grants should focus on eight general areas. The number of programs and FY 1995 funding associated with each of the block grants is noted below.

		Number of Programs	FY 1995 Appropriations (in billions)
1.	AFDC/Cash Assistance	5	$16.3*
2.	Child Care and Early Childhood Education	12	6.3
3.	Child Welfare	35	4.3
4.	Food and Nutrition	10	37.7
5.	Social Services	33	6.6
6.	Employment and Training	154	24.8
7.	Health	22	5.0
8.	Housing	27	17.9
	Total:	298	$118.9

*FY 1996 Spending

With the consolidation of programs into flexible block grants, state and the federal government will realize significant administrative savings. The current burden on states to comply with a cumbersome array of regulations and state plan requirements that are different for each of the programs will be eliminated.

Key features of block grants should be:

1. Broad goals for each block grant with each state determining how to reach these goals.

2. State responsibility for developing plans on how funds are to be expended with no approval from the federal government necessary to receive funds or implement their plan.

3. Audits to ensure states are expending funds in accordance with their state plan.

4. Allow carry-forward funds from one fiscal year to the next and finds transferable between block grants.

5. Availability of special contingency fund to states for severe economic hardship or natural disaster.

GOVERNOR DEAN'S WELFARE REFORM INITIATIVE

Vermont's Welfare Restructuring Project (VWRP) was implemented statewide on July 1, 1994, following approval by the Clinton administration in April, 1993. VWRP includes three research groups and has four main goals, as described below.

■ STRENGTHEN INCENTIVES TO WORK

VWRP makes work more attractive than welfare by:

Allowing AFDC parents who obtain unsubsidized jobs to have the first $150 plus 25 percent of the balance of their earnings disregarded in calculating their family's ADFC benefit.

Eliminating the 100-hour rule which prevented low-wage-earning breadwinners in two-parent AFDC families from accepting jobs that automatically resulted in termination of the AFDC benefit.

Extending Transitional Medicaid coverage from 12 to 36 months following termination of a family's AFDC grant due to earnings; and providing State-funded, income-based child care subsidies as long as the family qualifies on a sliding-scale basis.

Excluding one vehicle when counting the value of a family's resources in the AFDC eligibility determination.

Excluding savings accumulated from a parent or child's earnings when counting the value of a family's resources in the AFDC eligibility determination.

■ MAKE DEPENDENCE ON AFDC BENEFITS TRANSITIONAL

VWRP transforms AFDC from an income maintenance program that fosters dependency to a transitional assistance program that encourages, assists, and eventually requires AFDC parents to support themselves and their children financially through work by:

Establishing work requirements that reflect the labor market behavior of the vast majority of Vermont parents, both mothers and fathers. These are coupled with sensible and fair exemptions that address individual family circumstances

Imposing time limits on how long able-bodied AFDC parents can receive benefits without a work obligation: after 30 months of receiving ANFC, single parents with one or more children under 13 are required to work part time (20 hours per week). Single parents whose children are 13 or older are required to work full time (40 hours per week). Breadwinners in two-parent AFDC families are required to work full time after 15 months' receipt of AFDC.

Requiring AFDC parents for whom unsubsidized work is not available to accept subsidized jobs in public or nonprofit organizations; the wages paid for these jobs are subsidized by the family's AFDC benefit.

Sanctioning non-complying parents whose time limits have expired by mandating monthly reporting and their attendance at three office visits per month at which AFDC benefits are received through vendor payments and the parent is counseled to comply with the work requirement.

- **PROMOTE GOOD PARENTING AND POSITIVE ROLE-MODELING**

VWRP strengthens families and parental responsibility by:

Requiring pregnant or parenting minors to live with their parents or in an approved supervised living arrangement; and assigning a case manager to each minor receiving AFDC (including a case manager prior to AFDC receipt if the minor applies for Medicaid) who works with the minor in developing her Family Development Plan that must include school attendance and participation in parenting education.

Paying all child support collected by the Office of Child Support directly to the AFDC parent, rather than forwarding only the first $50.

Increasing the effectiveness of child support collection efforts and the ability of noncustodial parents to pay child support.

Providing cash bonuses when parents complete parenting education programs or related volunteer work; and making AFDC benefits available when children are cared for by a nonrelative and this is in their best interest.

- **FORM A PARTNERSHIP BETWEEN AFDC PARENTS AND THE STATE**

VWRP improves the way Vermont's human services system serves families by:

Intervening early with individualized plans and case management support.

Helping parents access the education, training, and support services necessary to attain family self-sufficiency.

Providing access to jobs, both unsubsidized and subsidized, and above-poverty incomes.

Expanding Reach Up (Vermont's JOBS program) by one-third to enable it to function as the vehicle for supporting families in achieving self-sufficiency.

Forging partnerships between state agencies and community-based organizations to serve families seamlessly and more effectively.

Giving AFDC families more control over their lives.

VWRP ACCOMPLISHMENTS TO DATE

- Thousands of Families Smoothly Integrated Into Redefined Welfare System

  As of early January, 1995, over 7700 Vermont families have been randomly assigned to one of the VWRP groups and received a one-to-one explanation of the significance of their particular assignment from their eligibility worker. This number includes nearly three of every five Vermont families (58 percent) now receiving AFDC benefits (some of the 7700 families assigned are applicants whose application for benefits was denied and some have already left the AFDC rolls). Complaints attributable to this process have been virtually nonexistent.

- Dramatic Increase In Number Of AFDC Parents Who Are Employed

  Just five months into VWRP implementation, preliminary data indicate that increased numbers of AFDC parents have entered the work force, are earning more, and are decreasing their families' dependence on AFDC benefits. **Between June and November, 1994, the number of employed AFDC parents grew by 16 percent (from 1850 to 2159 employed parents) and their average monthly earnings grew by 22 percent (from $329 to $401 per month).** Most of this change was fueled by a 22 percent increase in the number of AFDC parents who are wage-earners (from 1425 to 1753 wage-earning parents); these parents' average monthly wages increased 18 percent (from $380 to $454 per month). (AFDC parents who are employed but not wage-earners are self-employed.)

  The combination of the increase in the number of AFDC earners and the overall increase in wages and earnings from self-employment among employed AFDC parents yields an annual AFDC benefit savings of $2,300,000 or 3.5 percent of Vermont's yearly AFDC budget.

- All Pregnant or Parenting Minors Receiving AFDC Have Case Managers

  Fifteen regional community-based Parent-Child Centers (PCC) are responsible for serving pregnant or parenting minors who receive AFDC. Every Vermont pregnant or parenting minor has been assigned a PCC case manager, and individualized Family Development Plans are now in place for most of these minors through which they attend school, participate in parenting education programs, and receive intensive case management services.

- Welfare Mission and Culture Shift Strongly Toward Family Support and Work

  Vermont's welfare department is sending a new message: **we are here to offer transitional help and support toward achieving a better quality of life than dependence on welfare provides.** These changes are the result of engaging in an interactive bottom-to-top and top-to-bottom organizational development process; making large investments in training; including interested and resourceful nonwelfare personnel in designing the restructured system and delivering services to families; introducing families to the system using a positive, big-picture-perspective, group orientation; and articulating a vision, values, and mission consistent with the goals of the restructured system.

TOMMY G. THOMPSON

Governor
State of Wisconsin

FUNDAMENTAL PRINCIPLES

OF

WELFARE REFORM

America is faced with a one-time opportunity to fundamentally alter the national welfare system. This requires the recognition that certain principles are so fundamental that they should apply across the country. What are these fundamental principles?

I. END INDEFINITE CASH ASSISTANCE

- End unlimited cash assistance
- 2 year maximum, with state option for fewer years

II. FOR THOSE WHO CAN WORK, ONLY WORK SHOULD PAY

- Require work of able adults receiving cash assistance
- Assume all recipients are capable of doing **something** in exchange for benefits

III. REDUCE ILLEGITIMACY

- Require minor moms to live at home or under supervised living conditions such as group homes or qualified foster parents
- Impose benefit cap on those who have additional children while already dependent

IV. FUND STATES, NOT INDIVIDUALS

- End **individual** entitlements
- Allow states to design programs and determine eligibility
- No federal waivers
- Allow 50 percent transfer of federal funds between block-granted programs

Beyond these four core principles, states should have maximum flexibility to design and implement their assistance programs.

Room 115 East, State Capitol, P.O. Box 7863, Madison, Wisconsin 53707 • (608) 266-1212 • FAX (608) 267-8983

Wisconsin Welfare Reform

In 1986, when Tommy Thompson first ran for Governor, he campaigned on a platform of welfare reform. At the time he took office, nearly 300,000 Wisconsin residents (98,300 cases) received AFDC benefits--10th highest in the nation. The state ranked 8th highest in percentage of households on welfare.

Governor Thompson immediately began to make major changes in Wisconsin's welfare system, starting with job training. We were one of the first states to have a comprehensive JOBS program for AFDC recipients in all counties.

*54.6 percent of Wisconsin's AFDC caseload is served by the JOBS program (national average is 11 percent).

*In the past seven years, Wisconsin has taken more people off welfare than the rest of the country combined. From January 1987 to November 1994, the AFDC caseload dropped 25 percent in Wisconsin, with a net reduction of nearly 25,000 cases. No other state can point to this record.

*Since 1987, welfare rolls have declined in every Wisconsin county--in 50 of the 72 counties ths caseload is down by 30 percent or more.

*Wisconsin's national ranking by percentage households on welfare fell from 8th highest in January 1987 to 31st by May 1993.

* Wisconsin taxpayers are saving $16 million every month because more welfare recipients are off the rolls--and paying taxes themselves.

*From 1987 to 1993, Milwaukee County was one of only three of the country's 35 largest counties to reduce its welfare caseload.

*Lack of child support drives families into poverty and onto the welfare rolls. Wisconsin leads the nation in paternity establishment (79 percent) and ranks fourth in the nation in child support collections.

CHILDREN FIRST

One of the leading causes of welfare dependency is the failure of noncustodial parents to support their children. That's wrong. Children have a right to financial support from their parents.

In Wisconsin, we have also implemented an innovative child support program, Children First. The program offers noncustodial parents who are delinquent in their support payments the choice of paying, going to jail, or entering a community work experience program for 16 weeks to gain the training and work experience necessary to be employed. Early experience shows 70 percent begin paying immediately.

In the nine counties where Children First has been tested, child support collections grew by 158 percent. Based on that success, Children First has been expanded to 14 additional counties.

PARENTAL AND FAMILY RESPONSIBILITY INITIATIVE

Kids having kids should be discouraged. Removing the disincentives to marriage in the AFDC program is important. Requiring dads to assume greater responsibility for their children is essential. The Parental and Family Responsibility Initiative addresses all of these important concerns.

*A pilot program designed to promote and preserve families by removing disincentives in the welfare system that prevent young couples from marrying and working.

*Targets AFDC recipients under age 20, who are first-time parents, and their spouses, the adjudicated fathers of their children, and noncustodial parents.

*Began July 1, 1994, and will run three years in four counties--Milwaukee, Juneau, Oneida and Rock.

*Limits AFDC grant increases if teens have additional children.

*Allows both parents to be included in the AFDC grant if the teens are married, and will allow teen parents to keep more of their earned income before losing AFDC eligibility.

TWO-TIER

Wisconsin is a very generous state. We rank 11th in the nation in AFDC cash benefit rates, and second in the Midwest, making this state a welfare magnet. The Two-Tier demonstration will provide a definitive answer to the question of whether welfare recipients are moving from state to state to take advantage of higher benefit levels.

*Includes the four counties where over 60 percent of all known migration is occurring.

*Designed to determine whether welfare recipients move from state to state for higher benefits.

*Began in July 1994.

*In the test counties, a new resident who applies for AFDC within six months of arriving in Wisconsin, will receive the AFDC cash benefit provided by his or her home state--whether higher or lower--for a period of six months.

*Test counties are Milwaukee, Racine, Rock and Kenosha.

WORK NOT WELFARE

Finding ways to move recipients from dependency to work is important. And requiring recipients to assume greater responsibility for their future and their children's children is essential. This initiative addresses all of these important concerns.

*Began in January 1995.

*Fond du Lac and Pierce counties are serving as pilots.

*Ends cash benefits for AFDC recipients after two years.

*Requires able welfare recipients to work and ends welfare payments after two years. In addition to time-limited cash assistance, the state will provide Work Not Welfare participants with education and training, child care, health care, transportation, and job placement assistance. The program also coordinates a Children's Support Network to help provide a safety net for children, and a Community Steering Committee to coordinate local private and public employment and support for participants.

AFDC SUNSET

Governor Thompson recently signed legislation that ends welfare as we know it in Wisconsin. On January 1, 1999, Wisconsin's basic welfare program--Aid to Families with Dependent Children--will sunset. This will give Wisconsin an opportunity that no other state has had since the 1930's--not only a chance to overhaul the welfare system from top to bottom--but a requirement to do just that.

The new-generation replacement will be less about welfare, dependency and assistance--and more about opportunity, responsibility and incentives.

*Will emphasize and require work--it should be a condition of receiving assistance.

*Will stress parental responsibility and parental accountability as to the well-being of children--and will apply to both parents. Self-sufficiency should be attained at the earliest opportunity--we will not have another indefinite entitlement.

LEARNFARE

Another key reform is Learnfare. Introduced in 1987, this statewide initiative ensures that more teenagers on AFDC complete high school or its equivalent. Learnfare is the result of our conviction that our children must complete high school in order to obtain employment and break the cycle of welfare dependency. High school dropouts are more likely to be unemployed and even more likely to be welfare dependent. In Wisconsin, 48 percent of AFDC caretaker recipients were non-high school graduates.

*AFDC teens aged 13 through 19 who do not attend school regularly may have their families' monthly AFDC benefits reduced.

*Learnfare benefits include child care and transportation funding, alternative education funding, and case management.

*Recently expanded to include children ages 6 to 12 in four test counties. Learnfare expansion will help us reach kids at risk at an earlier age, before patterns of truancy have hardened.

5

JOHN BREAUX
LOUISIANA

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CHIEF DEPUTY WHIP

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January 24, 1995

President William J.Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

Thank you for the opportunity to participate in the working session on welfare reform on January 28, 1995. I welcome this chance to engage in a bipartisan dialogue on one of the most important domestic issues facing the 104th Congress.

Like you, I believe that welfare reform should be based on the concepts of work, opportunity and personal responsibility. In recent months, however, the debate has shifted focus a number of times and departed from the most important element of all, moving welfare recipients into work. Reform will not be complete until we have succeeded in changing welfare from a program that maintains people indefinitely near the poverty line, into one that provides the opportunities and incentives that lead people to self-sufficiency and independence. It is not enough to shift the responsibility for fixing a broken welfare system to the states without any plan to turn welfare programs into work programs. Nor is it right to punish children for circumstances beyond their control.

I have been working with the Progressive Policy Institute to develop some ideas that could lead to a renewed emphasis on work as the central concept of welfare reform. Attached is a further discussion of these issues that will be made public in the next few days. I hope that we will have an opportunity to discuss these issues during the working session at Blair House.

Again, thank you for allowing me to participate in this important event and for your long record of leadership on welfare issues.

Sincerely,

John Breaux

JOHN BREAUX
United States Senator

Enclosure

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 been all but lost since the November elections. Other 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.

The Clinton Administration's proposal supplied an incentive to work through a time limit on cash assistance, but did not do enough to change an existing, ineffective education and training system that recipients would go through before work is expected. Past Republican proposals, including the bill based on the Contract with America, 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.

We are here offering a proposal that refocuses the debate on welfare-to-work, and creates a specific, non-bureaucratic mechanism to substantially 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, we propose the use of state-issued "job placement vouchers" that would be given directly to recipients to tap into(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, as 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 bureaucracies 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 could reduce the cost of welfare-to-work programs by cutting out bureaucratic intermediaries between recipients and private labor markets. But more importantly, the proposal is aimed at significantly cutting long-term public costs by moving those on public assistance 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 grant-and-cut approach that abandons fiscal responsibility for the welfare population without supplying incentives to work.

Job placement vouchers would quickly place opportunities into the hands of those who are ready to work. Recipients would be offered choices now unavailable to them. Instead of being *assigned* to a program by an overburdened 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 Goodwill Job Connection in Sarasota, Florida; temporary private-sector work experience supplied by employers; state-run welfare-to-work programs including JOBS programs; micro-enterprise training programs; and other employment-based services.

States would develop a list of 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.

suspension of the rules, a shortcut procedure that prohibited amendments and required a two-thirds vote for passage. Its 157-262 defeat caught both supporters and opponents by surprise. *(Vote 114, p. 40-H)*

The bill would have given first preference in filling vacancies to teachers already in the overseas school system. Second priority was reserved for teachers who applied for overseas positions through the Defense Department. Last preference was for locally hired teachers, primarily spouses of military personnel. Nearly 40 percent of the teachers at the time were hired locally, creating a "spoils system" that was unfair to career civil servants, said chief sponsor William D. Ford, D-Mich.

Ford said the bill fell victim to a last-minute lobbying blitz. Paul B. Henry, R-Mich., chief critic of the measure, sent out a "Dear Colleague" letter the day of the vote and passed around a letter from the National Military Families Association, which voiced dissatisfaction with the bill. Henry argued that the bill discriminated against military wives, took control away from school principals, who would have been forced to hire teachers picked by the Defense Department, and increased spending for the school system by $27 million in housing and transportation costs.

The Post Office and Civil Service Committee had approved the bill unanimously April 27, while Education and Labor, which also had jurisdiction, endorsed it 24-7 the following day. The measure was formally reported May 5 and May 9 (H Rept 100-607, Parts 1 and 2).

After Years of Debate, Welfare Reform Clears

President Reagan Oct. 13 signed into law landmark welfare-overhaul legislation (HR 1720 — PL 100-485) cleared by Congress Sept. 30.

The bill, said Reagan, "responds to the call in my 1986 State of the Union message for real welfare reform — reform that will lead to lasting emancipation from welfare dependency." *(1986 Almanac p. 3-D)*

The final product, a compromise in which both liberals and conservatives gained what they wanted most and swallowed provisions each earlier had vowed to fight to the death, strengthened child-support enforcement procedures, required states to implement work, education and training programs for welfare mothers, required states to pay welfare benefits to poor two-parent families, and offered extended child-care and medical benefits to families in which parents left the welfare rolls for a job.

Conservatives, spurred on by Reagan, insisted on Senate provisions requiring states to enroll set percentages of recipients in the job and skills program created under the bill and requiring that one parent in two-parent welfare families spend at least 16 hours a week performing community service or other unpaid work.

Liberals opposed both provisions, saying the participation rates would spread state resources too thinly and the work requirement would be costly to administer and punitive. But they relented when both provisions were watered down slightly. In exchange, conservatives agreed to mandate welfare coverage for poor two-parent families (only 27 states currently offered such benefits) and to provide a year of child-care and Medicaid benefits to those leaving welfare for jobs.

In a signing ceremony, Reagan paid homage to the bipartisan group that steered the bill on its rocky course to enactment, including Sens. Daniel Patrick Moynihan, D-N.Y., and William L. Armstrong, R-Colo.; Reps. Thomas J. Downey, D-N.Y., and Hank Brown, R-Colo.; and Govs. Bill Clinton, D-Ark., and Michael N. Castle, R-Del. Said Reagan, "They and the members of the administration, who worked so diligently on this bill, will be remembered for accomplishing what many have attempted but no one has achieved in several decades, a meaningful redirection of our welfare system."

In the end, the 100th Congress produced the most significant overhaul of the welfare system in half a century because sponsors couldn't bear to see the measure die.

"When people looked up and realized we almost killed it, that was the turning point," said Moynihan, chairman of the Senate Finance Subcommittee with jurisdiction over welfare, lead sponsor of the Senate version of the bill, and a veteran of nearly every welfare reform battle of the preceding three decades.

Congress officially cleared the measure Sept. 30, when the House approved the conference report (H Rept 100-998) by a vote of 347-53. *(Vote 373, p. 114-H)* Y - [illegible]

The Senate overwhelmingly gave its assent the previous day, by a 96-1 vote. *(Vote 341, p. 55-S)*

Background

This was Congress' third attempt in the last 20 years to revamp the welfare system. The two previous efforts — in 1969 and in 1977 — foundered over many of the same philosophical differences about how best to reduce welfare dependency that threatened to doom HR 1720.

"No issue is more divisive or difficult than welfare," said House Ways and Means Chairman Dan Rostenkowski, D-Ill., at the final conference session Sept. 27. "I've served in Congress a long time, and I have witnessed many welfare debates. I can tell my colleagues on the conference that a chance like this doesn't come along very often."

Moynihan was a counselor to President Richard M. Nixon in 1969, when Nixon tried unsuccessfully to sell Congress his Family Assistance Plan (FAP).

FAP would have set a minimum benefit nationwide under the Aid to Families with Dependent Children (AFDC) program, the principal federal-state welfare program. It also would have provided assistance to the "working poor," who did not earn enough to escape poverty.

Attacked by liberals as too stingy and conservatives as too generous, FAP was never enacted. But out of the battle came the federalization of welfare plans for the aged, blind and disabled, which were consolidated into what became the Supplemental Security Income (SSI) program. *(Congress and the Nation Vol. III, p. 622)*

Welfare reform next topped the national agenda in 1977, when President Jimmy Carter proposed his Program for Better Jobs and Income. The Carter plan would have eliminated AFDC, SSI and food stamps and replaced them with cash payments for about 32 million persons, including the working poor. At the same time, it would have created up to 1.4 million public service jobs. Once again, competing interests and philosophies doomed the proposal. *(Congress* ductible by the employee only as an itemized deduction, subject to the 2 percent floor imposed in the 1986 tax reform act (PL 99-514).

• **Taxpayer Identification Number for Dependents Aged 2 and Over.** Effective for tax returns for which the due date was after Dec. 31, 1989, required that Social Security numbers be provided on tax returns for all dependents aged 2 or older before the end of the taxable year.

Senate Committee Action

The nation's governors came to Washington the week of Feb. 22, 1988, and several spent their visit trying to rekindle flagging congressional and White House interest in overhauling the welfare system.

It was exactly a year earlier that the National Governors' Association (NGA) helped set the issue ablaze by approving a far-reaching plan aimed at emphasizing work and training programs for welfare recipients.

Promoted by the gubernatorial lobbying team of Arkansas Democrat Clinton and Delaware Republican Castle, the governors' plan ultimately became the basis for HR 1720 and its Senate companion, S 1511.

But the bipartisan unity forged by the governors disintegrated quickly in the House, where the issue picked up more and more partisan baggage as it proceeded through each step of the legislative process. In the end, only 13 Republicans voted for HR 1720. The rest complained the bill was too expensive ($7 billion over five years) and promoted welfare dependency, because it gave states incentives to increase benefits.

The more modestly priced Senate version ($2.72 billion over five years), sponsored by Moynihan had 56 cosponsors, including eight Republicans and more than half the membership of the Finance Committee.

But action on the bill was pushed back several times by Finance Chairman Bentsen, who said that his top priority was an omnibus trade bill (HR 3), followed by legislation (HR 2470) to protect Medicare beneficiaries from catastrophic medical expenses. *(Trade bill, p. 209; catastrophic health insurance, p. 281)*

And while Reagan reiterated his call for welfare reform in his 1988 State of the Union address, he continued to back only a Republican alternative (HR 3200, S 1655) that was roundly rejected by the full House. Administration spokesmen repeatedly issued veto threats against both HR 1720 and S 1511. *(State of the Union, p. 3-C)*

Governors Nag Bentsen

Enter the governors, whose chief extracurricular activity during their annual midwinter meeting was to try to get the welfare effort back on track.

The drive began at the White House Feb. 22. In a speech to the governors, Reagan continued to embrace HR 3200, but both Clinton and Castle said that during a private meeting afterwards Reagan had begun to soften his stance. "I got a sense from the president that it wasn't just 'you do it my way or I'm gonna veto it,'" said Clinton, who added that the governors told the president the bill he backed was "deficient."

Castle, who also met with Rep. Hank Brown, R-Colo., co-author of HR 3200 and ranking member of the Ways and Means Subcommittee on Public Assistance, said. "The key people who were opposing movement are beginning to change."

The next stop was the office of Finance Chairman Bentsen. Clinton and Castle, joined by outgoing NGA Chairman John H. Sununu, R-N.H., and New Jersey Gov. Thomas H. Kean, a Republican whose state had just launched its own "work-welfare" program called REACH, presented Bentsen with a letter urging swift action. It was signed by 48 governors of states and U.S. territories.

