

NLWJC - Kagan

DPC - Box 058 - Folder-017

Welfare - Accomplishments

4/21/99

CLINTON-GORE ACCOMPLISHMENTS

REFORMING WELFARE

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation. In April 1999, the President unveiled landmark new welfare regulations that will promote work and help those who have left the rolls to succeed in the workforce and stay off welfare.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, or encourage parental responsibility. The vast majority of states have chosen to build on their welfare demonstration projects approved by the Administration.
- **Welfare Rolls Decline as More Recipients go to Work:** In April 1999, the President released state-by-state data (from December 1998) showing that welfare caseloads are at their lowest level in 30 years and that the welfare rolls have fallen by nearly half since he took office. Since January 1993, 29 states have had caseload declines of more than half and nationwide the rolls have fallen by 46 percent, from 14.1 million to 7.6 million. This historic decline occurred in response to the Administration's grants of federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy. Information released by the Department of Health and Human Services also shows that the percentage of welfare recipients working has tripled since 1992, that an estimated 1.5 million people who were on welfare in 1997 were working in 1998, and that all states met the first overall work participation rates required under the welfare reform law.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare-to-Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. The Partnership began with 105 participating businesses, and in his 1999 State of the Union address, the President announced that the Partnership has grown to over 10,000 businesses. Since 1997, these businesses have hired over 410,000 welfare recipients, surpassing the challenge the President set in May of 1998. The Partnership provides technical assistance and support to businesses around the country, including: its toll-free number 1-888-USA-JOB1, a web site, a quarterly newsletter, and a "Blueprint for Business" hiring manual. The Partnership also published "The Road to Retention," a report of companies that have found higher retention rates for former welfare recipients than for other new hires, and strategies they used to achieve this success.
- **Connecting Small Businesses with New Workers:** The Small Business Administration is addressing the unique and vital role of small businesses who employ over one-half of the private workforce, by helping small businesses throughout the country connect with job training organizations and job-ready welfare recipients. In addition, SBA provides training and assistance to welfare recipients who wish to start their own businesses. SBA provides assistance to businesses through its 1-800-U-ASK-SBA number, as well through its network of small business and women's business centers, one-stop capital shops, district offices, and its website.
- **Mobilizing Civic, Religious and Non-profit Groups:** Vice President Gore created the Welfare-to-Work Coalition to Sustain Success, a coalition of national civic, service, and faith-based groups committed to helping former welfare recipients succeed in the workforce. Working in partnership with public agencies and employers, Coalition members provide mentoring, job training, child care, transportation, and other support to help these new workers with the transition to self sufficiency. Charter members of the Coalition include: Alpha Kappa Alpha, the Boys and Girls Clubs of America, the Baptist Joint Committee, Goodwill, Salvation Army, the United Way, Women's Missionary Union, the YMCA, the YWCA, and other civic and faith-based groups.
- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton/Gore Administration, the federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the federal government, as the nation's largest employer, must lead by example. In March 1997, the President asked the Vice President to oversee the federal government's hiring initiative in which federal agencies committed to directly hire at least 10,000 welfare recipients in the next four years. In April 1999, the President announced that the federal government has hired 12,000 welfare recipients, meeting the goal nearly two years ahead of schedule. As a part of this effort, the White House pledged to hire six welfare recipients and has already exceeded this goal.
- **Funds to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included \$3 billion for Welfare-to-Work grants to help states and local communities move long-term welfare recipients, and certain non-

custodial parents, into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight, but most of the dollars are placed through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds are awarded by the Department of Labor on a competitive basis to support innovative welfare-to-work projects. The President announced the first round of 49 competitive grants in May, and the Vice President announced the second round of 75 competitive grants in November 1998. In January 1999, the Department of Labor announced the availability of \$240 million in competitive grants for FY 1999. These funds will support innovative local welfare-to-work strategies for noncustodial parents, individuals with limited English proficiency, disabilities, substance abuse problems, or a history of domestic violence.