"Passage of welfare-reform legislation continues to be the association's No. 1 legislative priority," said the letter, which an NGA spokeswoman said was signed by all the governors who attended the Feb. 21-24 meeting.

"Never has there been such strong consensus on the need for reform," the governors wrote. "Yet, if the Senate Finance Committee does not schedule markup within the next several weeks, this unique opportunity to change the welfare system will be lost."

After his meeting with Bentsen, Castle reported that the Finance chairman "was interested that the White House was perhaps ready to weigh in a little bit and try to get this done, too. And I think having governors there from four different states and both parties was helpful, because you get the impression that we are unified."

Bentsen confirmed that he was impressed with the governors' presentation. "They made some very good points," he said. "One thing we have to be is world competitive today, and that means we have to do everything we can to give education and training to get people off welfare and into the work force."

Committee Approval

On April 20, over the objections of Reagan administration officials present, the Senate Finance Committee approved an amended version of S 1511 by 17-3. The three "no" votes were cast by the committee's most conservative members, all Republicans: William V. Roth Jr., Del.; Malcolm Wallop, Wyo.; and William L. Armstrong, Colo.

The committee bill, formally reported May 27 (S Rept 100-377), was a joint effort of Moynihan and Bentsen, who, to gain support for the measure from others on the committee, insisted on several amendments that reduced the bill's five-year cost from $3.1 billion to $2.8 billion. That was well below the $7 billion price tag for the House bill.

"This is a momentous event," said Moynihan after the markup. "We are redefining this 1935 program [AFDC] from a widow's pension to a program that will bring a generation of young American women back into the mainstream of American life. And they are out of it now."

The scaled-back bill produced some whimpers from outside organizations, including the American Public Welfare Association (APWA), which already thought the measure too timid compared with the House version.

But most of the major backers of the overhaul effort lauded the Senate measure, including spokesmen for the governors, whose plan provided the basis for both the House and Senate bills. "I couldn't be more pleased with the changes that the committee made to improve the bill and with the strong bipartisan support which welfare reform had in the committee," said Clinton.

Of particular note was the "yea" vote cast by the man whose support Moynihan most assiduously courted, Minority Leader Robert Dole, R-Kan., ranking member of Moynihan's subcommittee.

Administration Opposition

The administration, however, remained opposed to the bill. In an April 18 letter to Finance Committee members, James C. Miller III, director of the White House Office of Management and Budget, and the secretaries of the Departments of Health and Human Services (HHS), Labor and Agriculture said S 1511 "would dramatically increase dependency among our nation's people," and that they would recommend a veto if it is passed.

A host of administration officials present during the two days of committee consideration, led by HHS Under Secretary Donald M. Newman, held to that official line. "We reject any deviation from the approach taken in S 1655," Newman told the panel, referring to the Senate version of legislation originally drafted in the House by Brown, ranking Republican on the Ways and Means subcommittee with jurisdiction over welfare. Brown's measure was soundly defeated in the House when offered as an alternative to HR 1720. Although Dole introduced it in the Senate, he did so at the request of the president.

If Dole's heart was not in the bill with his name on it, neither did he seem irrevocably committed to S 1511. He did not attend the markup, voting by proxy. And the statement he submitted for the record was enigmatic, just as Dole had been during the entire welfare debate. In it he commended Moynihan and Bentsen "for having gone a long way towards making this bill a reasonable and responsible reform measure." Added Dole, "I am hopeful that, with perhaps two or three additional changes, it will be something the administration can also support."

But if Dole wanted S 1511 to look more like HR 3200, there were those who wanted it to look more like HR 1720.

The biggest single difference between HR 1720 and S 1511 was that the House bill gave states incentives (about $1.7 billion worth over five years) to raise welfare benefits. At the cost of another $500 million, the House bill allowed welfare recipients to keep more of their earnings before welfare benefits were reduced. And the work program it envisioned (called NETWork) cost about $400 million more than the JOBS program.

In contrast to the House bill, which required new spending, S 1511 was purported by its sponsors to be "deficit-neutral." It financed $2 billion of the $2.8 billion it was estimated to cost over five years by making permanent the federal debt-collection program. The program, set to expire June 30, allowed the Internal Revenue Service (IRS) to deduct from tax refunds debts, such as overdue student loans, owed to other federal agencies.

The other $800 million was to come from phasing out the dependent-care tax credit for upper-income families. Currently, taxpayers with adjusted gross incomes (AGIs) over $30,000 could claim a credit equivalent to 20 percent of work-related child-care expenses up to $2,400 per year for one child ($480) or $4,800 for two or more children ($960).

Under the bill, those with AGIs above $70,000 per year would have had their credit reduced, and those with AGIs higher than $93,750 would have lost the credit entirely.

Although a similar provision, as well as the debt-collection extension, was included in HR 1720, it proved controversial during the Finance markup. "Among the ways to pay for this, this is not my favorite," complained Bill Bradley, D-N.J. "What you're saying is that upper-middle-class working women will pay for welfare reform for poor women."

AFDC-UP Program

S 1511 as originally introduced, and HR 1720 as passed by the House, made the AFDC-UP program mandatory. According to the CBO, that would have added to the rolls about 105,000 families at a five-year cost of $1.3 billion.

But at Bentsen's insistence, a compromise was reached that permitted states to limit benefits to six months out of every 12. And, like an experimental program currently operating in Utah, it permitted states to require one or both parents to participate full time in education and training activities (assuming child care was provided), and paid the benefits only *after* the work or training obligations were met.

As amended, the benefit was expected to add about 70,000 families to the rolls and cost about $977 million over five years. Bentsen and Moynihan used some of the savings produced to increase federal coverage of child-care expenses and to lengthen the time those leaving the rolls could keep their Medicaid coverage.

But even the scaled-back version was too much for some senators. "This seems to be a proper area for which states can exercise discretion," said Armstrong, who unsuccessfully pushed an amendment to retain the optional status of the program.

Armstrong, backed by Reagan administration officials, argued that studies had not shown conclusively that AFDC-UP promoted family stability. "The evidence is equivocal on both sides," said Armstrong. "We're just wading into something on which we don't have the basis to make a thoughtful decision."

After an administration official made similar assertions, John C. Danforth, R-Mo., responded hotly, "I'll tell you then, the evidence is crazy.... You were saying if the federal government establishes a policy or allows a policy where we say, 'We will give money to you if you split up as a family,' that doesn't encourage splitting up? Of course it does."

Added Bradley, "At some point, when the experts disagree, common sense should prevail, and I view mandating this as common sense."

Armstrong's amendment was ultimately defeated on a show of hands, with only Wallop joining him.

Participation Rates

Armstrong gained more GOP support for an amendment he offered with Dole that would have required states to enroll in the JOBS program a specific percentage of the welfare population. Such "participation standards," a key element of GOP alternative plans, were strongly supported by the Reagan administration. They were aimed at preventing states from "creaming" their caseloads by offering services to short-term welfare recipients who would probably be able to get off the rolls even without help.

The amendment would have required that states enroll 15 percent of their non-exempt caseload in the JOBS program in fiscal 1991, 20 percent in fiscal 1992 and 25 percent in fiscal 1993 and thereafter.

"I fear if we don't have any standard we won't meet any standard," said Bob Packwood, R-Ore.

But Moynihan argued that the bill's requirement that states spend half their JOBS funds on long-term recipients prevented creaming just as effectively. And since the entitlement was capped (one of the concessions extracted by Bentsen), participation standards would simply dilute the quality of the services, he said.

That position was backed by the governors. In an April 19 letter to all committee members, NGA Executive Director Raymond C. Scheppach wrote, "Participation rates coupled with limited funding for a welfare-to-work program would have the effect of forcing states to run large numbers of welfare recipients through inexpensive job-search programs of limited effectiveness, rather than through the comprehensive education, training and employment programs that are needed to move the hard-core welfare recipient to self-sufficiency."

The participation-rate amendment was defeated on a show of hands, with Republican Dave Durenberger, Minn., joining panel Democrats in voting against it.

Medicaid Coverage

The committee also rejected efforts to broaden the bill, in particular an amendment offered by Republican John H. Chafee, R.I., to lengthen the extended Medicaid coverage provided for those leaving the welfare rolls.

Under the bill as approved by the committee, states were required to offer six months of Medicaid coverage to those leaving the rolls to take jobs, as long as total family income remained under 185 percent of the federal poverty threshold. States could extend that coverage for an additional six months, charging a premium for coverage of those with incomes above the poverty line.

Chafee's amendment would have allowed states to extend that optional coverage for an additional 12 months. He would have financed the extension with a 1-cent increase in the current 16-cents-per-pack cigarette tax.

That lost him significant support among members. "I'm sympathetic," said Bentsen, "but I want a bill that can become law."

Amendments Adopted

Of the amendments the committee did adopt, only one was of significance. That one, offered by Armstrong, raised from 10 to 50 the number of demonstration programs that state or local governments could conduct after being granted waivers from federal rules for a variety of low-income programs.

Reagan had sought to give states more flexibility to design their own programs. But a spokesman for the APWA expressed concern that the nation could end up with 50 different experiments and no one using the program envisioned by the bill.

Other amendments adopted included:

- By Danforth, John D. Rockefeller IV, D-W.Va., and George J. Mitchell, D-Maine, to permit up to 10 demonstration projects in which community development corporations used venture capital to create new businesses, and hence, new jobs for welfare recipients. The amendment also required children between age 2 and age 4 named as dependents on their parents' tax returns to have taxpayer identification numbers. Currently, such numbers were required only for children aged 5 and up.
- By Armstrong, to require states to implement pre-eligibility fraud-detection programs, similar to one being operated in California.
- By Bradley, to ensure that states that obtained waivers of the rules related to the federal child-support-enforcement program were not permitted to take steps that would interfere with or slow the interstate collection of child support, or reduce the level of child support collected.

Senate Floor Action

Nearly a week of wrangling among senators and Reagan administration officials over mandatory work requirements culminated June 16 in passage of the sweeping welfare overhaul. But the overwhelming margin of victory belied major political divisions.

The Senate passed the measure (HR 1720) by 93-3, with the only "nays" cast by Jesse Helms, R-N.C.; Gordon J. Humphrey, R-N.H.; and William Proxmire, D-Wis. *(Vote 189, p. 31-S)*

The huge vote for the bill prompted several Republicans to predict that Reagan would sign it, despite his earlier opposition. However, the very mandatory work requirements that appealed to Reagan were anathema to some of the bill's most important backers — notably the nation's governors and state and local welfare administrators, represented by the APWA.

Furthermore, House Democrats, backed by the APWA and many of the governors, wanted states to raise welfare-benefit levels, which had not kept up with inflation. Yet administration officials were unalterably opposed to provisions in the House bill encouraging states to do just that.

AFDC-UP and 'Workfare'

Probably the most controversial segment of the Senate bill required states to adopt the AFDC-UP.

Such a step had been fervently opposed by Reagan administration officials, who said that it would add an estimated 65,000 families to the nation's welfare rolls.

It was for these AFDC-UP participants — who represented about 6 percent of the total welfare caseload of more than 3.8 million families in fiscal 1987 — that senators approved the first-ever federal mandate that recipients be required to work in exchange for welfare payments.

Dole's amendment, adopted by voice vote after members failed to table it by 41-54, required that by 1994, one parent in each two-parent family receiving benefits be made to work at least 16 hours per week in the community work experience program (CWEP), in which recipients "work off" their welfare grants at public or non-profit agencies, or in subsidized jobs. *(Vote 188, p. 31-S)*

Armstrong said the amendment was critical to winning Reagan's support. An administration policy statement issued June 13 said flatly that Reagan would veto the bill as it was reported from Finance, calling it "welfare expansion, not welfare reform."

Said Dole, "It is not a major program, but it will have a major impact on the people listening at 1600 Pennsylvania Avenue."

But backers of the bill were equally vehement in their opposition. In a June 16 letter to Bentsen, Stephen Heintz, Connecticut's welfare commissioner and chairman of the APWA's welfare-reform project, said the 16-hour CWEP requirement "would render this legislation actually worse than current law."

Because AFDC-UP recipients needed significant work histories in order to qualify for benefits, most would not learn anything from unpaid work experience, he said. "This is the wrong place to require work experience," said Heintz.

The plan also was opposed by the nation's governors, not least because it could prove costly to administer. Only 28 states currently operated mandatory "workfare" programs, and only nine of those were statewide. Yet states might have to operate such programs in all jurisdictions in order to meet the requirements of the Dole amendment. While exact cost estimates were not available, an earlier version of the proposal would have cost states and the federal government a total of about $900 million — more than a third of the bill's total cost.

Shortly after debate began on the floor June 13, closed-door meetings began off the floor among key senators and Joseph R. Wright Jr., deputy director of the White House Office of Management and Budget (OMB). But the administration refused to accept a bill without mandatory workfare, and Moynihan would not accept a bill with it. Talks broke off June 14.

With the administration out of the picture, the Finance Committee members on June 16 negotiated a package among themselves. Their compromise amendment, ultimately adopted by voice vote, contained many of the changes originally sought by the administration, including requirements that states enroll specific percentages of welfare recipients in education and training activities, reaching 22 percent of their caseloads by 1994. States would also have to offer two of three "work" activities: either job search, unpaid community work experience or subsidized employment.

The amendment "sunset" the transitional child care and medical benefits in 1993. And it modified a provision that would have allowed recipients to refuse jobs resulting in a net loss of income, taking into account the value of food stamps and Medicaid coverage automatically available to welfare recipients. Under the amendment, food stamps and Medicaid were not to be counted in calculating whether a recipient would lose money by taking a job.

Ironically, the consensus amendment dropped a provision of the committee-approved bill, dearly desired by the White House, that would have allowed states broad authority to waive federal rules regarding a number of programs aimed at those with low incomes. Republicans wanted to add more programs to the list of those for which rules could be waived; Democrats were concerned that states not be allowed to alter the entitlement aspect of the programs.

Amendments Adopted

In addition to the Finance amendment, the Senate adopted several other changes. The most significant altered the financing provisions, which, before adoption of Dole's amendment, had kept the measure "revenue-neutral."

Most of the measure's $2.8 billion cost was offset by making permanent the program that allowed the IRS to withhold refunds from taxpayers with outstanding debts to federal agencies. The remaining $800 million, under the Finance Committee version, was to come from phasing out the child-care tax credit for taxpayers with annual taxable income above $70,000.

Bradley, however, complained during committee consideration that it was not right to pay for welfare reform by taking money from successful working mothers. Instead of phasing out the dependent-care credit, he suggested phasing out tax deductions for meals and entertainment for individuals who made more than $360,000 annually.

He took his proposal to the Senate floor, observing, with obvious relish, "I think the issue is well-framed: Do we want to raise taxes by denying the child-care tax credit to successful working women, or do we want to pay for welfare reform ... by denying the upper one-tenth of 1 percent of income earners ... a deduction for things like conventions and expensive yacht trips?"

His cornered colleagues adopted Bradley's amendment by voice vote.

Among other amendments adopted, all by voice vote, were those:

- By Bradley, to require immediate wage-withholding for all child-support orders, beginning Jan. 1, 1993.
- By Daniel J. Evans, R-Wash., to extend for one year the moratorium preventing the federal government from collecting penalties assessed against states making too many improper welfare payments. The moratorium was scheduled to expire June 30.

Conference/Final

Although there was virtually no dispute over the central elements of both bills — creation of the JOBS program and beefed-up enforcement of child-support laws — the conference soon bogged down on whether to require welfare recipients to work for their benefits, and whether increasing benefits would promote welfare dependency.

But Moynihan and Downey, plus a core group that included Colorado Republicans Armstrong and Brown, steadfastly refused to throw in the towel.

"There comes a point in a conference when members have a psychological commitment to producing a final product, and these conferees have reached that point," insisted Armstrong more than once.

In the end, he proved to be right.

The Jockeying Begins

On June 22, House Minority Leader Robert H. Michel, R-Ill., wrote Speaker Jim Wright, D-Texas, urging him to allow the House to vote directly on the Senate version "as a means of avoiding a long, drawn-out conference and getting a good bill signed into law."

Michel said the wide margin by which the Senate bill passed suggested "a powerful bipartisan base of support which should be present in the House, if we can bring ourselves to relinquish pride of authorship as well as both some controversial and costly provisions. I believe that I could convince the president to sign such a bill."

On June 23, Wright rejected Michel's suggestion. "While the Senate bill has many good features, there are valid concerns about some of its provisions," he said.

"We're not just going to take the Senate bill," said Downey. "If President Reagan doesn't sign a bill, President Dukakis will. I'd rather come back next year and do a good bill than send a bad bill to the president."

Instructions to House Conferees

Even before the conference on HR 1720 began, House negotiators found their bargaining position constricted.

By 227-168, the House July 7 approved a non-binding motion instructing conferees to hold the final cost of the bill to no more than the Senate measure's estimated $2.8 billion five-year price tag. As passed by the House in 1987, the bill would have cost upwards of $7 billion. *(Vote 219, p. 72-H)*

The motion to instruct conferees, offered by Brown, also instructed House negotiators to "permit no impediments which would disallow work beyond those contained in the Senate" bill.

Brown and his supporters described that language as a move to force out some provisions of the House bill that they said discouraged welfare recipients from moving off public assistance and into jobs. They were particularly critical of a House provision limiting to six months the period of time a welfare recipient could be assigned to unpaid "community work experience" jobs, and another allowing recipients to turn down jobs that would result in a net loss of income, including the insurance value of health insurance. The Senate bill required only that jobs pay as much as the cash assistance the family received.

Brown's motion prevailed, primarily because he won the votes of 65 Democrats, while only four members from his own party voted against the motion. Most of the Democrats were either Southerners (41 in all, including the entire Democratic delegations from Alabama and Virginia), or fiscal conservatives, such as Jim Slattery, Kan., and Thomas R. Carper, Del., who spearheaded an unsuccessful attempt to offer their own alternative to the House welfare bill in December.

Backers of the motion stressed the importance of reducing the bill's cost. Warned Brown, "To exceed these instructions we think puts the bill in danger of being vetoed, and I suspect a veto that can be maintained."

But the architects of the bill, led by Ways and Means Chairman Dan Rostenkowski, D-Ill., and Downey, argued that their hands should not be tied in advance. "Now is not the time to issue ultimatums and bottom lines," said Rostenkowski.

But 16 of the House's 39 conferees voted in favor of the motion to instruct conferees.

Bentsen's New Role, Bush's Endorsement

House conferees were drawn from the four committees that worked on the measure: Ways and Means, Education and Labor, Energy and Commerce, and Agriculture.

A three-week delay between Senate passage and the appointment of House conferees, leadership sources said, was primarily due to squabbling among the committees over jurisdictional turf.

For example, Energy and Commerce fought for (and got) sole negotiating power over the Medicaid portions of the bill, while Education and Labor pressed for (and also won) the same number of conferees as Ways and Means. In fact, each of the four committees had 10 conferees: six Democrats and four Republicans. (Republican Tom Tauke, Iowa, was a conferee for both Energy and Commerce and Education and Labor.)

Conferees on HR 1720 began work on an upbeat note July 12, citing an endorsement of the Senate-passed bill by Vice President George Bush and the naming of Finance Committee Chairman Bentsen as his party's vice-presidential candidate. Moynihan sat in for Bentsen at the first conference work session July 12, noting that the chairman was "necessarily elsewhere this afternoon." Only minutes earlier, Dukakis had officially introduced Bentsen as his running mate. *(Political report, p. 3-A)*

Dukakis specifically mentioned Bentsen's stewardship of the welfare bill in the Senate, raising speculation that it could become difficult for House Democrats to push too hard for their position in conference negotiations, lest the bill fail and the national ticket be publicly embarrassed.

Dukakis had vigorously supported efforts to increase education and training for welfare recipients, and the centerpiece JOBS program in both the House and Senate bills was based at least in part on Massachusetts' much-publicized "E. T." program.

Senate conferees were also buoyed by an endorsement of their bill July 12 by Bush.

"We should seek to keep families together, not split them apart. Move recipients from dependence to independence, off welfare and into the world of work, and involve the private sector," the vice president said in a speech in Washington to the NAACP. "The welfare-reform bill that passed the Senate reflects these principles," he added, "and I urge Congress to take prompt action on these long overdue reforms."

Initial House Offer

House conferees sent their Senate counterparts an offer July 28 that cut more than $2.7 billion from their version's five-year price tag of $7.1 billion.

But Republican conferees complained that the offer's $4.4 billion cost was still too high, and accused Democratic sponsors of ignoring the non-binding motion passed by the House July 7 instructing conferees to hold the final bill's cost to no more than the $2.8 billion envisioned by the Senate version.

Brown was also unhappy that the House refused to budge on provisions that many Republicans, Reagan included, charged would discourage welfare recipients from moving into paying jobs. House conferees, for example, insisted on retaining a provision stipulating that workers need not take jobs that would pay them less than others doing the same work, as well as a provision limiting participation in unpaid community work programs to six months.

The House offer also rejected several controversial work provisions added to the Senate bill at the urging of White House officials, including a requirement that one parent in two-parent families receiving welfare work at least 16 hours per week in unpaid community service.

The Senate did win a semantic victory: House conferees agreed to accept the Senate's name for the bill's welfare-to-work education and training program: the Job Opportunities and Basic Skills program (JOBS). The House had called its program the National Education, Training and Work program (NETWork).

To no one's surprise, the House dropped a provision designed to encourage states to raise welfare benefits by increasing federal matching payments for higher benefits. That provision alone carried a five-year cost of $1.1 billion.

Conferees pared another $500 million from the House bill by eliminating all but one of the proposals pertaining to the food stamp program. The Senate bill contained no food stamp provisions. The offer retained a provision that allowed families receiving food stamps to disregard the first $50 per month of any child-support payment in determining if they were financially eligible for benefits. That would make the food stamp program consistent with AFDC.

In some cases the House offer actually increased costs over the original House plan. For example, while the Senate bill proposed extending Medicaid health coverage for up to 12 months for welfare families leaving the rolls, the House bill's more generous "transition" was eliminated before the measure came to the floor.

Nevertheless, the House conferees' proposal would have added $570 million to the cost of the measure by allowing states to extend coverage for 18 months, and by striking Senate plans to require families to pay premiums for continued coverage, to limit the extended benefits to 12 months out of any 36, and to end the program after 1993.

Child Care vs. Business Meals

Those attending a closed session of the House conferees July 28 said by far the most discussion was over a provision added to the Senate bill by Bradley to help pay for welfare reform by phasing out the tax deduction for meals and entertainment for individuals making more than $360,000.

Bradley's amendment replaced a proposed phase-out of the dependent-care tax credit for families with incomes higher than $70,000.

Republicans were particularly concerned that the Bradley amendment could penalize lower-paid members of partnerships in which one member earned enough to trigger the deduction cutoff. Tax staffers explained that was a possibility in so-called "Subchapter S" partnerships in which all deductions were divided among the partners. In that situation, a partner earning less than the cutoff could lose the deduction if any other partner earned more than $360,000.

GOP conferees, however, were outvoted along party lines when they tried to modify the Bradley amendment.

In the end, House conferees needed to keep both the Bradley amendment and the House version of the dependent-care credit phase-out in order to fund their more costly version of the welfare bill.

Narrowing the Differences

Conferees continued to make progress the week of Aug. 1. The most significant concession came when House conferees agreed to require states to meet specific participation rates for the JOBS program.

In an Aug. 4 response to a Senate offer of Aug. 2, the House proposed to accept a Senate provision requiring states ultimately to enroll at least 22 percent of welfare recipients not exempt from participation. But the House offer delayed the first requirement, for a 10 percent enrollment, from 1990 to 1992.

The House also sought a middle ground on the work requirement for two-parent families on welfare. The House offered to allow two-parent families nine months on the welfare rolls before the work requirement would take effect, and then permit the requirement to be met by having one parent participate in any work, education or training activity, instead of specifically a work activity as envisioned in the Senate bill.

The governors won a small victory on the one issue on which they had submitted official views — whether states had to charge premiums for health benefits they were required to offer recipients leaving welfare to take jobs.

Under the Senate bill, states had to offer former recipients 12 months of extended medical coverage — six months through Medicaid, the federal-state health plan for the poor, and six months through Medicare or other options. For the second six months, however, states were required to charge families a sliding-scale premium — a plan the governors opposed.

Senate conferees Aug. 2 agreed to make the premium optional.

Cost Reductions

The House cut $188 million over three years by dropping a provision that would have allowed states to permit welfare recipients to keep more income without losing their welfare eligibility.

The House plan also raised $350 million over five years in new taxes by closing a loophole in tax law that benefited employees who received expense allowances from their employers. The proposed provision replaced a controversial proposal to eliminate the meals and entertainment deduction for upper-income individuals.

Before they left for the August recess, conferees from both chambers sent each other informal offers outlining their wishes on the few outstanding issues remaining. The offers differed by only about $400 million, compared with the $4.3 billion gap facing negotiators initially.

Still unresolved was the touchy but central issue of whether, and how much, welfare recipients should be required to work in exchange for benefits.

Facing an apparent impasse, Senate conferees Aug. 11 proposed dropping the requirement that states participate in AFDC-UP, thus eliminating the work requirement as well. Much to the surprise of onlookers, that proposal seemed generally acceptable to House conferees, provided that Senate conferees were willing to make some other policy concessions, such as making more generous "transitional" health and child-care coverage for welfare recipients leaving the rolls to take jobs.

But others expressed doubts. "I've been suckered on that before," complained Rep. Harold E. Ford, D-Tenn., the original sponsor of the House version of the bill, who for several years handled the fight to make AFDC-UP mandatory. Without the provision, he said, "I'm not sure I can support the bill anymore."

Equally unhappy were White House officials, who reportedly told a closed meeting of Senate conferees Aug. 11 that Reagan would veto any bill that did not contain the 16-hour-per-week work requirement.

Laughed one lobbyist working on the bill, "The White House is now in the incredibly ironic position of threatening to veto the bill because it *doesn't* have UP in it."

Irritation with an unyielding White House was almost palpable by late in the week, extending even to Bentsen. For the first time, Bentsen on Aug. 11 backed off earlier vows not to bring a bill out of conference under a veto threat.

"I'd much rather have legislation than a political issue," said Bentsen, "but we're not going to let [Reagan] dictate the contents. If we can't arrive at an agreement [with the White House], we'll put it to a vote and send him up a bill and hope he'll sign it. If not, we'll have to try to override."

One factor apparently driving Democrats to find a middle ground was pressure from the man at the top of their presidential ticket, Dukakis. Bentsen said that Dukakis "is very strong for a bill," and sources said that the Democratic nominee had been in touch with conferees by phone in an effort to produce a compromise.

The House Sept. 16 reiterated its demand that conferees on welfare-overhaul legislation hold the cost of the final bill to $2.8 billion over five years and require recipients to work their way off the welfare rolls.

Members voted 249-130 in favor of a second motion by Brown to instruct House conferees to adopt such positions. *(Vote 326, p. 100-H)*

Another vote was needed, said House Minority Leader Michel, because "apparently the House conferees haven't gotten the message." The last formal offer from the House, made Aug. 9, would have cost $4.07 billion, and House and Senate conferees still remained divided over a controversial work requirement in the Senate bill.

Everybody Wins — And Loses

After three fitful months of negotiations, the conferees dug in for one last time on Sept. 26. Bentsen canceled campaign events to attend the meeting, and the two-and-a-half-hour closed session bore fruit: Negotiators emerged with a final compromise acceptable to most conferees.

The plan had to survive some tense moments before its adoption by the full conference Sept. 27 on a 35-8 vote. But it came through intact.

Most members and outside groups participating in the negotiations rushed to embrace the compromise. "I'm very pleased. I think we've got a bill that's consistent with the policy we started with," said Arkansas Gov. Clinton, who at times seemed so deeply entrenched in the negotiations some considered him an honorary conferee.

Similarly, the American Public Welfare Association, which nearly pulled its support for the measure when the Senate passed its version, said the compromise would "begin to make a real difference in the lives of America's poor children."

Even the White House joined in, with presidential spokesman Marlin Fitzwater telling reporters at a Sept. 28 briefing that the compromise bill was "very close to what we've talked about all along."

"We started from a much different position and we've come a long way," said White House policy adviser Charles D. Hobbs, who represented the president along with OMB's Wright.

As with most compromises, both liberals and conservatives in the end got what they wanted most — meaning each side had to swallow certain things it didn't like.

Conservatives got their workfare in the form of a requirement that one parent in two-parent welfare families perform at least 16 hours per week of unpaid work. But they were forced to relent on the measure's overall cost, estimated at $3.34 billion over five years.

Hobbs, the White House negotiator, declared, "The psychological effect of having a work requirement will go a long way towards reducing dependency — not because people will be afraid they'll have to go to work, but because they'll feel proud to."

Liberals were less happy, with some even calling the provision "slavefare." But, said Downey, the work requirement "is the price of passing a welfare bill."

Liberals had their victories, too, gaining not only a requirement that states offer benefits to two-parent families (although in modified form), but a $1 billion-per-year entitlement for state education and training programs and a full year of extended child-care and medical benefits for recipients who leave the rolls for jobs.

Downey credited Rep. Henry A. Waxman, D-Calif., chairman of the Energy and Commerce subcommittee with jurisdiction over the joint state-federal Medicaid program, with helping convince Senate conferees and White House negotiators of the need for extended Medicaid coverage for those leaving the welfare rolls. In late December 1987, the Senate and White House combined to force Waxman to jettison an even more generous Medicaid transition package from fiscal 1988 budget-reconciliation legislation. *(1987 Almanac p. 626)*

It was the transition benefits that turned the tide for many liberals, including Rep. George Miller, D-Calif., who earlier expressed a desire to take his chances on a new bill with the next administration. A full year, said Miller, chairman of the Select Committee on Children, Youth and Families, gave former recipients "a real incentive to take the risk to leave the rolls — and it's a big risk."

A Few Still Unhappy

Still, for some House Democrats, led by Education and Labor Committee Chairman Augustus F. Hawkins, D-Calif., the final bill was unacceptable.

"I cannot say this is a great window of opportunity we should seize. I think we can do much better," said Hawkins, who called the work requirement "absurd and unrealistic."

"I frankly am a little ashamed at my party for falling for this," said Robert T. Matsui, Calif., the lone Ways and Means Democrat to vote against the compromise. "I don't think it's the type of bill Democrats should be supporting."

WIC and Farmers' Markets

The House May 10 voted to create a demonstration program to encourage participants in a major federal nutrition program to purchase fresh fruits and produce at farmers' markets around the nation. However, the Senate never acted on the bill (HR 4306).

The legislation, reported May 5 from the Education and Labor Committee (H Rept 100-606), was passed by the House by 389-27. *(Vote 113, p. 40-H)*

It authorized a total of $6 million over three years to fund projects in seven states. Under the demonstrations, participants in the nutrition program for Women, Infants and Children (WIC) were to be given coupons they could redeem at local farmers' markets.

Such programs were already operating in Massachusetts, Iowa, Connecticut and Vermont, according to Rep. Mickey Leland, D-Texas, chairman of the House Select Committee on Hunger.

The farmers' market programs, Leland said, not only introduced WIC recipients to a new source of fresh and nutritious food at prices often below those in supermarkets, they also helped small farmers sell their produce.

Conferees quickly disposed of the one remaining unresolved issue, agreeing to require a study of whether recipients who "graduated" to jobs went back on welfare temporarily when their transitional Medicaid and child-care benefits ran out in order to qualify for a new round of such benefits.

But Education and Labor conferee William D. Ford, D-Mich., threatened to unravel the entire package when he requested a separate vote on provisions dropped from the House bill that would have required that welfare recipients placed in jobs be paid at the same rate as others doing the same work at the same location, instead of merely the minimum wage.

Ford complained that in some states, welfare recipients were being paid the minimum wage to perform such high-skill (and normally high-pay) work as carpentry and plumbing. "Education and Labor is not a very important committee in some people's eyes," said Ford, "but we do have some jurisdiction."

Downey said he agreed with Ford, "but if we adopt the Ford language, we don't have a conference report. It's not as far as we'd like to go, but it's as far as we're going to get."

Ways and Means and Education and Labor conferees, the only ones with jurisdiction over the issue, defeated Ford's call for a separate vote by 9-11.

Members devoted much of the rest of the final conference meeting paying homage to Moynihan, who, as a senator, professor and official in three different administrations, had studied and argued for welfare reform.

Moynihan, said Sen. David Pryor, D-Ark., a fellow conferee and Finance Committee colleague, "has literally raised this issue from the dead."

Added ranking Finance Republican Bob Packwood of Oregon: "There's no guarantee that this bill will resolve the crisis facing our welfare system. But there's one certainty, and that's that the present system does not work and cannot work. And but for Pat Moynihan, we would not be trying to fix it at all." ∎

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Working Session on Welfare Reform
January 28, 1995
Blair House

I introduced a piece of legislation entitled the "Welfare to Work and Strong Families Act of 1995" on January 12, 1995. This legislation proposes changes that will reduce the size of the federal bureaucracy, give more flexibility to the states, cap welfare spending, discourage out of wedlock births and increase the number of welfare recipients working.

The bill outlined below gives the states the flexibility to address their individual needs. In return, states must follow two governing principles: first, increase the work participation rate; and second decrease the out of wedlock births with in the state.

An outline of the bill is as follows:

Eliminates the Federal Aid to Families with Dependent Children (AFDC), AFDC Job Opportunity and Basic Skills (JOB) program, and Food Stamps for AFDC recipients program.

Takes the approximately $37 billion from those programs and block grant the money to the states on a new national formula based on unemployment rates and per capita income.

Complete discretion is given to the states to operate as they wish as long as they move towards two goals. First, an increase number of welfare recipients working 20 hours/week. Second, a deceased number of out-of-wedlock births in the state.

If the state is doing better on these two goals than in the previous year, they will get an expedited review of their yearly plan and receive their block without further question. If, however, they are not doing better, their yearly plan must give an adequate explanation for why they are failing to meet the goals and must propose modifications in order for them to meet the objectives for the upcoming year.

The formula will go from where the state funding level is today to the new national formula over several years so that no state will go through unanticipated changes. In 1996, the funding level will be 100% of the 1995. In 1997 and beyond, the basic funding level will be 96% of the 1995 level and the other 4% will go to a bonus for the states making the most improvement in their two goals. The bonus will reward states making the greatest contributions to dealing with welfare on their own.

1996 - 100% current formula
1997 - 80% current formula/20% new national formula
1998 - 60% current formula/40% new national formula
1999 - 40% current formula/60% new national formula
2000 - 20% current formula/80% new national formula
2001 - 100% new national formula

THE WELFARE AND MEDICAID RESPONSIBILITY EXCHANGE ACT OF 1995
Senator Nancy Landon Kassebaum

Background Information

Within the next few weeks, Senator Nancy Landon Kassebaum (R-Kan.) intends to introduce a revised version of S. 140, the Welfare and Medicaid Responsibility Exchange Act of 1995, which she introduced on January 4 of this year.

Under the revised legislation, complete authority, autonomy, and responsibility for the country's largest welfare programs would be transferred to the states. These programs include: Aid to Families with Dependent Children (AFDC), food stamps, and supplemental nutrition programs for women, infants and children (WIC). In exchange, the federal government would assume the full costs of medical care for elderly and disabled Medicaid beneficiaries.

Our largest welfare programs today are hybrids of state and federal funding and management. The states do most of the administration, within a basic framework of federal regulation, while the federal government provides most of the money. The result is a hodgepodge of state and federal rules and regulations, conflicting eligibility and benefit standards, and constant push-and-pull between state and federal bureaucracies.

Like the largest welfare programs, responsibility for financing and administering the Medicaid program is split between regulators at both the state and federal levels. As a result, Medicaid is a cumbersome mess of overlapping regulation, irrational standards, mismanagement, and outright fraud and abuse.

Moreover, an increasing share of state revenue is diverted to the Medicaid program. Medicaid costs doubled between 1989 and 1992, and now make up nearly 20 percent of states' budgets. Despite this cost explosion, Medicaid--intended as a safety net to meet the basic health needs of the disadvantaged--today covers only half of those Americans living in poverty.

The revised Welfare and Medicaid Exchange Act of 1995 (the "Swap" bill) makes a clear-cut decision about who will run the welfare program, who will finance the program, who will have the power to make key decisions, and who will be held responsible for the outcome. Giving states both the power and the responsibility for welfare--with their own money at stake--would create powerful incentives for finding more effective ways to assist families in need.

The Swap legislation is fundamentally different from a block grant approach. Under a welfare block grant, states would continue to utilize federal money with corresponding rules and regulations. While block grants would certainly provide greater flexibility than the present system, they still involve federal dollars, complete with federal strings.

More importantly, block grants will not shift the fundamental balance of power from the federal government to states and local communities. Rather, they will leave in place the foundation that today separates responsibility for management and outcomes from the power to tax and spend. With this foundation still in place, federal rules and regulations will almost certainly creep back over time.

Finally, the welfare block grant proposals currently under discussion fail to recognize the link between welfare reform and health care reform. They do nothing to address the increasing drain on state budgets that results from the unwieldy Medicaid program.

True welfare reform will begin only if the federal government takes the bold step of surrendering power to the states, instead of simply sharing it. State and local officials are closer to the communities, closer to the people, closer to the job markets, and closer to the day-to-day realities of making welfare work.

<u>Changes in the Swap</u>

As originally drafted, the Welfare and Medicaid Responsibility Exchange Act transferred complete control and financial responsibility for Aid to Families with Dependent Children (AFDC), the food stamp program, and supplemental nutrition program for women, infants and children (WIC) to the states at the end of a five-year transition period. In return, the federal government assumed full financial and administrative responsibility for the Medicaid program.

Under the modified version of the Swap bill, the states still will be given complete control and responsibility for the AFDC, food stamp, and WIC programs after a five-year transition period. In addition, the states will be responsible for health care coverage for low-income individuals currently covered under the AFDC category of Medicaid.

In return, the federal government will assume responsibility for the costs of acute care and long-term care for all elderly and disabled beneficiaries currently covered under the supplemental security income (SSI) and medically needy categories of Medicaid. While elderly and disabled beneficiaries represent about 25 percent of the current Medicaid population, they account for nearly 70 percent of all costs associated with the program and represent the fastest growing portion of Medicaid costs.

Following the five-year transition period, states will have total freedom to design whatever programs they wish to meet both the health and welfare needs of their citizens--without federal mandates.

This revised Swap legislation will divide responsibility for the Medicaid program based on the populations being served rather than the type of services being offered. In contrast, a split between "acute care" and "long-term care" is driven by the type of service which is provided.

From a program policy point of view, this makes a great deal of sense. Individuals will not have to be shifted from one program to another based on the type of medical care that they need. In addition, it will allow the states and the federal government to build a more cohesive safety net for the populations each sector is serving.

As with AFDC and food stamps, many states are already experimenting with modifications such as managed care in the AFDC category of Medicaid to make it more cost effective and improve the provision of services. Seven states have received Medicaid Section 1115 demonstration waivers from the Health Care Financing

Administration since March 1993, and eight other state waivers are currently pending. Moreover, the states currently administer the AFDC program and make all AFDC eligibility determinations for Medicaid. Combining the AFDC category of Medicaid with the AFDC, food stamp, and WIC programs will permit states to build a more cohesive package of services for low-income individuals and families.

In contrast, the federal government currently bears the sole responsibility for administering and financing the SSI program and makes the majority of SSI eligibility determinations for Medicaid. In addition, it already provides health coverage for most elderly and many disabled Americans through the Medicare program.

HOW THE MODIFIED SWAP WILL WORK

- The States: Assume full costs for the AFDC, WIC, and food stamp programs, including administrative costs, plus, all costs associated with "AFDC-related" Medicaid recipients (non-elderly and non-disabled beneficiaries). This population currently represents approximately 30 percent of current Medicaid expenditures.

- The Federal Government: Assumes financial responsibility for all costs associated with SSI-related Medicaid beneficiaries (elderly, blind, and disabled individuals). This represents the remaining 70 percent of Medicaid costs.

- The Five-Year Transition Period: The legislation contains a five-year transition period during which the states design and put into place assistance programs that are tailor-made for their own needs, and the federal government implements a program to cover health care costs for elderly and disabled individuals who are now eligible for Medicaid.

- Five-Year Maintenance of Effort: During the five-year transition period, states will be required to comply with a maintenance-of-effort provision which requires states to use the funds made available by the Swap, combined with money used for state welfare assistance programs, to provide cash and non-cash assistance to low-income individuals and families. This is not a requirement that the states operate replicas of the AFDC, food stamp, and WIC programs--but rather, that these funds continue to be used exclusively to help people in poverty. States may continue to apply for Medicaid waivers but still must meet the requirements of maintenance-of-effort provisions.

- Changes In The Baseline During The Transition Period: The legislation permits the base amount of federal funds to be increased if there is an increase in the consumer price index. The states will also receive an increase in funds if there is a recession or other unforseen event that would reasonably cause an increase in recipients.

- Federal Medicaid Mandates Are Frozen at 1995 Levels: This freeze will require states to provide Medicaid coverage to children: (1) under the age of 6 in families with income up to 133 percent of poverty; and (2) between the ages of 6 and 12 with family incomes up to 100 percent of poverty. Under current law, coverage for children with incomes up to 100 percent of poverty would be extended to children under the age of 19 by the year 2002. The freeze would require coverage only of those children aged 12 and under. At their option, states may continue to cover infants under the age of one in families with income up to 185 percent of poverty.

- At The End of The Transition Period: States are free to design welfare programs free from federal mandates. They are also free to design medical care programs for low-income individuals in their states in whatever way they choose. In addition, the federal government will simplify the crazy-quilt of Medicaid eligibility standards for elderly and disabled individuals, streamline the scope of benefits offered, and start to bring costs under control by transforming Medicaid into a more market-based system and creating incentives to purchase private acute care and long-term care coverage.

The Washington Post
January 20, 1995
Page A21

Charles Krauthammer

Kassebaum's Ultimate Zero Out

A funny thing happened on the way to welfare reform. The moderate Senate is turning more radical than the radical House. The history of this little-noted development goes like this:

In their "Contract With America," House Republicans promised a radical rewriting of the welfare rules. Having created the mess, Washington would fix it with Draconian regulations that would get some people off welfare and keep many who would otherwise get in—girls under 18 who have illegitimate children, for example—out of the system altogether.

That was yesterday. This is today, and the retreat was been sounded by Robespierre himself. Asked about denying welfare to unwed mothers, Speaker Gingrich waffled, "I'm not sure we'd require it," then asserted, "I really don't want to replace the social engineering of the left with the social engineering of the right." The stated purpose of the "Contract With America" is to undo 60 years of welfare-state social engineering. How one does that without reverse social engineering is a mystery.

True, some of Gingrich's lieutenants have not lost their revolutionary ardor. Bill Archer (R-Texas), chairman of the House Ways and Means Committee, and Clay Shaw (R-Fla.), chairman of the subcommittee on human resources, want to severely restrict welfare before giving it to the states. But it is hard to see how they can prevail against opposition Democrats, Republican moderates and now the equivocation of their own speaker.

So the emerging consensus on welfare reform is simply to punt the issue to the states. There are, however, two ways to do it. One way is to consolidate federal welfare programs into one or two or three big block grants for the states. This is the preferred way of the House Republican leadership. Instead of sending checks to welfare recipients, Washington would take that money (and food stamp and child-care money) and put it all in a few huge checks made out to the 50 state governors to spend as they please on welfare.

The federal government ends welfare payments to the states and picks up an equivalent share of Medicaid.

Better than what we have now, but still a bad idea. The House proposal still leaves the federal government deeply enmeshed in welfare policy as paymaster. And as long as it remains paymaster, it will have an interest in how its money is administered. The urge to control and fine-tune will inevitably return. Regulations will be trimmed today, but they are certain to grow back tomorrow. Revolutionary moods do not last forever.

For example, there is already the question of how much money the federal government is going to give the states. The governors have agreed to accept a five-year freeze on their allotment in return for being given flexibility on welfare rules.

Nice idea. But what happens after five years? You can be sure that starting tomorrow governors will begin lobbying Washington for a supplemental increase here, a special exemption there, and in five years, for bigger block grants. How can you expect otherwise when you go from an era of unfunded mandates to the era of unmandated funding?

Which brings us to the second way to punt the issue to the states: Get out of the welfare business altogether. This more radical alternative is the idea of Nancy Kassebaum, moderate chairman of the Senate Labor and Human Resources Committee. Kassebaum's alternative is a simple swap: The federal government terminates AFDC (Aid to Families with Dependent Children), food stamps and similar programs altogether and compensates the states once and for all by picking up an equivalent share of Medicaid.

No block grants, no strings, no regulations. No federal mandates, no federal bureaucracy, no federal anything in welfare. No more appeals from the states to Washington for more money and looser regulation. There is no regulation.

The states get the opportunity to start from scratch. They can redo their welfare programs as they see fit. They can decide how much of the Medicaid money picked up by Washington they wish to apportion to welfare and to what kind of welfare.

The Kassebaum swap allows even the most radical welfare reform. If just one state out of 50 actually abolished cash welfare altogether, and welfare rolls and illegitimacy rates fell as some predict, a national welfare revolution could begin.

Of course, it would be far easier for Congress itself to mandate that revolution, as the contract originally promised, by rewriting the welfare rules before turning it over to the states. But given the political fact that this is not going to happen, the Kassebaum alternative is the better one. If you are going to punt, punt long.

It is hard to see how the revolutionaries in the House—if they could give up their pride of authorship in their own flawed proposal—can turn down this opportunity for the ultimate zero out.

MEMORANDUM FOR THE WORKING SESSION ON WELFARE REFORM

FROM: SENATOR DANIEL PATRICK MOYNIHAN

DATE: JANUARY 24, 1995

RE: BACKGROUND MATERIALS ON OUT-OF-WEDLOCK BIRTHS

A note on language. Reform is defined as "to restore to a former good state." If we continue to use that term we will get nowhere, for we are not trying to get back to some point in the past. We are dealing with something wholly new. Three visuals:

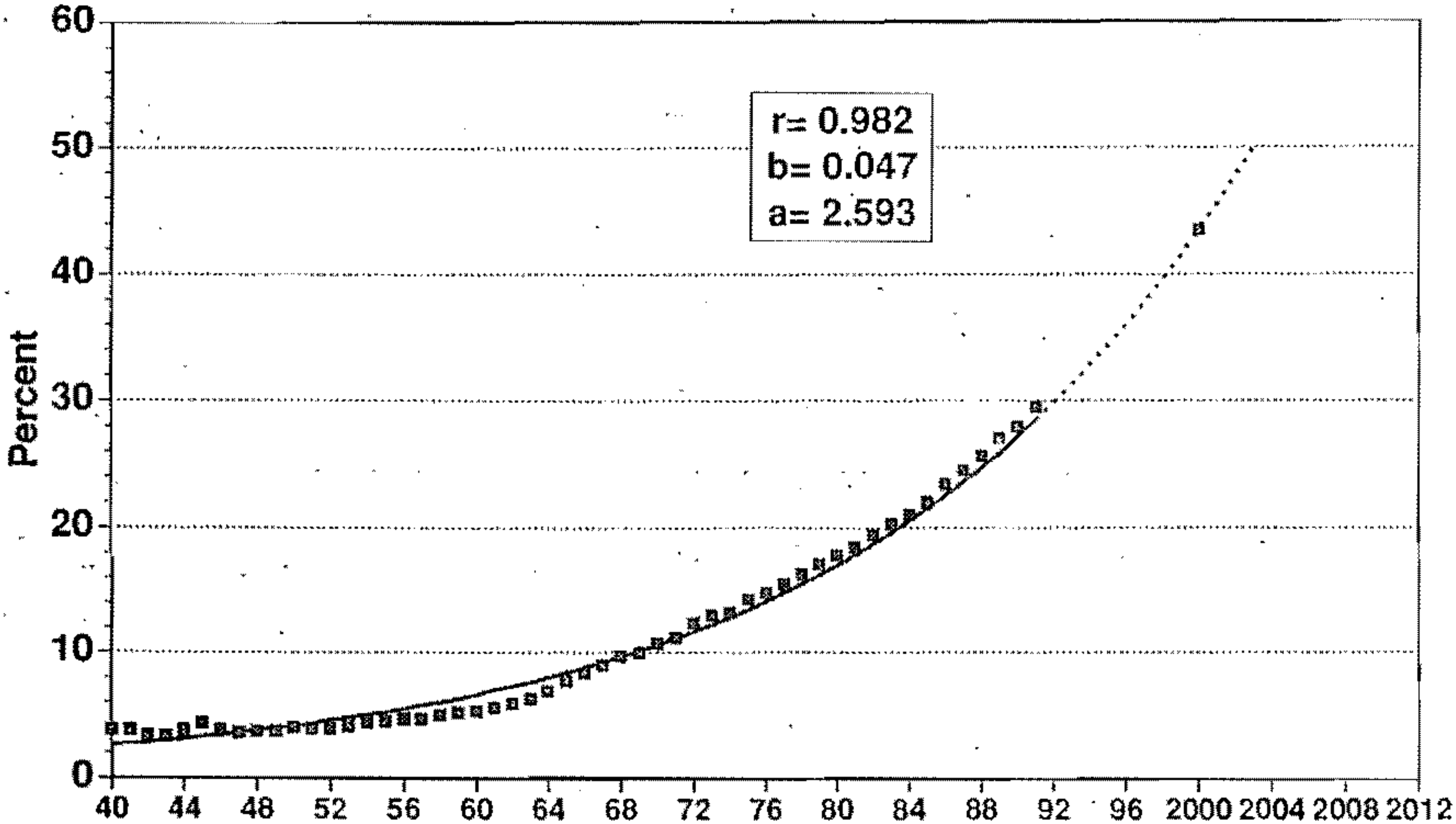
Figure 1: Projected Births to Unmarried Women (United States). In the 1994 State of the Union message, President Clinton said, "We cannot renew our country when within a decade more than half of our children will be born into families where there is no marriage." The projection was taken from an exponential curve developed in our office.

Figure 2: Percent of All Births Out-of-Wedlock (United States vs. England & Wales). Britain has had a transformation almost identical to our own. In 1940, both nations were at the "historic" four percent level. After the disruption of war, things returned to normal. Until the mid-1960s, when an unbroken ascent commenced.

Figure 3: Percent of Births That Are Out-of-Wedlock (Various Industrialized Nations). The increase in out-of-wedlock births has happened throughout much of Northern Europe and North America. The Canadian ratio is just below that of the United States; France just above.

The contrast with Asia will almost surely produce a great debate about the failure of Western civilization. Social collapse preceding economic collapse. Clearly, we need to "disassemble" the data and look at each country or clusters of countries before we have any better understanding.

Figure 1: Projected Births to Unmarried Women (United States)



- The data fits an exponential regression $y=ae^{bx}$
- The statistic "r", called the correlation coefficient, indicates how closely a particular regression line fits the data. The 0.982 correlation coefficient indicates an almost perfect fit.
- The statistic "b", called the slope, indicates how rapidly a line is rising or falling.

Figure 2: **Percent of All Births Out-of-Wedlock (United States vs. England & Wales)**

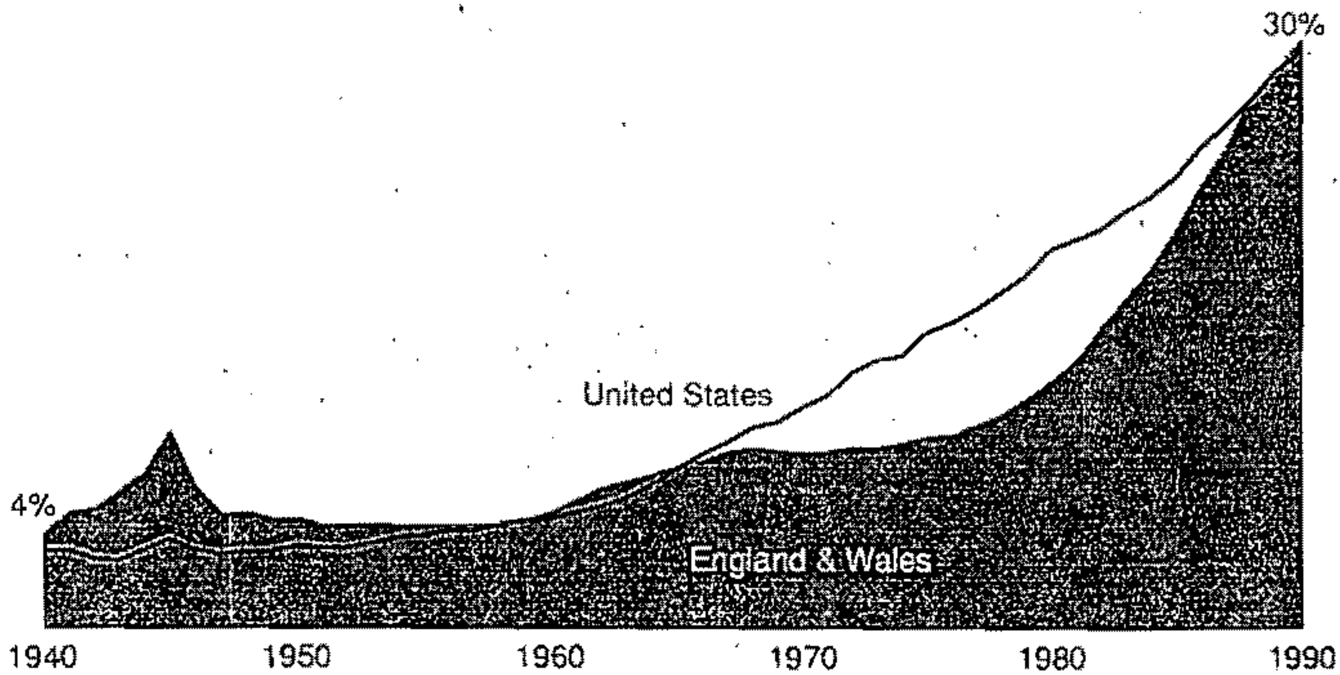
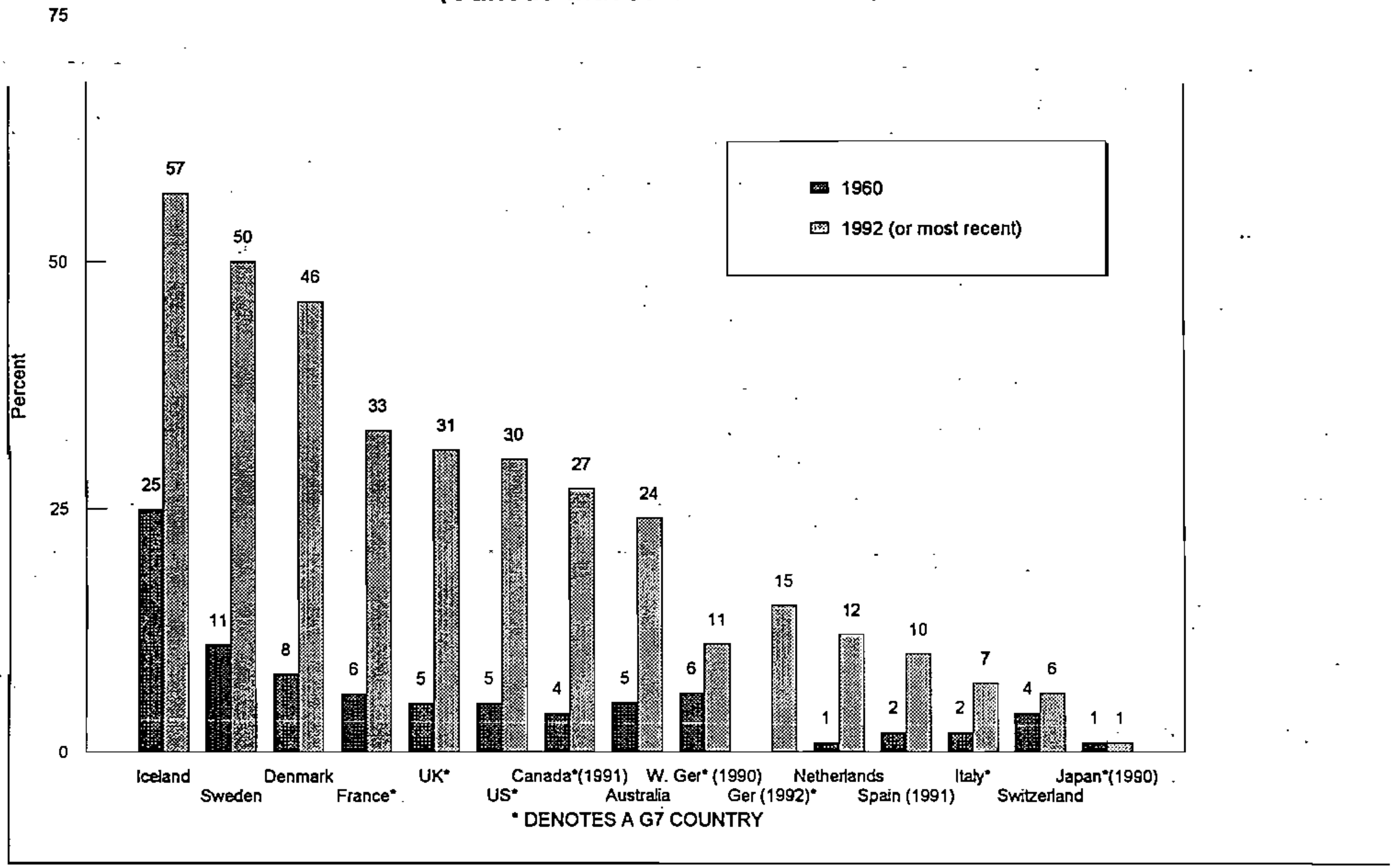


Figure 3: Percent of Births That Are Out-of-Wedlock (Various Industrialized Nations)



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DEPUTY DEMOCRATIC LEADER
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NEW JERSEY GENERAL ASSEMBLY

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.

With recent reforms embodied in the REACH/JOBS Program, educational, training and placement opportunities are available to recipients. However, this program (1) Only focuses on education and training for the recipient, and not the recipient's entire family; (2) Does not specify that each person in the recipient's family attain a high school diploma or equivalency degree before being assigned to a vocational-related activity; (3) Does not tie the receipt of benefits to the attainment of educational and vocational goals; and (4) Does not offer adequate support services (i.e. family counseling, parental skill training, substance abuse prevention and treatment, remedial/tutorial services, etc..) to family members who participate in the program.

In summary, although the traditional system has helped the poor by providing them with modest grants to purchase the necessities of life, it has offered them no means of becoming self-sufficient. Welfare has addressed the core roadblocks to self-sufficiency -- educational deficiencies and inadequate job skills -- but not in a comprehensive, systematic or targeted way.

WHY WELFARE DIVIDES FAMILIES:

Under past rules which my law changed, welfare mothers who were married and lived in the home with the natural father stood to lose up to 30 percent of their welfare grant. The welfare rules were also punitive to mothers who married and lived with a man who was not the natural parent. These financial disincentives to marriage and family unity are considered to be major factors to the fragmentation of the welfare family. In 1991, for example, 60 percent of the mothers receiving AFDC were not not married.

HOW THIS PLAN WILL ENCOURAGE FAMILY UNITY, PROMOTE SELF-SUFFICIENCY AND INSTILL WORK-ETHIC VALUES IN WELFARE FAMILIES:

Bill #1 A-4700

The cornerstone of my six-bill package is the Family 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.

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.

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 myriad 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 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.

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.

SUPERVISOR YVONNE B. BURKE
COUNTY OF LOS ANGELES, CALIFORNIA
January 28, 1995

Where We Are Today:

Los Angeles County provides public assistance and services to about 1.9 million eligible County residents. These programs are administered through 38 direct services district offices and 11 support offices throughout the County.

-Recently on average, our caseloads have grown about 20% per year; our aided population has doubled in the past five years.

-In any given month we process about 83,000 new applications for assistance. We now represent about 34% of the statewide cash aid population.

-The AFDC caseload in Los Angeles County is around 900,000 persons. Typically, these are female-headed, single parent, 3 person families comprised of a single mother and 2 minor children. In California, a 3 person AFDC family receives $607 in cash assistance per month, plus Food Stamps and Medicaid.

-Medicaid is our fastest growing federal program; the caseload has quadrupled since 1988. In addition to beneficiaries linked to AFDC or SSI, we provide Medicaid Only eligibility services to about 650,000 additional persons.

-From a local perspective, our most serious concern is with the County General Relief program. This is a state-mandated, but county-funded program of aid to indigent individuals and families that are not eligible to state or federal assistance. This program has grown by over 300 % during the past ten years. Currently we aid over 90,000 persons at an annual cost to the County taxpayers of $230 million.

In general, the recent growth in public assistance rolls in Los Angeles County is reflective of the overall economic environment of the region. As the economy stalls and unemployment rises, there are direct correlations in the growth of cash aid caseloads. In addition, we are home to a disproportionate number of refugees, lawful immigrants and undocumented aliens. Immigrants and refugees are attracted to Southern California because of a favorable climate and family reunification, which draws foreign born persons to urban areas already populated by family members or by other large concentrations of fellow countrymen.

Los Angeles County has made a major investment into fraud prevention and detection systems designed to stop fraud, eliminate waste, and to bring credibility and public confidence to our programs. Our most recent achievement was the development and implementation of AFIRM, an automated fingerprint imaging and reporting system aimed at eliminating duplicate aid fraud. Simply, the fingerprint matching prevents a cheater from having more that one welfare case. The system is cost effective and we expect to save close to $28 million in GA over the current eight year contract period. We have a federal and state supported demonstration project to test the cost-effectiveness of AFIRM in AFDC. Based on data to date, we expect over the 3 year life of the project to save as much as $116 million. For these reasons, we recommend the expansion of AFIRM to the national level as a key welfare reform component.

The County and the State of California have embarked on a number of other innovations designed to contain costs, assist recipients transition from welfare to work, and reduce fraud and waste.

-We are pioneering the concept of reducing lost or stolen benefits, including mail theft, by distributing General Assistance cash aid (and soon AFDC), via electronic transfer through any of the 70 or so Food Stamp distribution outlets throughout the County.

-We are into the procurement/contracting stage for developing a comprehensive automation system designed through interactive interviews to establish eligibility to welfare programs, computation of benefit amounts, and provision of audit and reporting requirements. The system, called LEADER, is expected to save $83 million per year by reducing errors and overpayments, improving efficiency and speeding and streamlining the coordination with the District Attorney in child support enforcement activities. LEADER will be one of the largest single automation development undertakings of its kind in the Country. The system is being developed under a state/federal demonstration project.

-Currently, we are developing a pilot project with state and federal support to test the "best practices" of welfare to work programs within the State of California and throughout the Country. The Manpower Demonstration Research Corporation (MDRC), will help define, guide and measure the results of the project.

Welfare Reform Discussion

Work and Welfare:

We firmly believe that the end to welfare dependency clearly rests within the concept of self-sufficiency obtained through employment. In California, employable AFDC recipients are provided education, training and employment services under the state's Greater Avenues to Independence (GAIN) program. GAIN was one of the models for the federal JOBS program enacted in 1988.

Any effort to time-limit the assistance for employable AFDC families or to limit the time that an employable adult can receive AFDC must be complemented by a system of employment-related and support services. A reasonable and prudent aid limitation may be imposed only if work opportunities were available to the recipient and some reasonable training or other employment preparation activities were provided to the person as needed. Of grave concern is the availability of jobs, especially those with a livable wage level. At minimum wage, a family head would need some degree of cash aid supplementation until their wages and benefits would offset the AFDC grant, with food stamps and medicaid. Further, to enhance employment prospects, employer tax credits ought to be available to offset the training/transition costs for hiring welfare recipients. To facilitate the transition for newly employed recipients, the Earned Income Tax Credit (EITC) should be complemented by an adjusted, refundable child care tax credit offered on an advance payment basis.

Parental Responsibilities:

The proposal to positively determine paternity seems to be adequately established in Section I of the federal JOBS bill. Subsequently, there needs to be a continued incentive for local prosecutors to effectively collect child support payments from absent parents via court actions and wage assignments. A federal standard should guide the courts to assess individual child support levels which are reasonable to meet the child(ren)'s needs. Our key concern is with the proposal to prohibit assistance to any otherwise eligible child for whom paternity is not established. We would oppose any provision that prohibits assistance to those children if the parent cooperates fully, but paternity cannot be established.

Teen Pregnancy and Out of Wedlock Births:

Teenage pregnancy is a major problem in Los Angeles. As it relates to AFDC, teen pregnancy provides automatic emancipation, allowing the prospective mother to get her own welfare grant, and the ability to move out on her own. The concepts of requiring pregnant teens to stay at home with their parents, or in some other safe environment, in order to qualify for AFDC is a reasonable concept to help discourage teen pregnancies. The key requisite is the need for reasonable protections in place to assure the teenager has a safe option from an abusive or harmful home environment. Education and family planning services must be available early on to teens and certain pre-teens. California recently enacted a new program to assist teen parents to stay in school and provides incentives for them to complete their high school education.

Immigration:

The impact of federal immigration policies, over which state and local governments have no control, is a key issue for California and Los Angeles County. States and localities currently bear most of the costs of services provided to immigrants, but most of the taxes paid by immigrants go to the Federal government. This imbalance between costs and revenues adversely affects Los Angeles County, which has a foreign-born population of over 3.2 million. A major concern is that many proposals would deny federal-funded welfare, health, housing, food, and other social services to non-citizens, which would result in an even greater shift in costs to states and localities in which they reside.

The federal government should assume greater, not less, financial responsibility for the costs of its immigration policies. If federal benefits for immigrants are cut, then the federal budget savings should be used to pay for immigration-related activities, including reimbursement of the cost of state and local services for which immigrants remain eligible, similar to how State Legalization Impact Assistance Grant (SLIAG) funds reimbursed state and local costs during legalized aliens' five-year period of ineligibility for most federal benefits. Without SLIAG funding, Los Angeles County alone would have incurred about $800 million in unreimbursed costs for services provided to over 720,000 County residents who were granted legal status by the Federal government.

State Flexibility:

A key issue for counties will be that of responsible structural reform of the welfare system. The purpose of reform is to facilitate the transition from welfare to work, and not a simple cost shift to states and localities. Government at some level must continue to provide a safety net for needy children, and aged, blind, or disabled persons who cannot be expected to be self-supporting. The problem with cost-shifts to local communities is that it often places a disproportionate and unreasonable burden on those local officials that try to be responsible and provide a realistic level of services and benefit levels. Welfare reform needs to contain strong components which strengthen and preserve families, strengthen child support enforcement and fraud prevention, and reduce administrative costs. Without adequate reform in these areas, the concept of state flexibility is reduced to a cost shift, while the need for benefits remains tied to unemployment rates and other economic factors and inflationary costs that are well beyond the control of state or local officials

National Conference of State Legislatures

OFFICIAL POLICY

HUMAN SERVICES COMMITTEE
STATE\FEDERAL PARTNERSHIP FOR FEDERAL WELFARE REFORM

The National Conference of State Legislatures (NCSL) strongly believes that comprehensive reform of our federal welfare system is needed. The children who rely on Aid to Families with Dependent Children (AFDC) are among our most vulnerable and any reform of the system must keep their best interest in the forefront. Our income assistance program should include (1) the promotion of family formation and stability (2) parental responsibility, (3) education and training opportunities that are geared toward community and business needs (4) support services necessary to self-sufficiency such as health care, child care and transportation during education, training and subsidized employment and transitional services for those who successfully leave welfare (5) short term assistance to able-bodied heads of households (6) long term support for the disabled, and elderly (7) strengthen child support services (8) flexibility for states to design their programs in accord with community needs and (9) financing the program without cost-shifting to state government and without targeting other vulnerable populations.

The AFDC program today serves a very different population than at its inception in the 1930's. Our clients are no longer widows and most children on welfare are not orphans. Most women work outside the home and our economy has changed the type of job opportunities available to low-skilled workers.

As policymakers, we are concerned that federal welfare reform must be accomplished with a corresponding national economic policy and employment strategy. The federal government cannot make welfare policy in a vacuum. Structural economic issues such as interest rates, unemployment, seasonal employment, part time work and economic development intrude on our goal of self-sufficiency for welfare recipients. The federal government must understand the diversity of our welfare population and its potential impact on long-term employment. States must have the ability to choose different strategies for families receiving welfare. A continuum of self-sufficiency might include different strategies: job search for those with skills and work histories, treatment for heads of households with substance abuse problems, mandatory work for those unable to find employment, part-time work with increased earnings disregards, and support for the employed so their work is better than public assistance. The federal government must ensure that welfare policy matches economic policy. Otherwise we will continue impoverishing children while blaming parents for situations they do not control.

State legislators believe that welfare reform must address these new realities. A new partnership must be developed between the states, local governments, the private sector, welfare recipients and the federal government.

We strongly support encouraging welfare recipients to take responsibility for their children while re-designing the welfare system to provide incentives for those who attempt to become economically self-sufficient. Welfare recipients want to work for themselves and their children. The goal of reform should be to enable clients to become self-sufficient, strengthen their families and work their way off welfare.

Mutual Responsibility

Critical to our vision of federal welfare reform is mutual responsibility between government and welfare recipients. Heads of households must take personal responsibility for participating and contributing positively to their own well-being. Government must make opportunities available with support services.

NCSL supports policies that state these mutual obligations including:

o an employability plan that details the responsibilities and expectations of state government and of the client;

o a personal responsibility agreement determined by each state;

o meaningful sanctions for those who do not comply with the contract;

o assistance for those who play by the rules - families who are working should not be poor.

Private Sector

Reforming our current welfare system into a re-training, and employment system will fail without a partnership between government, the private sector and the not-for-profit sector. NCSL believes that job training and education for welfare recipients must be linked to employment needs in the community. Welfare reform will fail if recipients are not trained for real job opportunities. The private sector is critical to the identification of opportunities and the development of meaningful jobs, and should be encouraged to do so. Hiring welfare recipients should be a priority of both the public and private sector.

Transitional Program

NCSL believes that public assistance should be temporary for employable individuals when or where work is available. States should be accorded maximum flexibility in implementing policies that must meet local needs.

NCSL believes that all federal rules be repealed that put low income working people at a disadvantage as compared to welfare recipients. NCSL strongly believes that part-time employment with some support is preferable to nonwork.

NCSL believes that federal rules that create financial disincentives for work should be repealed. Working should always improve a family's financial and economic situation. Federal barriers to employment should be changed such as:

o Allowing states the option to use fill-the-gap budgeting;

o Allowing states the option to increase earnings disregards;

o Eliminating the 100 hour rule;

o Allowing flexibility to states to change or exempt resource and asset limits including the vehicle allowance;

o Flexibility for states to increase transitional child care and health care (medicaid) for more than the current one year.

For those unable to find employment after a period of education and/or training, NCSL supports the creation of employment opportunities in the public and private sector. NCSL believes that employment opportunities should first be in the private and not-for-profit sector with community work experience in the public sector as a last resort.

NCSL supports a time-limited or transitional period of public assistance and training followed by employment or federally subsidized work with support services. The time-limit should begin when a participant is enrolled in the JOBS program or another approved employment and training program. States should have the flexibility to provide services that remove the barriers to employment for recipients prior to the JOBS program.

Teen Pregnancy

State legislators are deeply concerned about the dramatic increase in births to unmarried teenagers. This increase consistently occurs in all income levels and across race and ethnicity. NCSL believes that this national problem deserves our full attention. We have found through our research that teen mothers and fathers have worse future outcomes including educational attainment and income than other teens. However, we have not found research that proves that the availability of welfare encourages the occurrence of teen pregnancy. Over time, we believe, teen parents have much more difficulty remaining self sufficient and are more vulnerable to economic shifts in the labor market.

NCSL strongly supports a nationwide campaign to prevent out of wedlock births. We also support efforts to assist teen parents to complete high school or receive a GED to further their life chances. Because of the need to assist young parents before they become dependent on public assistance, NCSL supports targeting federal welfare reform on teen parents initially, focusing our resources on those on whom we can have a significant effect. NCSL opposes the elimination of benefits to young parents. Young welfare recipients need mentors and strong support services including intensive case management and child care.

State legislators have been strong supporters of federal policy to strengthen families. State legislators have been responsible for model programs of family preservation and support that have successfully intervened with at-risk families. We wish to reiterate our support for federal family preservation and support policy to assist states in these efforts. NCSL believes that these programs are integral to welfare reform. Families must be empowered to work together. NCSL also believes that teen parents need special assistance beyond education and training programs to become self-sufficient. Programs to promote better parenting skills including nutrition and basic health must be added as well. Teen fathers also must not be left out of these programs. If their issues are not addressed, we will have a continuation of the break-up of these families.

Federal regulations including those addressing the 100 hour rule, work history requirement, and penalizing marriage must be eliminated. States should have the flexibility to waive these requirements in their state plans.

Welfare Waivers

NCSL strongly believes that the federal waiver process for welfare reform be reevaluated. NCSL strongly believes that states need flexibility for further innovation. State legislators would prefer to have options, rather than waivers for policy changes that are not in need of further evaluation. Additionally, in most cases, changes in AFDC policy that require changes in federal law also require changes in state law. NCSL strongly believes that federal waivers should only be granted with the passage of state laws. Too often state legislators are not included in the process until after a waiver is granted. Plan approvals and results of demonstration projects are rarely shared with state legislators. NCSL strongly supports more welfare reform technical assistance as we implement new programs. Independent audits or program evaluations should focus on outcomes rather than process.

Upfront Services and Improved Coordination and Technology

Welfare reform also includes community development in concentrated areas of poverty, job creation and development to establish the opportunity of employment, improved Earned Income Tax Credit outreach and delivery systems, federal enhanced funding for automation, including one-stop shopping innovations and the use of electronic benefit transfer systems, early childhood education, housing policy, simplification of forms and improved program coordination and involvement of the private and public sector.

Automated tracking systems for tracking work recipients and child support payments are critical to implementation of a new program and very costly. We urge the federal government to consider new systems that can interface with existing technology and to finance any new requirements at enhanced federal matching rates. We continue to be concerned about the federal reduction in administrative match rates including those for automation and fraud reduction activities. NCSL supports restoration of these rates in federal welfare reform. Additionally, NCSL is concerned about the costs of a national client tracking system and believe that any national system should be federally funded.

The federal government should include up-front services in their welfare reform package. NCSL believes that front-end services to avoid welfare participation are critical to the success of national reform. These include the provision of child care or transitional health care to the working poor who may be at risk of entering the welfare system.

Education and Training
There is little discussion of the kinds of education and training programs that this new system would require. We urge the federal government to discuss this issue with state legislators and to develop these policies in conjunction with the needs of local communities and the private sector. Work requirements for community service should be designed without displacing existing public employees.
State legislators believe that there are many innovative programs around the country that should be shared. Technical assistance to state legislatures will be critical as we consider state revisions. NCSL urges that the federal government include funds for technical assistance to state legislatures as part of the national reform effort.
Child Support Enforcement
Child support enforcement is a critical component of welfare reform. Our separate policy on Child Support Enforcement details NCSL's position. State legislators have been at the forefront of innovative efforts to improve paternity establishment, including the following: 1) in-hospital paternity establishment; 2) collection and enforcement of child support orders; 3) finding new penalties for non-custodial parents who refuse to provide support; 4) useing mediation and expedited administrative procedures; 5) providing a guaranteed level of child support and; 6) outreach to teen non-custodial parents. We are concerned, however, about unfunded mandates and preemption of state law in any new federal child support law.
While NCSL believes states should adopt uniform interstate child support enforcement procedures, NCSL opposes federal legislation which would preempt this authority of the states. We are also concerned about the cost of new automated systems and other changes in the child support system. We reiterate our concern that as states update their child support legislation that technical assistance is needed to assist the states as they come into compliance with federal goals. State legislators should have the option of extending child support benefits beyond the age of majority for those children in college.
Child Care, Health Care and Other Support Services
Child care must be reimbursed for recipients participating in education, training, subsidized employment and transitioning to permanent employment. Our policy on child care details NCSL's position or standards (including retention of state authority to set standards) payment rates and quality. States should have the option of extending child care benefits for up to two years for those transitioning from welfare to work. State legislators believe that recipients who play by the rules and leave public assistance should not be worse off than those on welfare. Child care is very expensive for working poor families. NCSL urges full funding for working poor families' child care needs.
Health care is a critical need for families on public assistance and is key to long-term self-sufficiency. Lack of health care is often cited as a reason why recipients return to welfare after leaving for employment. NCSL believes that health care reform is a component of welfare reform. NCSL's policy on health care reform details our position. State legislators should have the option of extending medicaid assistance for longer than the current one year after transitioning to employment.
Transportation is another barrier to employment. Transportation assistance, including the option of increasing or eliminating the vehicle allotment, must be part of any federal welfare reform plan. Too often, work opportunities are provided at a distance from where recipients live. This assistance must take into account transportation needs for child care.
Work expenses are an additional barrier to employment. Uniforms, tools and texts are especially costly for those beginning employment. NCSL believes that the federal government must provide adequate funds and eligibility disallowance for work expenses. There is little coordination between the various programs that assist low-income families with their housing needs and self-sufficiency efforts. We urge the

federal government to link these systems so that those who return to employment are not in danger of losing their housing assistance and can earn their way out of poverty.

Job Opportunities and Basic Skills Program (JOBS)

We believe that any new federal program should build on and learn from the Family Support Act of 1988 (P.L. 100-485 and the JOBS program. Unfortunately, states have been unable to draw down the funds allocated for this important education, training and employment program. NCSL strongly supports expansion of this program to prepare participants for the workforce. Federal funding must be expanded.

Financing

State legislators are extremely concerned about federal financing of welfare reform. NCSL strongly opposes federal efforts to finance welfare reform through cost-shifting to the states. NCSL opposes the following:

- o unfunded mandates;
- o transfer of needy populations to state government through elimination of program and benefit funding by the federal government. The federal government cannot eliminate their responsibility for legal immigrants, substance abusers, homeless families and families in crisis. This does not address legitimate needs -- it transfers the need to state-funded and nonprofit programs and public hospitals;
- o capping open-ended entitlements;
- o unrealistic assumptions about savings from recipients leaving welfare or receipt of child support enforcement.

NCSL supports the use of less prescriptive funding sources from the federal government for welfare reform including the use of nonprescriptive block grants and alternative use of existing resources.

NCSL strongly believes that the federal government must fund the administrative and technical costs associated with any work program.

Welfare reform will fail if it is not adequately financed. Implementation, especially of job creation, placement, tracking systems and child care, will be extremely expensive. The Family Support Act depended on states to fund the JOBS program; subsequently only 60% of federal JOBS funds were matched by the states. We urge the federal government to find funding sources and higher match rates for reform.

Partnership for Federal Welfare Reform

NCSL strongly reiterates that federal welfare reform will be a failure in the states if state legislatures are not included in the process of policy development. Wherever possible, flexibility will enable states to create innovative programs. State legislators strongly believe that there must be an evaluation component for any new federal program and that states be evaluated on outcome-based measures. Additionally, the federal government must assist the states during implementation of welfare reform and highlight innovative programs.

NCSL's Concern for Children

We reiterate our concern for children and their well-being in our consideration of welfare reform. Children will be better off with parents who are self-sufficient. However, NCSL urges the federal government to consider the impact of a new welfare strategy on other state and federal systems that serve children and their families. There must be coordination with the myriad employment and training and retraining programs. The child welfare system, including foster care, may be inadvertently impacted by welfare reform if parents are unable to support their children. This system is more costly to both the states financially and to children in personal terms. There must be coordination in child care among systems that serve those on public assistance and those that serve the working poor. NCSL also supports coordination with Head Start and other early childhood education opportunities to provide assistance to children while their parents pursue employment opportunities.

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WORKING SESSION ON WELFARE REFORM

JANUARY 22, 1995

**SUBMITTED BY: MICHAEL PAPPAS, FREEHOLDER
SOMERSET COUNTY, NEW JERSEY
CHAIRPERSON, NATIONAL ASSOCIATION OF COUNTIES
HUMAN SERVICES AND EDUCATION STEERING COMMITTEE**

The National Association of Counties has gone on record expressing concern about some of the proposed welfare reform provisions. These issues are summarized in the attached article, taken from NACO County News, January 16, 1995.

The twenty four month welfare limit being proposed may be inherently problematic. Obviously, all welfare recipients are different, and present with different life histories and family circumstances. They carry with them varying skill levels, and therefore disparate abilities to successfully undertake a job search. It is difficult, taking that fact into account, to make an across the board decision to terminate all individual's benefits after two years.

While it is a noble expectation that everyone who wants a job will be able to secure gainful employment, it is the quality of that employment that is the crucial component. Individuals who leave the welfare rolls to obtain minimum wage or low paying jobs will be unable to support their families and secure housing, and in many cases, will not have access to health care. Business-education partnerships may be one of the answers to assure that young people are adequately trained for the jobs that will be needed when they graduate.

-2- Submittal by : Michael Pappas

While we are all hoping to set course on a brave new direction in overhauling and reforming the existing welfare system, we need to think through some of the key issues standing in the way of that reform and develop remedial plans to address those needs.

Functional illiteracy is a real and growing problem within the welfare and other population groups. GED and other basic educational training programs are often insufficient to facilitate job preparation. Child care programming is often expensive or unavailable and we need to further encourage employers to expand their workforce through tax or other incentives.

Additionally, the whole concept of folding current welfare entitlement and other social program dollars into block grant vehicles may serve to curtail services to other, perhaps unintended populations, such as elderly individuals in need of nutrition programs.

There are a number of programs being initiated at the local level that are beginning to address the unique needs of individuals receiving public assistance. Allowing welfare agencies to administer their own in-house comprehensive education and training services has proven successful in our local area.

Well run mentorship programs allow communities to begin to get involved by providing well trained one on one role models and advocates; people willing to take a stake in facilitating a public assistance client's move toward independence.

Taking the initiative to directly involve the religious community with the work of welfare reform is another option that needs to be strongly considered. Many of our local religious leaders would like to be of assistance and can be strong partners in our mutual goals.

Community work experience programs also provide a win-win situation by allowing municipal and county governments to supplement their work force with welfare recipients (who are being groomed for gainful employment and appropriate for placement) and providing strong work references to prospective employers for those clients.

-3- Submittal by : Michael Pappas

The concept of a resource center, or a "one stop shopping" source for the welfare recipient and their family would group all of the available core and ancillary (mental health, substance abuse, etc) services in one area, and also provide a job training, child care and educational center for the family. It is frequently very difficult for individuals to negotiate the maze of social service agency services which exist; these centers would facilitate those linkages.

As we consider ways to improve the system, we need to emphasize the necessity of flexibility along the way - people are different and some will never be able to be totally self sufficient; remedies need to be put forth to address the needs of those individuals as well.

County News, January 16, 1995

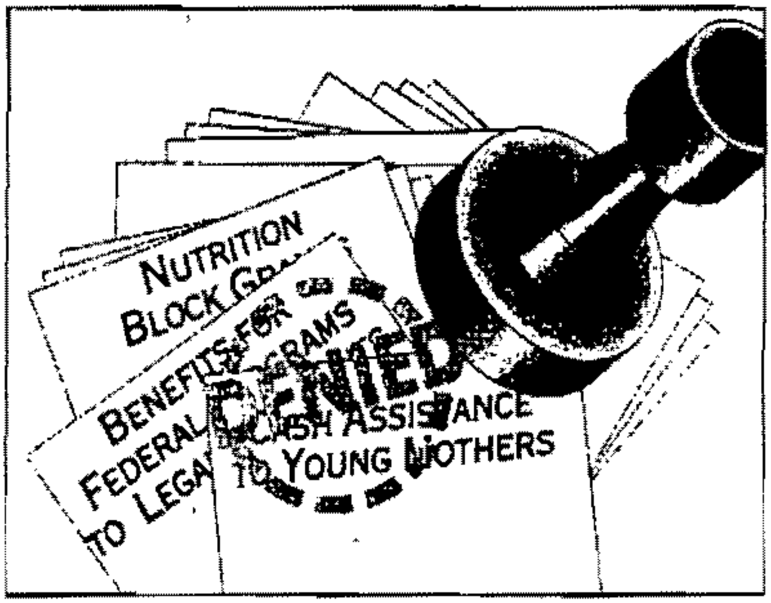
Welfare reform could prove unsettling

By Marilina Sanz
associate legislative director

The Republican welfare reform proposal now before the Human Resources Subcommittee of the House Ways and Means Committee — Personal Responsibility Act (H.R. 4) — presents several challenges to county governments, according to Michael Pappas, chair of NACo's Human Services and Education Steering Committee, and Somerset County, N.J., freeholder.

"NACo has concerns about several of the bill's proposed provisions, which include a cap on entitlement programs; a nutrition block grant; denying cash assistance to young mothers; eliminating benefits for almost all federal programs to legal immigrants; and further reducing Supplemental Security Income benefits to drug addicts, alcoholics and children," Pappas says.

The nutrition block grant that is proposed in H.R. 4 is receiving considerable opposition. The major reason is that there would be less money available than is now in the programs that would be consolidated. Another reason is that popular programs such as the Women, Infants and Children Supplementary Feeding Program (WIC) are included in the consolidation and they have a strong constituency. Many county officials have expressed particular concern about the fact that nutrition programs for the elderly are included in the block grant, yet there is no direction given to states to spend portions of the money on those activities. Given reduced allocations and requirements in the block grant to serve other specific populations, they fear that these programs would not receive any funds from the states.



"Counties need to express their concerns directly to their congressional delegations over the possible cost shifting that could result from proposals such as funding caps, block grants and denying federal benefits to specific populations."

Michael Pappas
chair of NACo's Human Services and Education Steering Committee
Somerset County, N.J., freeholder

Pappas also expressed doubts about an alternative proposal that is also gaining headway with House Republican leaders. This initiative, which would consolidate more than a hundred programs into several block grants, and was reportedly put forth by the governors of Massachusetts, Michigan and Wisconsin, is expected to be offered as a substitute to H.R. 4 when the bill is marked up in February. Wisconsin is the only one of the three states where counties have the principal responsibility for operating welfare programs.

This proposal, which has generated considerable public debate and controversy within the National Governors' Association, provides states with broad discretion in structuring state welfare programs with virtually no federal requirements or limitations, and automatic funding increases. Key members of Congress, however, indicated that while the block grant approach has possibilities, it also needs to include federal savings, and that there would be some restrictions on the use of funds.

The details of the proposed state block grants, including their funding levels, are still being developed. The following are the general areas that would be covered by the proposal and the current funding for those programs: a nutrition block grant that would include 10 programs (FY95 — $38 billion); a cash welfare block grant that would cover seven programs (FY95 — $17 billion); a child care block grant that would cover 45 programs, reportedly including Head Start (FY95 — $11.8 billion); a child welfare block grant that would include foster care and 37 other programs (FY95 — $4.3 billion); and a social services block grant that would consolidate 33 programs (FY95 — $6.6 billion).

Many of the programs included in the block grants would lose their entitlement status, thereby limiting eligibility for individuals and states. Under this scenario, these programs would be subject to the annual appropriations process and would compete with other domestic programs for funding. At a time of tight budgetary constraints, it is unlikely that they would receive adequate funding, some analysts believe.

Additionally, the Republican governors have agreed to a five-year funding freeze that is expected to reduce federal expenditures by $40 billion.

"The insufficient appropriations and further restrictions that are likely to be placed on the use of funds could result in considerable cost shifting to counties," Pappas suggests. In addition, in a case of a recession, there would be no additional funding to cover increased demand for job training and social services. In several states, there are also constitutional requirements to provide a safety net to those in need, and the denial of federal benefits to certain groups would pass that responsibility down to

See WELFARE, page 4

WELFARE from page 2

local governments.

At a recent press conference, House Speaker Newt Gingrich (R-Ga.) acknowledged that many aspects of the "Contract With America" are open to negotiation and has expressed his willingness to revisit some of the most restrictive provisions of H.R. 4, such as elimination of benefits for legal immigrants because of the savings generated by the five-year freeze.

However, Representative Clay Shaw (R-Fla.), chair of the House Human Resources Subcommittee, which is now considering H.R. 4, has pointed out that the elimination of benefits to legal immigrants, which is the major funding mechanism for H.R. 4, would provide $22 billion in savings, and that Congress also has to find sources for other proposals.

"Given Speaker Gingrich's willingness to revisit key elements of the Contract With America proposals and the fact that the Republican leadership is rewriting the entire welfare reform bill, there is a clear opportunity for counties to have an impact on the outcome of the legislation," Pappas advised.

Counties, he said, need to express their concerns directly to their congressional delegations over the possible cost shifting that could result from proposals such as funding caps, block grants and denying federal benefits to specific populations.

6L. Resolution on Federal Welfare Reform

WHEREAS, President Clinton has submitted legislation to Congress for major restructuring of the welfare system that includes principles long supported by the National Association of Counties in The American County Platform; and

WHEREAS, the legislation's principles include:

- Making Work Pay, with incentives that encourage families to work and not stay on welfare, and that help is available to ensure that they can work and adequately support a family;
- Improved Child Support Enforcement, with responsibility of both parents to support their children and stronger systems for identifying fathers and ensuring their support;
- Education, Training, and other Services to help people get off welfare and stay off, building on the Family Support Act of 1988 as a base;
- Time-limited Transitional Support System, in which those who are healthy and able to work will be expected to move off welfare quickly, and those who cannot find jobs should be provided with work and expected to support their families; and

WHEREAS, the Administration had an extensive consultation process with the National Association of Counties and other national organizations; and

WHEREAS, many of the proposals pending before Congress would finance welfare reform through reductions or caps in entitlement programs and would reduce or eliminate immigrants' eligibility for a number of federal programs and these financing mechanisms would shift costs to county and state governments; and

WHEREAS, counties and states will have to make significant changes in the way programs are operated, changes that require staff training and acquisition of new equipment which could adversely affect the delivery of these services or cause an increase in the state and/or local fiscal responsibility; and

WHEREAS, in order for welfare reform to succeed, every effort must be made to ensure that employment is available to those making the transition to work:

THEREFORE, BE IT RESOLVED that the National Association of Counties commends the Clinton Administration for making comprehensive welfare reform a legislative priority, to end the current, unworkable system of public assistance programs, and for their extensive consultation process; and

BE IT FURTHER RESOLVED that any welfare reform that includes time-limited eligibility for assistance and transitional support services, must also provide adequate federal funding for the necessary job training, job placement, continued subsistence grants, health care coverage, child care, transportation, and administration; and

BE IT FURTHER RESOLVED that welfare reform must include an aggressive federal strategy to create jobs that promote durable self-sufficiency; and

BE IT FURTHER RESOLVED that the entitlement nature of public assistance and social services programs should be preserved in restructuring welfare, both for payments to states, and for individual benefits; and

BE IT FURTHER RESOLVED that the National Association of Counties reaffirms its strong opposition to proposals that would shift costs to county governments, such as entitlement program caps and reductions, and eliminating or reducing immigrants' eligibility for federal programs; and

BE IT FURTHER RESOLVED that counties and states must have the flexibility and adequate time to design and implement a program that will meet the needs of the local population and the local employment market; and

BE IT FURTHER RESOLVED that the National Association of Counties urges the Congress and the Administration to enact and implement the program simplification recommendations of the Welfare Simplification and Coordination Advisory Committee and the American Public Welfare Association's Program Coordination Task Force; and

BE IT FURTHER RESOLVED that the National Association of Counties strongly supports waiving the state matching requirement for the Job Opportunities and Basic Skills program, and substantially increasing the federal match for the At-Risk Child Care program, and Child Support Enforcement; and

BE IT FURTHER RESOLVED that federal welfare reform should incorporate electronic technology improvements, especially electronic benefit transfers, in revising and restructuring public assistance benefit programs; and

BE IT FURTHER RESOLVED that in order to encourage experimentation and improvements in the welfare system, as an interim step, the federal government should remove the "cost neutral" criterion for waivers and demonstration programs and simplify the procedures for approving state and county applications for such waivers; and

BE IT FURTHER RESOLVED that in order to encourage the success of welfare reform the National Association of Counties supports the inclusion of the job training delivery system as the workforce development vehicle for major coordination among the partners, including human services, education, and local elected officials; and

BE IT FURTHER RESOLVED that the National Association of Counties supports the Administration's proposed elimination of the current JOBS targeting requirement, but is concerned about the proposed penalties for failure to meet new performance standards. New standards must be phased-in and counties must be involved in their development.

Adopted August 4, 1994

8

THE CLINTON ADMINISTRATION AND WELFARE REFORM: THE WORK AND RESPONSIBILITY ACT OF 1994

WELFARE REFORM: WORK

Under the President's reform plan, welfare will be about a paycheck, not a welfare check. To reinforce and reward work, our approach is based on a simple compact. Each recipient will be required to develop a personal employability plan designed to move her into the workforce as quickly as possible. Support, job training, and child care will be provided to help people move from dependence to independence. But time limits will ensure that anyone who can work, must work--in the private sector if possible, in a temporary subsidized job if necessary. Reform will make welfare a transitional system leading to work.

The combination of work opportunities, the Earned Income Tax Credit, child care, and improved child support will make the lives of millions of women and children demonstrably better.

Making Welfare a Transition to Work: Building on the JOBS Program

Created by the Family Support Act of 1988 and championed by then-Governor Clinton, the JOBS program offers education, training, and job placement services--but to few families. Our proposal would expand and improve the current program to include:

- **A personal employability plan.** From the very first day, the new system will focus on making young mothers self-sufficient. Working with a caseworker, each woman will develop an employability plan identifying the education, training, and job placement services needed to move into the workforce. Because 70 percent of welfare recipients already leave the rolls within 24 months, and many applicants are job-ready, most plans will aim for employment well within two years.

- **A two-year time limit.** Time limits will restrict most AFDC recipients to a lifetime maximum of 24 months of cash assistance.

- **Job search first.** Participants who are job-ready will immediately be oriented to the workplace. Anyone offered a job will be required to take it.

- **Integration with mainstream education and training programs.** JOBS will be linked with job training programs offered under the Jobs Training Partnership Act, the new School-to-Work initiative, Pell Grants, and other mainstream programs.

- **Tough sanctions.** Parents who refuse to stay in school, look for work, or attend job training programs will be sanctioned, generally by losing their share of the AFDC grant.

- **Limited exemptions and deferrals.** Our plan will reduce existing exemptions and ensure that from day one, even those who can't work must meet certain expectations. Mothers with disabilities and those caring for disabled children will initially be exempt from the two-year time limit, but will be required to develop employability plans that lead to work. Another exemption allowed under current JOBS rules will be significantly narrowed: mothers of infants will receive only short-term deferrals (12 months for the first child, three months for the second). At state discretion, a very limited number of young mothers completing education programs may receive appropriate extensions.

•**Let states reward work.** Currently, AFDC recipients who work lose benefits dollar-for-dollar, and are penalized for saving money. Our proposal allows states to reinforce work by setting higher earned income and child support disregards. We also help fund demonstration projects to support saving and self-employment.

•**Additional federal funding.** To ease state fiscal constraints and ensure that JOBS really works, our proposal raises the federal match rate and provides additional funding. The federal JOBS match will increase further in states with high unemployment.

The WORK Program: Work Not Welfare After Two Years

The WORK program will enable those without jobs after two years to support their families through subsidized employment. The WORK program emphasizes:

•**Work, not "workfare."** Unlike traditional "workfare," recipients will only be paid for hours worked. Most jobs would pay the minimum wage for between 15 and 35 hours of work per week.

•**Flexible, community-based initiatives.** State governments can design programs appropriate to the local labor market: temporarily placing recipients in subsidized private sector jobs, in public sector positions, or with community organizations.

•**A Transitional Program.** To move people into unsubsidized private sector jobs as quickly as possible, participants will be required to go through extensive job search before entering the WORK program, and after each WORK assignment. No WORK assignment will last more than 12 months. Participants in subsidized jobs will not receive the EITC. Anyone who turns down a private sector job will be removed from the rolls, as will people who repeatedly refuse to make good faith efforts to obtain available jobs.

Supporting Working Families: The EITC, Health Care, Child Care

To reinforce this central message about the value of work, other new incentives will make work pay and encourage AFDC recipients to leave welfare.

•**The Earned Income Tax Credit (EITC).** The expanded EITC will lift millions of workers out of poverty. Already enacted by Congress, the EITC will effectively make any minimum wage job pay $6.00 an hour for a typical family with two children. States will be able to work with the Treasury Department to issue the EITC on a monthly basis.

•**Health care.** Expansions in health care coverage will allow people to leave welfare without worrying about coverage for their families.

•**Child care.** To further encourage young mothers to work, our plan will guarantee child care during education, training, and work programs, and for one year after participants leave welfare for private sector employment. Increased funding for other federal child care programs will bolster more working families just above the poverty line and help them stay off welfare in the first place. Our plan also improves child care quality and ensures parental choice.

WELFARE REFORM: RESPONSIBILITY

Our current welfare system often seems at odds with core American values, especially responsibility. Overlapping and uncoordinated programs seem almost to invite waste and abuse. Non-custodial parents frequently provide little or no economic or social support to their children. And the culture of welfare offices often seems to reinforce dependence rather than independence. The President's welfare plan reinforces American values, while recognizing the government's role in helping those who are willing to help themselves.

Our proposal includes several provisions aimed at creating a new culture of mutual responsibility. We will provide recipients with services and work opportunities, but implement tough, new requirements in return. These include provisions to promote parental responsibility, ensuring that both parents contribute to their children's well-being. The plan also includes incentives directly tied to the performance of the welfare office; extensive efforts to detect and prevent welfare fraud; sanctions to prevent gaming of the welfare system; and a broad array of incentives that the states can use to encourage responsible behavior.

Parental Responsibility

The Administration's plan recognizes that both parents must support their children, and establishes the toughest child support enforcement program ever proposed. In 1990, absent fathers paid only $14 billion in child support. But if child support orders reflecting current ability to pay were established and enforced, single mothers and their children would have received *$48 billion*: money for school, clothing, food, utilities, and child care. As part of a plan to reduce *and* prevent welfare dependency, our plan provides for:

- **Universal paternity establishment.** Hospitals will be required to establish paternity at birth, and each applicant will be required to name and help find her child's father before receiving benefits.

- **Regular awards updating.** Child support payments will increase as fathers' incomes rise.

- **New penalties for those who refuse to pay.** Wage-withholding and suspension of professional, occupational, and drivers' licenses will enforce compliance.

- **A national child support clearinghouse.** Three registries--containing child support awards, new hires, and locating information--will catch parents who try to evade their responsibilities by fleeing across state lines. Centralized state registries will track support payments automatically.

- **State initiatives and demonstration programs.** States will be able to make young parents who fail to meet their obligations work off the child support they owe. Demonstration grants for parenting and access programs--providing mediation, counseling, education, and visitation enforcement--will foster non-custodial parents' ongoing involvement in their children's lives. And child support assurance demonstrations will let interested states give families a measure of economic security even if child support is not collected immediately.

- **State options to encourage responsibility.** States can choose to lift the special eligibility requirements for two-parent families in order to encourage parents to stay together. States will also be allowed to limit additional benefits for children conceived by women on welfare.

Accountability for Taxpayers

To eliminate fraud and ensure that every dollar is used productively, welfare reform will coordinate programs, automate files, and monitor recipients. New fraud control measures include:

- **State tracking systems to help reduce fraud.** States will be required to verify the income, identity, alien status, and Social Security numbers of new applicants and assign national identification numbers.

- **A national public assistance clearinghouse.** Using identification numbers, the clearinghouse will follow people whenever and wherever they use welfare, monitoring compliance with time limits and work. A national "new hire" registry will monitor earnings to check AFDC and EITC eligibility, and identify non-custodial parents who switch jobs or cross state lines to avoid paying child support.

- **Tough sanctions.** Anyone who refuses to follow the rules will face tough new sanctions, and anyone who turns down a job offer will be dropped from the rolls. Cheating the system will be promptly detected and swiftly punished.

Performance, Not Process

The Administration's plan demands greater responsibility of the welfare office itself. Unfortunately, the current system too often focuses on simply sending out welfare checks. Instead, the welfare office must become a place that is fundamentally about helping people earn paychecks as quickly as possible. Our plan offers several provisions to help agencies reduce paperwork and focus on results:

- **Program coordination and simplification.** Conforming AFDC and Food Stamp regulations and simplifying both programs' administrative requirements will reduce paperwork.

- **Electronic Benefits Transfer (EBT).** Under a separate plan developed by Vice President Gore, states will be encouraged to move away from welfare checks and food stamp coupons toward Electronic Benefits Transfer, which provides benefits through a tamper-proof ATM card. EBT systems will help reduce welfare and food stamp fraud, and lead to substantial savings in administrative costs.

- **Improved incentives.** Funding incentives and penalties will be directly linked to the performance of states and caseworkers in service provision, job placement, and child support collection.

WELFARE REFORM: REACHING THE NEXT GENERATION

Preventing teen pregnancy and out-of-wedlock births is a critical part of welfare reform. Each year, 200,000 teenagers aged 17 and younger have children. Their children are more likely to have serious health problems--and they are much more likely to be poor. Almost 80 percent of the children born to unmarried teenage parents who dropped out of high school now live in poverty. By contrast, only eight percent of the children born to married high school graduates aged 20 or older are poor. Welfare reform will send a clear and unambiguous message to adolescents: you should not become a parent until you are able to provide for and nurture your child. Every young person will know that welfare has changed forever.

Preventing Teen Pregnancy

To prevent welfare dependency in the first place, teenagers must get the message that staying in school, postponing pregnancy, and preparing to work are the right things to do. Our prevention approach includes:

- **A national campaign against teen pregnancy.** Emphasizing the importance of delayed sexual activity and responsible parenting, the campaign will bring together local schools, communities, families, and churches.

- **A national clearinghouse on teen pregnancy prevention.** The clearinghouse will provide communities and schools with curricula, models, materials, training, and technical assistance relating to teen pregnancy prevention programs.

- **Mobilization grants and comprehensive demonstrations.** Roughly 1000 middle and high schools in disadvantaged areas will receive grants to develop innovative, ongoing teen pregnancy prevention programs targeted to young men and women. Broader initiatives will seek to change the circumstances in which young people live and the ways that they see themselves, addressing health, education, safety, and economic opportunity.

Phasing in Young People First

Initial resources are targeted to women born after December 31, 1971. Phasing in the new system will direct limited resources to young, single mothers with the most at risk; send a strong message to teenagers that welfare as we know it has ended; most effectively change the culture of the welfare office to focus on work; and allow states to develop effective service capacity.

A Clear Message for Teen Parents

Today, minor parents receiving welfare can form independent households; often drop out of high school; and in many respects, are treated as if they were adults. Our plan changes the incentives of welfare to show teenagers that having children is an immense responsibility rather than an easy route to independence.

- **Supports and sanctions.** The two-year limit will not begin until teens reach age 18, but from the very first day, teen parents receiving benefits will be required to stay in school and move toward work. Unmarried minor mothers will be required to identify their child's father and live at home or with a responsible adult, while teen fathers will be held responsible for child support and may be required to work off what they owe. At the same time, caseworkers will offer encouragement and support; assist with living situations; and help teens access services such as parenting classes and child care. Selected older welfare mothers will serve as mentors to at-risk school-age parents. States will also be allowed to use monetary incentives to keep teen parents in school.

9

United States
of America

Senator John Breaux

Democrat-Louisiana

Contact: Bette Phelan, Alice Alonge, 202-224-4623; Bob Mann, 504-382-2050

United States Senator John Breaux, a rising star in national politics, is an effective and aggressive advocate for the state of Louisiana. Born in Crowley, Louisiana, Senator Breaux was elected to the House of Representatives in 1972 at the age of 28 and served 14 years before being elected to fill Senator Russell Long's seat in 1986. He won reelection to the Senate in 1992 with 74 percent of the vote -- the largest margin of all senators running for re-election that year.

Senator Breaux has quickly become a leader in the Senate and has brought attention and solutions to the critical economic issues facing Louisiana. He drafted legislation that will help create new markets for Louisiana's natural gas industry, and played a key role in Congressional passage of drilling incentives for the oil and gas industry in 1990. He won approval for his amendment to the 1988 Omnibus Trade Bill, which gives the U.S. greater authority to fight unfair trading practices by foreign competitors, and he secured passage of a bill eliminating restrictions on the shrimp industry.

Senator Breaux has balanced a strong economic agenda with environmental action. In 1990 he authored and secured passage of landmark legislation resulting in more than $50 million annually to preserve Louisiana's wetlands. He took a leading role in revising the Clean Air Act, which will reduce air pollution. The Shreveport Journal called Senator Breaux's wetlands bill "yet another sign of his competent, far-seeing leadership," and noted that he has "become an excellent representative of -- and for --Louisiana in the U.S. Senate."

Senator Breaux was elected by his colleagues to serve as Chief Deputy Whip of the 103rd Congress. He was elected to serve on the influential Senate Finance Committee in his first term, and [redacted] the Finance Committee's Subcommittee on Social and Family Policy [redacted] the Merchant Marine Subcommittee of the Commerce, Science and Transportation Committee, and chaired the Democratic Senatorial Campaign Committee from 1988 to 1990.

Senator Breaux has been at the forefront of the effort to return the national Democratic Party to the center of American politics. He was a founder of and former chair of the Democratic Leadership Council, succeeding President Bill Clinton.

Senator Breaux and his wife, the former Lois Daigle of Lafayette, have four children, John Jr., Bill, Beth and Julie.

UNITED STATES SENATOR, COLORADO

Hank Brown

BIOGRAPHY

PERSONAL

–NATIVE COLORADAN, BORN FEBRUARY 12, 1940, IN DENVER, COLORADO.

–MARRIED TO THE FORMER NAN MORRISON, 1967; THREE CHILDREN: CHRISTY, HARRY, AND LORI.

–B.S., UNIVERSITY OF COLORADO, 1961 SERVED AS STUDENT BODY PRESIDENT AND LETTERED IN WRESTLING WHILE WORKING TO HELP PAY HIS WAY THROUGH SCHOOL.

–JURIS DOCTOR, UNIVERSITY OF COLORADO, 1969.

–DURING EVENINGS, WHILE SERVING IN CONGRESS, BROWN EARNED A MASTERS OF LAW FROM GEORGE WASHINGTON UNIVERSITY, 1986 AND IN 1988 PASSED THE C.P.A. EXAM.

MILITARY SERVICE

–VOLUNTEERED FOR THE NAVY IN 1962 AND SERVED THROUGH AUGUST 1966.

–NAVY FORWARD AIR CONTROLLER IN VIETNAM, 1965-1966, EARNED THE AIR MEDAL WITH TWO GOLD STARS, NAVAL UNIT CITATION, VIETNAM SERVICE MEDAL AND NATIONAL DEFENSE MEDAL.

BUSINESS

–WORKED FOR MONFORT OF COLORADO, 1969-1980, AS VICE PRESIDENT.

–RECOGNIZED IN "WHO'S WHO IN FINANCE AND INDUSTRY".

–AWARDED UNIVERSITY OF COLORADO'S DISTINGUISHED BUSINESS ALUMNUS AWARD, 1978.

ELECTIVE OFFICE

–ELECTED TO UNITED STATES SENATE, NOVEMBER, 1990. MEMBER, SENATE BUDGET, JUDICIARY, AND FOREIGN RELATIONS COMMITTEES.

–SERVED IN U.S. HOUSE OF REPRESENTATIVES, 1980-1990, FROM COLORADO'S 4TH DISTRICT; PRESIDENT OF 54 FIRST-TERM MEMBERS, 97TH CONGRESS.

–SERVED IN COLORADO STATE SENATE, 1972-1976.

UNITED STATES SENATOR, COLORADO

Hank Brown

BIOGRAPHY

Politics in America says of Colorado's Senior Senator Hank Brown, "even before running for public office Brown compiled an impressive resume as student body president at the University of Colorado, as a decorated Vietnam War veteran and as an executive with a meatpacking firm.

"He has augmented this with an affable personality, a 'Mr. Clean' image and a Main Street conservatism that combines a skinflint attitude on fiscal matters with a moderate stance on social issues. As a result, Brown is usually able to draw votes from virtually every constituency."

When the Denver Post editorial board endorsed him for the Senate, they wrote that "If there had been enough men and women in Congress 10 years ago with the priorities and political guts of Hank Brown, America would have a balanced budget today."

In leading the efforts to change the nation's welfare system, the Denver Post wrote: "Colorado's senior senator has shown he understands the difference between reforming welfare and relabeling it."

Prior to entering Congress, Hank worked for Monfort of Colorado. He rose to Vice President of the company and was recognized in "Who's Who in Finance and Industry."

In the Senate, he is a member of the Budget, Foreign Relations and Judiciary Committees.

Hank is married to Nan Morrison Brown and they have three children, Harry, Christy and Lori.

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-

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.

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
866 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
(213) 974-2222 / FAX (213) 680-3283

YVONNE BRATHWAITE BURKE

CHAIR OF THE BOARD

BIOGRAPHICAL SKETCH

LOS ANGELES COUNTY SUPERVISOR, SECOND DISTRICT (1992-)
CHAIR OF THE BOARD: 1993-1994
LOS ANGELES COUNTY SUPERVISOR, FOURTH DISTRICT (1979-1980)
CALIFORNIA ASSEMBLYWOMAN, 1966-1972
U.S. REPRESENTATIVE, 28TH DISTRICT, 1972-1978

Burke's commitments are many: As Supervisor, she chairs the following County Departments--**AFFIRMATIVE ACTION, ASSESSOR, COURTS (Superior/Municipal), HUMAN RELATIONS, MUSEUM OF NATURAL HISTORY, PARKS AND RECREATION**. She is **PRESIDENT of the L.A. Coliseum Commission; and a MEMBER of the Metropolitan Transportation Authority (MTA).**

Supervisor Burke also is a member of the Board of Trustees of the Amateur Athletic Foundation (formerly the Los Angeles Olympic Organizing Committee), the National Academy of Public Administration, the National Association of Counties, the Coalition of 100 Black Women, the Trusteeship, the National Advisory Council of the Gene Autry Museum, and the Board of Directors of the NAACP Legal Defense and Education Fund.

She formerly served on the University of California Board of Regents, the Ford Foundation, the Educational Testing Service and as Chair of the Los Angeles branch of the Federal Reserve Bank of San Francisco.

In 1972, Supervisor Burke was the first woman elected to Congress from California in 20 years, and the first African American woman ever elected to the U.S. House of Representatives from California. As a Congresswoman, she served on the **Appropriations Committee, Departments of State, Justice and Commerce; and on the Select Committee on Assassinations.**

Legislation sponsored by Mrs. Burke has emphasized equal opportunity for such diverse groups as displaced homemakers and construction workers on the Trans-Alaskan Pipeline. A portion of the bill for Equal Opportunity for Displaced Homemakers was amended and included in the 1978 Comprehensive Employment and Training Act. It provided federally subsidized employment and training for persons who had previously worked in the home without compensation, and were left without adequate economic support through death or divorce. The **"Burke Amendment"** also bound federal pipeline funds to an affirmative action program, resulting in the awarding of $312 million in contracts to women and minority-owned businesses.

As an Assemblywoman, Mrs. Burke authored legislation that benefitted California's indigent children, residents of nursing, convalescent homes and orphanages, and the victims of **"eminent domain,"** which is used by local government for urban renewal and expansion projects.

- MORE -

SUPERVISOR YVONNE BRATHWAITE BURKE BIOGRAPHY – Continued

Supervisor Burke served as Vice Chair of the 1972 Democratic National Convention (DNC) in Miami Beach, where she presided over the most volatile session in convention history during the absence of DNC Chair Lawrence O'Brien. Other DNC activities include work on the Drafting Subcommittee of the Democratic Platform Committee and the Task Force on Foreign and Defense Policy.

A Los Angeles native, she was born on October 5, 1932 to the late James T. and Lola Watson. She attended Manual Arts High School, earned an undergraduate degree in Political Science from the University of California at Los Angeles (UCLA) and a Juris Doctor's degree from the University of Southern California (USC). She was admitted to the California Bar in 1956.

Supervisor Burke has received numerous honors and awards over an illustrious public and private sector career that spans three decades. **Time Magazine** named her one of "America's 200 Future Leaders," and she was selected as **"Woman of the Year"** by both the **Los Angeles Times** and **UCLA.** She was presented with the **USC Outstanding Alumni Award** and with an **Alumni Public Service Award.** She is a Fellow of Yale University and the Kennedy School of Government at Harvard University.

Mrs. Burke is married to William A. Burke, a Los Angeles businessman, and has a daughter, Autumn Roxanne; and a step-daughter, Christine Burke Williams.

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ARNE H. CARLSON

Governor
State of Minnesota

Professional Record

State of Minnesota, Governor, 1991 -

- -Solved an inherited $2 billion budget deficit with $1.3 billion in spending cuts
- -Held the growth of government to the lowest level in 20 years; 5% over 2 years
- -Proposed and signed into law the nation's most comprehensive wetlands protection bill
- -Implemented a welfare alternative that encourages families to stay together and to work, (addressing the reality that the existing welfare system offers disincentives to work)
- -Began to break the dependency of local government on state aids through local sales tax trust fund
- -Implemented a commission including state employees and business professionals designed to bring greater efficiency to state government

Minnesota State Auditor, 1978 - 1990

- -Created the nation's first Fiscal Health Program to provide early warning signs of severe economic change to local governments; (written up in Wall Street Journal)
- -Created uniform accounting for cities, counties, townships and special districts; making Minnesota a leader in uniform accounting
- -Overhauled the state's multi-billion dollar pension investment portfolio to allow private sector management which significantly improved the rate of return
- -Received the John Hanson Award for leadership, 1989

Control Data Corporation, 1962 - 1964
Minneapolis City Council, Majority Leader, 1965 - 1967
Minnesota House of Representatives, Floor Whip, 1970 - 1978

- -Chief author of the first day care bill
- -Chief author of legislation providing assistance centers for rape victims
- -Chief author of law providing access for physically handicapped
- -Received a Bush Foundation Fellowship to study governmental management

Education

Received full scholarship to Choate (private high school), Connecticut, graduated 1952
Received full scholarship to Williams College, Massachusetts, graduated 1957; history degree
Attended graduate school at the University of Minnesota

Other Activities

Midwest Representative, National Intergovernmental Audit Forum; 1982 - 1988
Secretary, Minnesota Housing Finance Agency; 1979 - 1990
Board Member, Public Employees Retirement Association; 1979 - 1990 (President, 1985 to 1988)
Member, Minnesota State Board of Investments; 1979 - present
Minnesota Executive Council and Land Exchange Board; 1979 - present

Personal Data

Born to Swedish immigrants on September 24, 1934; New York City.
Married to Susan Carlson, attorney
Children: Arne H. "Tucker" Carlson, Jr. (1967); Anne Carlson (1968); Jessica Carlson (19[illegible])

OFFICE OF THE GOVERNOR
STATE OF MISSOURI
JEFFERSON CITY
(314) 751-3222

MEL CARNAHAN
GOVERNOR

ROOM 216
STATE CAPITOL
65101

MEL CARNAHAN, GOVERNOR

MEL CARNAHAN was elected Missouri's 51st governor on November 3, 1992. He was sworn into office on January 11, 1993, as Missouri's first Democratic governor in 12 years.

Born in Birch Tree in 1934, Carnahan grew up in the small farm communities of Shannon and Carter Counties. His devotion to public service came naturally, following the lead of his father the late A.S.J. Carnahan. The elder Carnahan served as superintendent of public schools for many years before being elected to the U.S. Congress in the mid-1940s. In 1960, after serving in Congress for 14 years, President Kennedy named him the first U.S. Ambassador to Sierra Leone, a small African nation.

Mel Carnahan graduated from George Washington University with a bachelors degree in business administration. Following graduation, he joined the U.S. Air Force, serving as an agent for the Office of Special Investigation during the Korean War period. Upon returning home to Missouri, he entered law school at the University of Missouri-Columbia. He graduated in 1959 with the highest scholastic honors--Law Review and Order of the Coif.

Carnahan entered public life at age 26 when he won election as a municipal judge in his hometown of Rolla. Two years later, he won election to the Missouri House of Representatives where his fellow legislators voted him Majority Floor Leader in his second term. Twice during his tenure in the House, the *St. Louis Globe-Democrat* awarded Carnahan the newspaper's Meritorious Service Award, and colleagues recognized him twice for outstanding public service.

Carnahan left the House after his second two-year term and returned to his law practice in Rolla. There he turned his attention toward raising a family and becoming active in civic affairs.

In 1980, Missourians elected Carnahan state treasurer. He won by more votes than any non-incumbent candidate before him. During his term as treasurer, he saved Missouri taxpayers millions of dollars by adopting modern money management procedures -- a change that earned him recognition and praise by editorial boards and opinion leaders.

In 1988, four years after leaving the treasurer's office, Carnahan returned to public service by winning election as Missouri's 42nd lieutenant governor. The only Democrat to win statewide office that year, Carnahan won by almost 100,000 votes.

In November of 1992, Carnahan won the governor's office in a landslide. He tallied 1,375,425 votes, the most of any candidate on the ballot.

Governor Carnahan is committed to improving education in Missouri. He has often noted, "Without world-class schools, our children don't have a future worth having." Governor Carnahan's other top priorities include expanding economic opportunities and reforming government to serve Missouri's citizens better.

When it comes to interests and hobbies, Carnahan enjoys being home with his family, taking long walks with Beaumont (the family's Newfoundland), or working around the farm on a tractor or a horse. Carnahan and his wife, Jean, have raised four children--Randy, Russ, Robin and Tom--in their Rolla home.

When asked about his inspiration to enter public service, Carnahan replies that he was most inspired by the words of Adlai Stevenson II. "As a youth, I remember Stevenson saying public service was a 'high calling' and urging young people to get involved," recalls Carnahan. "I am still enough of an idealist to believe he was right."

THOMAS R. CARPER

BIOGRAPHY

Governor Tom Carper became Delaware's 71st Chief Executive on January 19, 1993, after serving five terms as Delaware's Congressman in the U.S. House of Representatives and six years as State Treasurer. He has been elected to statewide office nine times -- more than anyone in Delaware history.

Born in Beckley, West Virginia, on January 23, 1947, Governor Carper grew up in Danville, Virginia. He attended Ohio State University on a Naval ROTC Scholarship, and graduated in 1968 with a B.A. in Economics. He completed five years of service as a Naval flight officer and served in southeast Asia during the Vietnam War. His decorations included the Air Medal, the Navy Commendation Medal, two Navy Achievement Medals, and three Vietnam Campaign Ribbons. He also served nearly two decades as a member of the Naval Reserve and retired with the rank of captain in 1991.

In 1973, following his tour of duty in the Navy, Tom Carper moved to Delaware to pursue a Master's Degree in Business Administration. At age 29, he was nominated by the Democratic Party to run for State Treasurer and was subsequently elected to that post. He was re-elected in 1978 and 1980. As State Treasurer, Carper helped manage the sale of the State-owned Farmers Bank and established Delaware's first cash management system to manage daily balances of $200 million. He played a major role in improving the State's credit rating -- from worst in the nation to a respectable "AA" rating in just five years.

In 1982, he won a seat in Congress by defeating a three-term incumbent. As a Congressman, Carper led efforts to overhaul the budget process and reduce the federal deficit. He played a key role in efforts to increase the availability of affordable housing; reform the welfare system; promote family self-sufficiency; and combat drug money laundering. To better protect the environment, Carper authored legislation to ban sewage sludge dumping in our oceans; and to safely manage hazardous waste disposal.

Other major legislative efforts included: strengthening the safety and soundness of our banking system; developing plans to overhaul in the federal flood insurance program; and reauthorizing the Defense Production Act. While in Congress, he was a member of the Banking Finance and Urban Affairs Committee and Merchant Marine and Fisheries Committee. During the 102nd Congress, he chaired the House Subcommittee on Economic Stabilization.

During the past decade, Governor Carper has chaired or co-chaired fundraising efforts for numerous Delaware organizations, including the United Negro College Fund, Big Brothers/Big Sisters, and United Cerebral Palsy. He has served as honorary chairman of the Delaware Special Olympics and the March of Dimes' Walk America.

Carper is a member of the Vietnam Veterans of America, the Veterans of Foreign Wars, the American Legion, the New Castle Presbyterian Church and Common Cause. Governor Carper is married to the former Martha Stacy from Boone, North Carolina. They reside in Wilmington with their two young sons, Christopher and Ben.

3/93

WILLIAM L. CLAY
1ST DISTRICT, MISSOURI

CHAIRMAN:
COMMITTEE ON
POST OFFICE AND CIVIL SERVICE

CHAIRMAN,
SUBCOMMITTEE ON
INVESTIGATIONS

COMMITTEE ON
EDUCATION AND LABOR

COMMITTEE ON
HOUSE ADMINISTRATION

CHAIRMAN:
SUBCOMMITTEE ON
LIBRARIES AND MEMORIALS

HARRIET C. PRITCHETT
ADMINISTRATIVE ASSISTANT

Congress of the United States
House of Representatives
Washington, DC 20515-2501

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ST. LOUIS, MO 63136
TELEPHONE: (314) 388-0321

PEARLIE I. EVANS
DISTRICT ASSISTANT

VIRGINIA M. COOK
DISTRICT COORDINATOR

BIOGRAPHY

HONORABLE WILLIAM L. CLAY

January 1995

The senior member of the Missouri congressional delegation, and a native of St. Louis, William L. Clay was elected to the House of Representatives in 1968. He is the Minority Ranking member of the House Economic and Educational Opportunities Committee.

The cornerstone of Congressman Clay's legislative agenda is "workers rights." He was a key sponsor of the Family and Medical Leave Act, HR 1, which was the first bill signed into law by President Clinton. In October 1993, President Clinton signed into law the Hatch Act reform bill which Congressman Clay worked on for nearly two decades.

Mr. Clay is on the board of the W.E.B. DuBois Foundation and the Jamestown Slave Museum. He has served on the boards of Benedict and Tougaloo colleges. He is the founder of the William L. Clay Scholarship Fund, a nonprofit, tax-exempt scholarship program which presently enrolls fifty-six students in twenty-one different schools.

Mr. Clay holds a Bachelor of Science degree in history and political science from St. Louis University and is the recipient of numerous honorary degrees for his achievements as a legislator. The Congressman is author of two books: <u>To Kill or Not to Kill</u>, published in 1990, which deals with the savagery of capital punishment, and <u>Just Permanent Interests</u>, published in September 1992, which chronicles the history of black members of Congress.

Biography

Howard Dean, M.D.
Governor
State of Vermont

Governor Howard Dean was born in New York City on November 17, 1948, and grew up in East Hampton, New York. He received his bachelor's degree from Yale University in 1971 and his medical degree from the Albert Einstein College of Medicine in New York City in 1978. Upon completing his residency at the Medical Center Hospital of Vermont, he went on to practice internal medicine in Shelburne, Vermont.

A Democrat, Howard Dean was a member of the Vermont House of Representatives for two terms, from 1983 to 1986, and served as assistant minority leader from 1985 to 1986. He was elected lieutenant governor of Vermont in 1986 and was reelected in 1988 and 1990. During his legislative tenure, Howard Dean founded the Vermont Youth Conservation Corps and co-chaired the Long Trail Protection Fund. While lieutenant governor, Dean presided over the Senate and focused on children's issues. He created the Lieutenant Governors' Conference on Affordable Housing.

Lieutenant Governor Dean became governor upon the unexpected death of Republican Governor Richard A. Snelling on August 14, 1991. Howard Dean, who was seeing a patient when he got word that he would become the next governor of Vermont, was elected to a full term in 1992 and won reelection to a second full term with 70 percent of the vote on November 8, 1994.

As governor, Dean has retired a $64 million deficit to balance the state's budget and and has lowered the state income tax. A national leader on health care reform, he worked to ensure passage of Vermont's model health insurance reform laws. Howard Dean sponsored a first-in-the-nation welfare reform initiative that requires public assistance recipients to work after a certain time period. The reform measure emphasizes job training and day care for families.

Governor Dean became chair of the National Governors' Association in July of 1994. His focus for his one-year term is children's issues – coordination of health care, education and social services for families. He served on the National Education Goals Panel and was co-chair of the National Governors' Association Task Force on Health Care. He is also a member of the Democratic Governors' Association Executive Committee.

Howard Dean is married to Judith Steinberg, M.D., and they have two children, Anne, 10, and Paul, 8. They live in Burlington, Vermont.

Michigan Governor John Engler

John Engler was elected the 46th Governor of Michigan in November 1990. Upon taking office on January 1, 1991, he launched the "Taxpayers' Agenda," a bold strategy to cut taxes and limit the size of government, create jobs and reduce the cost of doing business, and improve the quality of public schools.

Governor Engler's decisive action to cut spending and set new priorities transformed the $1.8 billion budget deficit he inherited into a $312 million surplus. *U.S. News & World Report* cited Engler's tax cutting strategy as the reason Michigan's economic recovery is leading all the industrial states. With 11 tax cuts saving taxpayers more than $1 billion annually, per capita income growth in Michigan is best in the Midwest and 2nd among the nation's 10 largest states.

The state's improving business climate has helped Michigan employers create more than 400,000 jobs in the last three years. As a result, Michigan's unemployment rate for 1993 fell to 7% -- a 15-year-low. In April 1994, the unemployment rate dropped to 5.7% -- the lowest in 20 years -- with Michigan employers creating one out of every three jobs in the nation. The state leads the nation in the creation of new manufacturing jobs -- more than all the other 49 states combined.

With the passage of more than 100 anti-crime bills, Governor Engler is well on his way to completing the criminal justice reform agenda he outlined early in 1992. Highlights include the nation's first "Drug Dealer Liability Act," tough "truth-in-sentencing" measures, and America's most comprehensive plan to stop domestic violence.

On March 15, 1994, Michigan voters overwhelmingly approved Proposal A, Governor Engler's plan to dramatically cut property taxes and cap assessment increases, guarantee school funding and reduce spending inequities among school districts. *The New York Times* called the approval of Proposal A "the nation's most dramatic shift in a century in the way public schools are financed." *The Washington Post* said the plan "heralds a national change."

Governor Engler also won approval for the nation's most far-reaching charter school legislation. With eight of these independent public schools opening already this fall, charter schools are injecting competition into the public school system, giving students, parents and teachers more choices and launching what he calls an "education renaissance" in Michigan.

Governor Engler has made strengthening Michigan families a top priority. As part of this effort, he has implemented a welfare reform plan that has dramatically increased the level of work and personal responsibility among welfare recipients. He has addressed the National Press Club in Washington D.C. on welfare reform and serves as Co-Chair of the National Governors' Association Welfare Reform Leadership Team -- a group that is advising the President on welfare reform. He serves on the NGA Executive Committee, the National Education Goals Panel and was recently named Chair of the Council of Great Lakes Governors.

Governor Engler has kept his promise to put state government back in touch with the people by personally visiting all of Michigan's 83 counties each year and by holding regular "open door" meetings with the public in his office.

Recognizing his leadership on a wide range of issues, the American Legislative Exchange Council (ALEC) Board of Directors presented their prestigious 1993 Thomas Jefferson Freedom Award to Governor Engler, saying that "no one in America in the late 20th century has done more to reinvent government."

John Engler was born in 1948 in Mount Pleasant, Michigan and grew up in nearby Beal City. He earned a bachelor's degree in agricultural economics from Michigan State University and a J.D. degree from the Thomas M. Cooley Law School. In 1970, at the age of 22, he was elected to the Michigan House of Representatives and advanced to the Senate in 1978, where he served as Majority Leader from 1983 through 1990. Governor Engler and his wife, Michelle, a practicing attorney, were married on December 8, 1990.

BIOGRAPHY OF U.S. CONGRESSMAN HAROLD FORD

Ninth Congressional District of Tennessee

Congressman Harold Eugene Ford represents Tennessee's 9th Congressional District. Comprised primarily of the city of Memphis, he has served this district since 1974 and is currently serving his tenth term in the U.S. House of Representatives. He is the first and only African-American Tennessean ever to be elected to Congress.

He serves as a ranking member of the powerful and prestigious House Committee on Ways and Means which has jurisdiction over all tax and revenue raising legislation, as well as Social Security, Medicare and public assistance programs.

In 1981, Congressman Ford, was selected as the Chairman of the Ways and Means Subcommittee on Public Assistance and Unemployment Compensation. At the time, he was the youngest member of Congress to ever be selected as a Subcommittee Chairperson. The Subcommittee has subsequently been changed to the Subcommittee on Human Resources, and Congressman Ford has played pivotal roles in shaping our nation's welfare and unemployment compensation policy.

The Subcommittee on Human Resources has jurisdiction over approximately $52 billion in programs including Aid to Families With Dependent Children (AFDC), Title XX and Supplemental Security Income under the Social Security Act, Child Welfare and Foster Care, Low Income Energy Assistance, and Unemployment Compensation.

As chairman of the Subcommittee on Human Resources, Congressman Ford authored the landmark Family Support Act of 1988 which reformed our nations welfare system. The Family Support Act is designed to increase opportunities and obligations for work, training and education among AFDC recipients.

He also serves as a ranking member on the Ways and Means Subcommittee on Oversight.

Along with his committee responsibilities, Congressman Ford hold membership on the Arts Caucus, the Congressional Black Caucus, the Democratic Study Group, and the Environmental and Energy Study Conference. Ford was also elected to serve as a District Whip representing the states of Tennessee, Louisana and Mississippi during the 99th Congress.

Prior to his election to Congress, he served two terms in the Tennessee Legislature. He was elected to this state office at the age of 25, and represented the same geographic area of Memphis in which his great grandfather served as a squire during the Post-Reconstruction Era.

Congressman Ford is active in social and community activities in Memphis and throughout the country. He is a member of the National Advisory Board of St. Jude Children's Research Hospital, and the Metropolitan YMCA Board, and is a trustee at Fisk University in Nashville, and Rust College in Holly Springs, Mississippi. He is also affiliated with Alpha Phi Alpha Fraternity.

He has received numerous awards and honorary degrees for his outstanding work as a Member of Congress including being named as the recipient of the Memphis Jaycees "Outstanding Young Man of the Year" award and the Tennessee Jaycees "Outstanding Young Man of the Year" award.

Congressman Ford was born on May 20, 1945 in Memphis and is the eighth of fifteen children of N.J. and Vera Ford.

He is a recipient of a Bachelor of Science degree in Business Administration from Tennessee State University in Nashville, an Associate of Arts degree in Mortuary Science from John Gupton College in Nashville, and a Masters in Business Administration from Howard University in Washington, D.C.

Congressman Ford is married to the former Dorothy Bowles of Memphis. They are proud parents of three sons: Harold Jr., Jake, and Sir Isaac.

He and his family are members of Mt. Moriah East Baptist Church in Memphis.

Richard A. Gephardt
House Democratic Leader

Hailed by U.S.A. Today as "the perfect combination of a fiery populist and a quiet, back-room populist," Dick Gephardt was elected in 1994 to serve as House Democratic Leader, the top-ranking Democratic leader in the United States House of Representatives. "House Democrats' hopes for a political comeback now seem to be hung on Missouri's Richard Gephardt," wrote U.S.A. Today in November, 1994, describing the Democrat as "disciplined and focussed, a workaholic who combines a love of intricate policy and a lust for politics."

Gephardt, winning the post of Democratic Leader by an overwhelming margin, vowed to devote his tenure to regaining a Democratic majority in the people's House, and rededicating his party to improving the economic lives of working Americans.

Before his elevation to the top Democratic spot, Gephardt served as Majority Leader, the second-ranking Democratic post, for more than five years. In that role, he emerged as one of the Democratic Party's chief strategists and spokespersons on virtually all major issues. "From Russian aid to health-care reform to the deficit, no one in Congress is more central," wrote the Wall Street Journal in 1993. "Gephardt remains a buoy marking the Democratic channel."

Whether leading the successful opposition to President Bush's unfair tax and economic policies, or leading the charge for President Clinton's health care reform effort with what Congressional Quarterly described as "the intensity of a revivalist preacher," Gephardt has made it his life's work to unite Congressional Democrats behind economic, trade, and social policies that help America's working families.

Gephardt was first elected to represent Missouri's Third Congressional District in 1976. As a House freshman, he was given the rare opportunity of serving on both the Ways and Means and Budget Committees, where he quickly became a national leader on health care, trade, and tax fairness. In 1984, he was elected Chairman of the House Democratic Caucus, the fourth-ranking leadership post in the House.

In 1987, Gephardt became the first Democratic candidate to enter the 1988 presidential race -- a virtually unprecedented bid for a rank-and-file member of the House. Gephardt ultimately withdrew from the race, but not before winning three statewide primaries and helping to frame the economic issues that dominated the election. Following that race, in 1989, he was elected by his colleagues to serve as their Majority Leader.

A native of St. Louis (and a fiercely loyal Cardinals fan), Dick was born in 1941 in the same South St. Louis neighborhood he represents today. After graduating from Northwestern University (where he served as student body president) and the University of Michigan Law School, he began his career in public service as a precinct captain in St. Louis's 14th Ward. From there he was twice elected Alderman, and became known as the leader of a group of aggressive young reformers known as the "Young Turks," who implemented bold new policies to revive the city.

Dick is married to Jane Byrnes Gephardt, and they have three children: Matt, Chrissy, and Katie.

# # #

WAYS AND MEANS COMMITTEE
(ACTING CHAIRMAN)

SUBCOMMITTEES:
TRADE

JOINT COMMITTEE ON TAXATION
(VICE CHAIRMAN)

SAM M. GIBBONS
11th DISTRICT, FLORIDA

Congress of the United States

HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

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BARBARA TOFFLING
CHIEF OF STAFF

U.S. REPRESENTATIVE SAM M. GIBBONS

A Member of the U.S. House of Representatives from Florida's Eleventh Congressional District, in 1995 Sam Gibbons enters his seventeenth term representing the Tampa Bay area. Gibbons has been a member of the Ways and Means Committee since early 1969, serving as Acting Chairman in 1994, and assuming the position of Ranking Minority Member in the 104th Congress. He also sits on the Joint Committee on Taxation, and serves as Dean of the Florida Congressional Delegation.

Gibbons is known for his prominent role in the area of international trade. A veteran of World War II, Gibbons was awarded the Bronze Star after parachuting into Normandy on D-Day as a part of the initial assault force. His experiences as a captain in the 501st Parachute Infantry/101st Airborne Division helped shape Gibbons' fundamental belief that "countries which trade together don't fight each other."

As Chairman of the Ways and Means Trade Subcommittee from 1981 through May of 1994, Gibbons has been a champion of open markets and free and fair trade around the globe. In 1993 he played a pivotal role in securing passage of the North American Free Trade Agreement, and is currently working toward Congressional approval of the General Agreement on Tariffs and Trade.

Gibbons is recognized for his efforts in domestic policy as well. In the mid-1960s, while still only a junior Congressman, President Lyndon Johnson appointed Gibbons as floor manager of much of his Great Society program. Gibbons successfully navigated the anti-poverty package -- which included Project Head Start -- through the Congress. Gibbons is also a staunch supporter of pension reform, wrote the law which allows Americans over the age of 55 to protect from taxation capital gains earned from the sale of their primary homes, and has performed landmark work in the nation's tax laws.

Gibbons' career in public service began with his election to the Florida House of Representatives in 1952. While a member of the Florida House Gibbons passed historic legislation to create the University of South Florida, and today is recognized as "The Father of the University of South Florida." In 1958 Gibbons moved from the House to the Florida Senate, where he enacted legislation to establish Florida's regional water management districts. Gibbons was first elected to Congress in 1962.

Congressman Gibbons received his law degree from the University of Florida. Gibbons, whose family has lived in Tampa for more than a century, is married to the former Martha Hanley. Congressman and Mrs. Gibbons, who celebrate their 49th wedding anniversary in 1995, have three sons, three daughters-in-law, and five grandchildren.

U.S. SENATOR

Chuck Grassley

AN INDEPENDENT VOICE FOR IOWA

Because he's in touch with Iowans, Senator Chuck Grassley has earned his reputation for independence in Washington, D.C.

Grassley keeps government accountable and has successfully redirected Congressional debate on effective defense spending. His efforts to expose waste, fraud and abuse in government spending practices have saved hardworking taxpayers literally hundreds of billions of dollars and earned him the well-deserved title, Taxpayers Hero, from the National Taxpayer's Union.

Grassley challenges the status quo on Capitol Hill. He won declassification of government documents for the families and loved ones of American servicemen still missing from the Vietnam War. And he brings common sense to debate in the U.S. Senate, holding lawmakers accountable for midnight pay raises and for living under the same laws they pass for the rest of the country.

A native of Butler County, Iowa, Grassley remains the only working family farmer in the U.S. Senate. He serves on the Agriculture Committee, and is an outspoken voice for farmers in Iowa and throughout the Midwest. Grassley fights tirelessly to expand the U.S. share of world markets for value-added products and has long pushed for free and fair trade for American farmers. He works for family farmers and those just getting started. And he's committed to a strong, diversified economy for both rural and urban Iowa.

Grassley's position on the Senate Finance Committee puts him in the right spot for responsible health care reform, too. He also serves on the Judiciary and Budget Committees, as well as the Senate Select Committee on Aging and the Rural Health Care Task Force.

Grassley was first elected to the Iowa House of Representatives at the age of 25, where he served for 16 years. In 1974, he won election to the U.S. Congress, where he represented Iowa's third district for three terms. In 1980, Iowans put their support behind Chuck Grassley and elected him to the U.S. Senate. Six years later, he won re-election by the biggest margin of victory ever achieved at that time in an Iowa Senate Race, winning nearly 2 to 1. In 1992, Grassley went on to shatter every election record in Iowa history by capturing a phenomenal 72 percent of the vote. His effectiveness in Washington and commitment to Iowans earned him the biggest victory across the country, in a statewide contested race.

Biographical Data at a Glance

Born:	Sept. 17, 1933 New Hartford, Iowa
Family:	Married Barbara Speicher 1954; five children, Lee, Wendy, Robin, Michele, Jay
Occupation:	Farmer 1960-1974 (son, Robin, operates family farm); sheet metal shearer 1959-1961; assembly line worker 1961-1971; elected to Iowa Legislature 1958; U.S. House of Representatives 1974, U.S. Senate 1980
Education:	B.A. 1955, M.A. 1956 Political Science, University of Northern Iowa; PH.D. work, University of Iowa
Memberships:	Farm Bureau, the Butler County and State of Iowa Historical Societies, Pi Gamma Mu, Kappa Delta Pi, International Association of Machinists 1962-71, International Parliamentary Group for Human Rights in the Soviet Union, Masons, Eagles, Baptist Church
Committees:	Agriculture, Finance, Judiciary, Budget, Special Committee on Aging, Rural Health Care Task Force
Honors:	Ten-time recipient of the Watchdog of the Treasury; National Taxpayer's Union, Taxpayers' Best Friend Award; National Pork Producers Council Bronze Symbol Service Award; National Farmers' Union Golden Triangle Award; Eisenhower Tribute Award for Defense Efficiency; Corn Growers Association, Ethanol Man of the Year; Eight-time recipient of the National Federation of Independent Business' Guardian of Small Business Award; Foster Grandparent Program Award; American Legion Distinguished Service Award; four-time recipient of Leadership Award from Coalition for Peace Through Strength; Coalition to Stop Government Waste, Congressional Patriot Award and Taxpayers' Hero Award; Honorary Member, National Association of Area Agencies on Aging; 60/Plus Guardian of Seniors' Rights Award; Mid-Continent Small Business United Political Advocacy Award; Honorary Member, Civilian Air Patrol; 100 percent approval from the National Alliance for Senior Citizens; the Life Values Award, American Coalition for Life; National Security Leadership Award; and, the Americans for Constitutional Action Distinguished Service Award.

Grassley says that while he works in Washington, he lives in Iowa. In spite of an 1100-mile commute, he holds meeting with Iowans in each of the state's 99 counties at least once a year.

He and his wife, Barbara, raised five children in Iowa, and now have eight grandchildren. Grassley earned his bachelors and masters degrees in political science from the University of Northern Iowa, and completed additional graduate work in the same area at the University of Iowa.

Nancy Landon Kassebaum

United States Senator

(R) Kansas

NANCY LANDON KASSEBAUM was introduced to the world of politics at an early age. Kassebaum, the daughter of Alfred M. Landon, 1936 Republican presidential nominee and Kansas governor, grew up listening to political discussions between her father and the many politicians and journalists who came to visit him. Kassebaum's family background provided an environment that spurred an intense interest in politics.

Although her interest in politics never subsided, Kassebaum's involvement was limited during the time that she raised her four children on the farm in Maize, Kansas. She did, however, stay involved as a member of the Maize School Board, Kansas Governmental Ethics Commission, and the Kansas Committee for the Humanities. In 1975, with her children nearly raised, Kassebaum accepted a position in Washington as an aide to Republican Senator James Pearson of Kansas. When Pearson decided to retire at the end of his term in 1978, Kassebaum joined eight other candidates in a bid for the empty Senate seat. Her forthright manner and her father's name helped propel her to victory.

Today, Kassebaum is serving her third term in the United States Senate and has risen to become the ranking Republican on the Labor and Human Resources Committee. She is known as a coalition builder in the Senate and has earned respect as an independent thinker.

As a strong Republican voice, Kassebaum has advocated fiscal responsibility and in 1984 became one of our first senators to propose a one-year across-the-board budget freeze. Kassebaum has often been a vocal critic of Republican and Democratic lawmakers, who often, she says, discard the basic principal that government should live within its means.

Kassebaum is viewed as a moderate on social issues. She has focused efforts on improving education and reforming the health care system, which she says is her top priority in the 103rd session of Congress. She advocates greater government coordination of family and children's programs. She supports abortion rights, which she views as a moral decision that must be made within the family and church, not by the federal government.

- Elected to the U.S. Senate, 1978
- Re-elected in 1984 and 1990
- Born July 29, 1932, Topeka, Kansas
- B.A., University of Kansas, political science
- M.A., University of Michigan, diplomatic history
- Mother of four

Committee Assignments

- Committee on Labor and Human Resources, Ranking member
- Committee on Foreign Relations Subcommittee on International Economic Policy, Trade, Oceans and Environment, Ranking member
- Committee on Indian Affairs
- Joint Committee on the Organization of Congress

Foreign policy has always been a keen interest for Kassebaum. A member of the Senate Committee on Foreign Relations since 1980, Kassebaum has focused her efforts on African issues. She is credited with orchestrating passage of the bill that imposed economic sanctions against South Africa for its apartheid policies. More recently, she has attempted to bring world attention to the famine in the Horn of Africa. Kassebaum believes that the United States must continue to take a leadership role in world affairs.

In her spare time, Kassebaum enjoys cooking, hiking, reading, and spending time on her family ranch in the Flint Hills of Kansas.

ARD M. KENNEDY UNITED STATES SENATOR

Born		Boston, Massachusetts, February 22, 1932 Youngest of nine children of Joseph P. Kennedy and Rose Fitzgerald Kennedy
Education		Milton Academy Harvard University, B.A., 1956 International Law School, The Hague, The Netherlands, 1958 University of Virginia Law School, LL.B., 1959
Military Service		U.S. Army (1951-53), Private First Class, Infantry; Served in France and Germany
ily		Three Children: Kara Anne, Born February 27, 1960; Edward M., Jr., Born September 26, 1961; Patrick Joseph, Born July 11, 1967
Senate Service		Elected to the U.S. Senate November 6, 1962 to fill the unexpired term of John F. Kennedy Reelected to full six-year Senate terms in 1964, 1970, 1976, 1982, and 1988 Seniority: 5th out of 100
Senate Assignments	Labor and Human Resources Committee	Chairman, Full Committee Chairman, Subcommittee on Health (1971-1980)
	Judiciary Committee	Chairman, Subcommittee on Immigration and Refugee Affairs Member, Subcommittee on Patents, Copyrights and Trademarks Member, Subcommittee on the Constitution
	Armed Services Committee	Chairman, Subcommittee on Projection Forces and Regional Defense, Member, Subcommittee on Manpower and Personnel Member, Subcommittee on Strategic Forces and Nuclear Deterrence
	Joint Economic Committee	Chairman, Subcommittee on Fiscal and Monetary Policy Member, Subcommittee on International Economic Policy Member, Subcommittee on Investment, Jobs and Prices
	Chairman, Technology Assessment Board Congressional Friends of Ireland Biomedical Ethics Board Arms Control Observer Group Commission on the Bicentennial of the U.S. Constitution Martin Luther King, Jr. Federal Holiday Commission	

Books	Our Day and Generation In Critical Condition: The Crisis in America's Health Care Decisions for a Decade: Policies and Programs for the 1970s Freeze: How You Can Help Prevent a Nuclear War, Co-authored with Senator Mark Hatfield
Commentary	"Face Off"–Daily Radio Program on Issues with Senator Alan Simpson
Awards	U.S. Junior Chamber of Commerce– One of the 10 Outstanding Young Men of 1967 Meritorious Service Citations by the United States Committee for Refugees and the American Immigration and Citizenship Council Knight Commander of the Order of the Phoenix (presented by the President of Greece) Grande Croce "Al Merito Della Republica Italiana" (presented by the President of Italy) La Order El Sol del Peru National Conference on Soviet Jewry, Solidarity Award– for continuing advocacy of the cause of freedom and persistence in the struggle for human rights for Jews in the Soviet Union and elsewhere National Military Family Association Award for 1985 Chian Federation, Homeric Award– for the promotion of freedom and human rights American Friends of the Hebrew University, Scopus Award– for resolute support for the State of Israel and dedication to human progress The American Jewish Committee, Norman S. Rabb Human Relations Award– for significant contributions to the field of human relations, Boston Chapter National District Attorneys Association, Outstanding Congressional Service Award Federation of American Scientists, Public Service Award– for leadership on nuclear arms control Leadership Conference on Civil Rights, Hubert H. Humphrey Award– for selfless and distinguished service in the cause of equality
Affiliations	Boston College–Trustee Boston Museum of Science–Member of Corporation and Trustee Boston Symphony Orchestra–Trustee Emeritus Children's Hospital Medical Center, Boston– Member of Board of Overseers Harvard University–Overseer of the John F. Kennedy School of Government; Member of the Senior Advisory Committee of the Institute of Politics John F. Kennedy Center for the Performing Arts, Washington, D.C.–Trustee John F. Kennedy Presidential Library Foundation, Boston–Member of the Committee Joseph P. Kennedy, Jr. Foundation–President and Trustee Lahey Clinic Medical Center–Trustee Martin Luther King, Jr. Center for Non-Violent Social Change, Atlanta–Trustee NAACP, Lifetime Member Northeastern University–Member of Corporation Robert F. Kennedy Memorial Foundation–Member of Board of Directors Tufts University–Member of the Board of Visitors of the Fletcher School of Law and Diplomacy

THE HONORABLE JAMES J. LACK

Legislative Office Building, Room 612
Albany, New York 12247

VITA:

1979 - Present	New York State Senator - representing 300,000 people in the western portion of Suffolk County (Long Island), New York; Party affiliation: Republican-Conservative; reelected in 1994 to a ninth term. Currently, Deputy Majority Whip; Chair, Senate Judiciary Committee; Member, Senate Committees on: Elections (Chair 1981-1985), Ethics, Codes, Consumer Protection, Energy, Insurance and Labor (Chair 1985-1993); Member, National Commission on Employment Policy (1992-1993); Partner in the law firm of Smyth & Lack, Huntington, New York.
1977 - 1978	President, Better Business Bureau of Metropolitan New York, Inc. - largest bureau in the world. Served as chief officer, responsible for setting ethical standards and guiding resolutions of consumer complaints; staffing and administration.
1974 - 1977	Commissioner, Suffolk County Department of Consumer Affairs - founded and organized the Department.
1972 - 1973	Principal Assistant District Attorney, Frauds Bureau Suffolk County District Attorney's Office. Investigation and prosecution of consumer and economic crimes including grand jury presentations and trials.
1970 - 1972	Counsel, New York State Consumer Protection Board.

LEGISLATION: Prime sponsor of over 300 laws including Container Deposit Legislation, Workers' Compensation Reform and Child Labor Revisions.

NATIONAL CONFERENCE OF STATE LEGISLATURES: President-Elect (1994 - 95); Vice President (1993 - 94)

SENATE: Member: Special Select Committee on the Arts; Select Committee on Interstate Cooperation; Majority Task Force on Defense Spending in New York State; Majority Task Force on Vandalism, Religious Desecration and Bigotry; Legislative Commission on Water Resource Needs of Long Island; Majority Task Force on Aging in the 21st

Century; Majority Task Force on AIDS; Vice Chairman: Legislative Commission on Skills Development and Vocational Education.

GENERAL:	Treasurer: National Association of Jewish Legislators; Member: Council of State Governments' Eastern Regional Conference Task Force on Economic Affairs and Trustee of the 21st Century Fund; New York State Job Training Partnership Council.
POLITICAL:	Alternate Bush Delegate, 1988 Republican National Convention; Member: Executive Board of the Republican National Lawyers Association; Honorary Chairman of the New York State Lawyers for Reagan-Bush (1984); National Republican Legislators' Association.

EDUCATION:

J.D. - 1969	School of Law Fordham University New York, New York
B.A. - 1966	University of Pennsylvania Philadelphia, Pennsylvania Major: Russian and Central European History

PERSONAL INFORMATION:

Born - October 18, 1944
Married to Dr. Therese Lack
Two children - Kara (22), Jeremy (18)

HOBBIES: Boating, Skiing, Oenology

A Biography of

Mayor Gregory S. Lashutka
Columbus, Ohio

Columbus Mayor Greg Lashutka took the reins of America's 16th largest city in 1992, and pledged to increase economic development, improve the quality of life, and make city government more efficient and effective. Under his leadership, Columbus has broadened its outlook to become America's premier inland international city.

In October, 1994, Columbus hosted the United Nations World Summit on Trade Efficiency, at which trade ministers, CEOs, and mayors from around the globe discussed ways to increase trade through telecommunications technology. Through Lashutka initiatives such as the Inland Port project and Trade Point USA, central Ohio businesses can increase trade and expand their operations.

Mayor Lashutka is recognized as a national leader in the fight against unfunded mandates that rob the treasuries of local governments. In December, 1994 he was elected First Vice President of the National League of Cities. His leadership earned him the 1993 Municipal Leader of the Year award from *American City & County* magazine.

Mayor Lashutka brings a wealth of experience to City Hall. He streamlined the Prosecutors' Division during his eight years as City Attorney. Prior to that, he was an aide to former Congressman Sam Devine, Law Clerk for former Probate Judge Richard Metcalf, and served four years as a naval officer.

Mayor Lashutka first caught the attention of Columbus residents as 1965 co-captain of The Ohio State University football team, and played defensive end for the Buffalo Bills. After graduating from Capital University Law School, he combined his love of sports with his interest in law to practice municipal and sports law with the firm Squire, Sanders, and Dempsey.

As mayor, he has dedicated himself to generating new jobs, improving public safety, making Columbus' diverse neighborhoods more livable, and creating a shared community vision for Columbus as an 21st century international city of excellence.

1/95

BIOGRAPHY OF U.S. SENATOR BARBARA A. MIKULSKI D-MARYLAND

Senator Barbara A. Mikulski, who was elected to a second term in the United States Senate in 1992 with a phenomenal 71% majority, is a national leader on the issue of women's health care, one of the originators of the National Service concept, a champion for the rights of working people, and an aggressive advocate for jobs for Maryland.

After winning her 1992 re-election bid with a record-breaking 1.2 million votes, Senator Mikulski assumed new responsibilities and was awarded a position with the Democratic leadership.

In addition to her existing position as Chair of the Appropriations Subcommittee on VA, HUD and Independent Agencies - the Senator now also heads the Labor and Human Resources Subcommittee on Aging.

Through this subcommittee, Senator Mikulski hopes to redefine and move forward an aggressive agenda on the process of aging and women's health. She has also been named to the position of Assistant Floor Leader and serves on the Senate Ethics Committee.

Her other responsibilities on Appropriations include the Foreign Operations, Legislative Branch, Transportation, and Treasury, Postal Service and General Government Subcommittees. On the Labor and Human Resources Committee, she holds positions on the Education and on the Employment and Productivity Subcommittees.

Senator Mikulski also spends at least one full working day in her home state of Maryland each week so that she can meet with constituents. She returns each night to her home in Baltimore.

Born in Baltimore, Maryland, on July 20, 1936 - Barbara Ann Mikulski is the great-granddaughter of Polish immigrants. The oldest of three daughters born to Christine and William Mikulski, the Senator worked during her high school years in their neighborhood grocery store.

She has often credited a solid parochial school background for her skills in debating and oration. A graduate of the Institute of Notre Dame in Baltimore, Senator Mikulski received her B.A. from Mount Saint Agnes College in Baltimore. She went on to earn her M.S.W. from the University of Maryland School of Social Work where she learned her activist skills.

Senator Mikulski began her political career by organizing her neighbors to stop construction of a 16-lane highway through the historic Fells Point area of Baltimore. In addition to destroying Fells Point, the highway would have cut through the first black home ownership neighborhood in the city.

The Senator created a network of community groups who stopped the road. She realized that she wanted to be inside City Hall helping people and ran for City Council. The coalitions she had formed served her well. In 1971 Barbara A. Mikulski was elected to a seat on the City Council of Baltimore.

Her reputation was one of a hands-on representative of the people and still is. From potholes to public education, she solved the problems of the people who came to her.

Five years later, using a vast network of community volunteers and 110 percent of her own energy, then Councilwoman Mikulski won the seat in the U.S. House of Representatives that had been vacated by Senator Paul Sarbanes.

She served in the House of Representatives for ten years. In 1986 Senator Mikulski gave up what was considered to be a "safe" seat in the House to seek the U.S. Senate seat being vacated by retiring Senator Charles McC. Mathias, Jr.

When she won that election, Senator Mikulski became the first Democratic woman to hold a Senate seat not previously held by her husband; the first Democratic woman ever to serve in both houses of Congress; and the first woman ever to win a statewide election in Maryland.

Her first term in the Senate was marked by her appointment to the prestigious Appropriations Committee. In addition, she succeeded in ushering the passage of landmark legislation to keep couples from going bankrupt when one had to enter a nursing home.

She also championed passage of major segments of her women's health care framework including access to mammograms for low income and elderly women and setting up clinical standards to make sure that medical tests for women are accurate.

Her pioneering efforts and her advocacy on behalf of women candidates came to fruition in 1992 when she welcomed four new Democratic women to the United States Senate and became the unofficial "Dean of the Democratic Senate Women."

April 1994

United States Senate

WASHINGTON, DC 20510

Biography January, 1995

DANIEL PATRICK MOYNIHAN

United States Senator from New York

Daniel Patrick Moynihan is the senior United States Senator from New York. He was elected in 1976 and re-elected in 1982, 1988 and 1994. Only two other New Yorkers have been elected to four terms.

He is the ranking minority member of the Senate Committee on Finance, which has jurisdiction over tax policy, health care, international trade, welfare policy, and Social Security, and is the senior member of the Joint Committee on Taxation. He is the ranking minority member of the Subcommittee on Water Resources, Transportation, Public Buildings and Economic Development of the Committee on Environment and Public Works. He is a member of the Senate Committee on Rules and Administration.

A member of the Cabinet or Sub-Cabinet of Presidents Kennedy, Johnson, Nixon and Ford, Senator Moynihan is the only person in American history to so serve in four successive Administrations. He was the U.S. Ambassador to India from 1973 to 1975, and the U.S. Representative to the United Nations from 1975 to 1976. In February, 1976 he served as President of the United Nations Security Council.

Senator Moynihan was born on March 16, 1927. He attended public and parochial schools in New York City and graduated from Benjamin Franklin High School in East Harlem. He attended the City College of New York for one year before enlisting in the United States Naval Reserve, where he served on active duty from 1944 to 1947. He received his bachelor's degree *(cum laude)* from Tufts University and his Ph.D. from the Fletcher School of Law and Diplomacy.

He was a member of Averell Harriman's staff in the campaign for Governor of New York in 1954 and served on the Governor's staff in Albany until 1958. He was an alternate

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Kennedy delegate at the 1960 Democratic Convention. Starting in 1961 he served in the Department of Labor, first as an assistant to the Secretary and later as Assistant Secretary of Labor for Policy Planning.

In 1966, he became Director of the Joint Center for Urban Studies at the Massachusetts Institute of Technology and Harvard University. He has been a Professor of Government at Harvard University, an Assistant Professor of Government at Syracuse University, and has taught in the extension programs of Russell Sage College and the Cornell School of Industrial and Labor Relations. Senator Moynihan is the author or editor of 16 books and the recipient of 60 honorary degrees.

He has served as a Member of the Board of Directors of the American Association for the Advancement of Science Advisory Committee, Vice Chairman and a Member of the Board of Trustees of the Woodrow Wilson International Center for Scholars, and a member of the President's Science Advisory Committee. He is a former Chairman of the Board of Trustees of the Hirshhorn Museum and Sculpture Garden and is a Regent of the Smithsonian Institution.

In 1992, Senator Moynihan was the recipient of the Laetare Medal of the University of Notre Dame, and has received the Seal Medallion of the Central Intelligence Agency (1986) and the Britannica Medal for the Dissemination of Learning (1986).

He has also received the Arthur S. Flemming Award as "an architect of the Nation's program to eradicate poverty" (1965); the International League of Human Rights Award (1975); the John LaFarge Award for Interracial Justice (1980); the Thomas Jefferson Award for Public Architecture from the American Institute of Architects (1992); and the Thomas Jefferson Medal for Distinguished Achievement in the Arts or Humanities from the American Philosophical Society (1993).

In 1984, Senator Moynihan received the State University of New York at Albany's Medallion of the University in recognition of his "extraordinary public service and leadership in the field of education." In 1983, he was the first recipient of the American Political Science Association's Hubert H. Humphrey Award for "notable public service by a political scientist."

His wife of 39 years, Elizabeth Brennan Moynihan, is an architectural historian with a

(more)

special interest in 16th century mughal architecture in India. She is the author of *Paradise as a Garden: In Persia and Mughal India* (1979) and numerous articles. Mrs. Moynihan is former Chairman of the Board and a Board Member of the American Schools of Oriental Research and a member of the Indo-U.S. Subcommission on Education and Culture.

The Moynihan's live near Pindars Corners in Delaware County, New York, and in Washington D.C. They have three grown children: Timothy Patrick, Maura Russell, and John McCloskey.

* * *

Senator Bob Packwood

Biography

Senator Bob Packwood was born September 11, 1932 in Portland, Oregon. He is the great grandson of William H. Packwood, pioneer and member of the Oregon Constitutional Convention of 1857.

In 1954, Senator Packwood received his B.A. from Willamette University in Salem, Oregon. During his senior year at Willamette he served as president of Beta Theta Pi fraternity. He went on to study at New York University School of Law, serving as student body president and receiving his LL.B. in 1957.

He returned to Oregon as law clerk to former Chief Justice Harold J. Warner of the Oregon Supreme Court from 1957-58 and practiced law in Portland over the next ten years.

In 1962, he won election to the Oregon legislature as its youngest member. He served three terms in the legislature before election to the United States Senate in 1968 as the youngest senator in the 91st Congress. Reelected in 1974, 1980, 1986, and 1992 he is currently in his fifth Senate term.

Senator Packwood is the Chairman of the Senate Finance Committee. The committee is responsible for national tax policy. It also oversees major programs like Medicare, Medicaid, Social Security, trade and tariff legislation and employee benefits.

He is a member, and former chairman, of the Senate Commerce, Science and Transportation Committee. The committee handles ocean resource management, commercial fishing, economic development, pipeline safety, communications, consumer product safety, railroads, airlines, bus transportation, interstate commerce and national bottle bill proposals. Senator Packwood is the Chairman of the Communications Subcommittee which handles telecommunications issues. He is a member of the Foreign Commerce and Tourism Subcommittee, the Surface Transportation Subcommittee, and the National Ocean Policy Study.

Since 1966, he has served on the Board of Overseers for Lewis and Clark College while also remaining an active member of the New York University Alumni Association Board of Directors.

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Washington, D.C. Office

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MICHAEL PAPPAS
P.O. Box 70
Rocky Hill, NJ 08553

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249-2490 (work)
231-7030 (county)

<u>PUBLIC SERVICE</u>

Somerset County Board of Chosen Freeholders
- Director, 1988, 1993
- Deputy Director, 1986, 1987, 1992
- Member, February 1984-present (term expires 12/31/96)

Somerset County Board of Social Services, Chairman, 1986-present
Somerset County Office on Aging Advisory Council, 1983-1984
Somerset County Mental Health Board, Liaison, 1986-1992, 1994
Human Services Committee, Chairman, 1986-1992, 1994
Courts and Criminal Justice Committee, Member, 1986-1990
Facilities and Special Services Committee, Chairman, 1984-1985
Industrial Pollution Control Financing Authority, Vice Chairman, 1988-present
Somerset County Agriculture Development Board, Liaison, 1986-1987, 1994
Somerset County Planning Board, Member, 1988, 1993; Alternate, 1994
Somerset Public Employees Charitable Campaign (SPECC), Chairman, 1992-93

New Jersey Association of Counties, President, 1994
New Jersey Association of Counties, Conference Committee, Chairman, 1992; Legislation Committee, Chairman, 1991, 1993
New Jersey Association of Counties, Somerset County Delegate Voting Member, 1986-1988, 1990-present; Alternate, 1984-1985, 1989

New Jersey Department of Personnel, Merit System Task Force, Member, 1993
New Jersey Judicial Unification Transition Committee, Member, 1993-present; Chairman, 1994

National Association of Counties, Board of Directors, Member, 1993-present; Human Services & Education Steering Committee, Member, 1991-present, Vice Chairman, 1993; Welfare Reform Task Force, Co-chairman, 1993
National Association of Counties, Children's Initiative Task Force, Member, 1993-present
National Governor's Association-State and Local Government Welfare Reform Task Force, Member, 1993

Franklin Township Council
- Councilman-at-large, 1982-1987
- Mayor, July 1983-June 1984

Franklin Township Citizens Advisory Committee, 1977-1978
Franklin Township Zoning Board of Adjustment, Alternate Member, 1979-1980
Franklin Township Planning Board, 1980-1982, 1983-1984
Franklin Township Senior Citizen Advisory Committee, Township Council Liaison, 1982-1987

(over)

COMMUNITY SERVICE
Meadows Foundation, Inc.
Somerset Medical Center, Board of Trustees
Franklin Township Lions Club
Order of AHEPA, Monroe Chapter #75
Somerset County 4-H Association
Somerset Alliance for the Future, Board of Directors
Central Jersey Club of the Deaf, Inc.
Greek American Voter League of New Jersey, Board of Trustees

EMPLOYMENT
Pappas Insurance Agency, Somerset (Franklin Twp.), NJ, Partner

EDUCATION
Attended Seton Hall University, South Orange, NJ (Political Science major)

PERSONAL
Daughter Chelsea
Member, Community Baptist Church of Somerset, Franklin Township
Church Council, 1980-1992, Stewardship Chairman
Date of Birth: December 29, 1960

AWARDS/HONORS
1994 Marconi Foundation, Scholar Award
1993 New Jersey Junior Chamber of Commerce, Outstanding Young Citizen
1992 Somerville Area Jaycees, Distinguished Service Award
1991 Crawford House Citation
1988 Franklin Township Lion's Club, Citizen of the Year

January 1995

JOE SERNA, JR

MAYOR OF SACRAMENTO

Joe Serna, Jr. has been active in Sacramento government and political affairs for the past 20 years. Mayor Serna was first elected to the Sacramento City Council in 1981, representing District 5, until assuming his duties as Mayor of the City of Sacramento in November, 1992.

Mayor Serna appointed Sacramento's first Council of Economic Advisors to help the city frame an economic agenda. And, for his many efforts towards revitalizing the Sacramento area economy, he was selected this year by the National Council for Urban Economic Development, to receive their third annual Economic Development Leadership Award. He is the founder of the Mayor's Summer Reading Camp, a literacy program for needy students; as well as the Thursday Night Market, this areas very successful downtown Farmers Market, which contributes to the revitalization of our downtown core.

As a member of the Council, he chaired the Budget & Finance Committee from 1981 to 1989, the Transportation & Community Development Committee from 1989 to 1992, and was a member of their Law and Legislative Committee from 1989 to 1992. Much of his work on the City Council has concentrated on fiscal policy, urban planning, and social and human services and public safety. Mayor Serna is the founder of the City's Neighborhood Services Department, which consolidates city services that support healthy, thriving neighborhoods.

During the past two decades Mayor Serna has been a member of numerous local organizations including the Regional Transit Board of Directors, the Sacramento Housing and Redevelopment Commission. He is the Co-trustee of the Crocker Art Museum Association, former Chairman of the Sacramento City/County Sports Commission, a former member of the Board for the Sacramento Employment and Training Agency (SETA), and a former member of the Sacramento Metropolitan Cable Television Commission. From 1970 to 1975, Mayor Serna was the Director of the United Farmworkers of America's Support Committee in Sacramento County. He is a former member of the Sacramento Central Labor Council and has chaired several Hispanic organizations.

Joe Serna, Jr., joined the faculty at California State University, Sacramento, in 1969. He is currently a Professor of Government at that institution, for which he received the Distinguished Faculty Award in 1991. He took a two-year leave of absence from his teaching duties in 1975 to serve as Education Advisor to then-Lt. Gov. Mervyn Dymally.

Mayor Serna, 54, was born in Stockton and raised in Lodi, California, where he began his career as a sheet metal worker at the age of 19. He earned a Bachelor of Arts degree in social science/government from Sacramento State College in 1966. He later attended graduate school at the University of California, at Davis, majoring in political science. In 1966, he entered the Peace Corps, working in Guatemala as a Community Development Volunteer specializing in cooperatives and credit unions.

Mayor Serna and his wife, Isabel, and their two children, Phillip and Lisa, live in the Curtis Park Neighborhood.

Biog. phy

Tommy G. Thompson

Governor of Wisconsin

Governor Tommy G. Thompson was born on November 19, 1941 in Elroy, Wisconsin. As a young boy, he worked in his father's grocery store before graduating from Elroy High School.

The Governor earned his bachelor degree in political science in 1963 and his law degree in 1966, both from the University of Wisconsin-Madison. He is a former Army captain and a member of the U.S. Army Reserve.

The Governor and his wife, Sue Ann, were married in 1968. They have three children; Kelli, Tommi, and Jason. Governor Thompson is a member of the State Bar Association, the Juneau County Bar Association and St. Patrick's Catholic Church. He enjoys hunting, fishing, downhill and water skiing and jogging.

Governor Thompson's state career began in 1966, when he was elected to the Wisconsin state Assembly at age 24. He became Assembly Assistant Minority leader in 1973 and was elected minority leader in 1981.

Thompson campaigned on a platform of jobs, welfare reform and creating a positive business climate.

In the Assembly, the Governor served on the Joint Committee on Legislative Organization, the Legislative Council, the Rules Committee, the Strategic Development commission and the Select Committee on the Future of the University of Wisconsin System.

During 1986, Thompson campaigned for governor on a platform of creating more jobs, reforming the welfare system, solving growing concerns over the state's prison system, and creating a positive business climate.

In the November 1986 general election, Thompson surprised many political experts by winning the governor's race with 53 percent of the vote. Of all gubernatorial elections held that year, Thompson was the only Republican candidate in the nation to defeat an incumbent Democrat.

After a resoundingly successful first four years, the Governor was returned to office in 1990 by a landslide vote of 58 percent, the largest victory in a non-presidential year since the Great Depression. He won all but five of Wisconsin's 72 counties, including the traditionally Democratic counties of Kenosha, Milwaukee and Racine.

Between 1987 and 1993, more than 382,000 new jobs were created and Wisconsin ranked third in the nation in job creation.

Many experts attribute Governor Thompson's success at the polls and in government to a management philosophy that makes Wisconsin more competitive in an increasingly interdependent nation and world economy. With equal tenacity, he has focused on enhancing Wisconsin's outstanding quality of life. His pragmatic approach to government has earned him a national reputation as an activist conservative.

Specifically, Governor Thompson's firm commitment to revitalize the state economy and to run state government like a successful business has helped Wisconsin prosper.

Between 1987-1993, more than 382,000 new jobs were created throughout the state. Between 1991-92, the state ranked third in job creation.

The state's unemployment levels have remained below the national average for over six years and employment levels have reached all-time highs.

Since 1987, Wisconsin is the only state in the nation to reduce personal income tax rates, balance its budget every year, and not raise any major taxes.

During the Governor's tenure, Wisconsin has earned national recognition as a leader and innovator in a host of important areas: Welfare reform, education, environmental protection, foreign trade and long-term, community-based care for the elderly and disabled.