The President's FY 2000 Budget requests \$1 billion to extend the Welfare-to-Work program to help 200,000 long-term welfare recipients and noncustodial parents in high-poverty areas move into lasting unsubsidized employment. The initiative would provide at least \$150 million to ensure that every state helps fathers fulfill their responsibilities by working, paying child support, and playing a responsible part in their children's lives. Under this proposal, states and communities would use a minimum of 20 percent of their formula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work and pay child support. This effort would further increase child support collections, which have risen 80 percent since the President took office, from \$8 billion in 1992 to \$14.4 billion in 1998. Remaining funds will go toward assisting long-term welfare recipients with the greatest barriers to employment to move into lasting jobs. The reauthorized program also would double the Welfare-to-Work funding available for tribes.

- **Tax Credits for Employers:** The Welfare-to-Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The Omnibus Budget Act of 1998 included an extension through June 30, 1999 and the President's FY 2000 Budget proposes to extend both credits for an additional year.
- **Welfare-to-Work Housing Vouchers:** In 1999, the President proposed and Congress approved \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families will use these welfare-to-work housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing that will eliminate emergencies which keep them from getting to work every day on time. Nearly all of these vouchers will be awarded to communities on a competitive basis, to communities that create cooperative efforts among their housing, welfare and employment agencies. The President's FY 2000 Budget provides \$430 million for 75,000 welfare-to-work housing vouchers, including \$144 million in new funds for 25,000 additional vouchers.

- **Welfare-to-Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to work, President Clinton proposed a \$100 million a year welfare-to-work transportation plan as part of his ISTEA reauthorization bill. The Transportation Equity Act for the 21st Century (TEA-21) authorized \$750 million over five years for the President's Job Access initiative and reverse commute grants. Of this amount, \$50 million is guaranteed funding in FY 1999, rising to \$150 million in 2003. The Omnibus Budget Act included \$75 million for this program in FY 1999 and the Department of Transportation is currently reviewing applications for this first year funding. The President's Budget proposes to double funding for FY 2000, bringing the program to the authorized level of \$150 million. The Job Access competitive grants will assist states and localities in developing flexible transportation alternatives, such as van services, for welfare recipients and other low income workers.
- **Investing for the Future:** In 1992, the President proposed to establish Individual Development Accounts (IDAs) to empower low-income families to save for a first home, post-secondary education, or to start a new business. The 1996 welfare reform law authorized the use of welfare block grants to create IDAs. And last year, the President signed legislation creating a five-year demonstration program. Households that are either eligible for Temporary Assistance for Needy Families or qualify for the Earned Income Tax Credit and have a net worth below \$10,000 are eligible to participate in the demonstration. The FY 1999 budget includes \$10 million to launch this initiative, and the President has proposed to double the commitment to \$20 million in FY 2000.

PROVIDING HEALTH CARE TO LOW-INCOME WORKING FAMILIES

- **Health Care for Low-income Families Who Work:** In August 1998, the President eliminated a vestige of the old welfare system by allowing all states to provide Medicaid coverage to working, two-parent families who meet State income eligibility requirements. Under the old regulations, adults in two-parent families who worked more than 100 hours per month could not receive Medicaid regardless of their income level. Because the same restrictions did not apply to single-parent families, these regulations created disincentives to marriage and full-time work. Prior to eliminating the rule entirely, the Administration allowed a number of states to waive this rule. The new regulation eliminates this requirement for all States, providing health coverage for more than 130,000 working families to help them stay employed and off welfare.
- **Transitional Medical Assistance (TMA):** TMA provides time-limited Medicaid coverage to low-income households whose earnings or child support would otherwise make them ineligible for welfare-related Medicaid under state income eligibility standards. The President's FY 2000 Budget would reduce burdensome reporting requirements, including TMA eligibility procedures in the current Medicaid eligibility redetermination process. The budget also exempts those states that have expanded

Medicaid coverage to families with incomes up to 185 percent of the federal poverty level from burdensome TMA reporting requirements, providing states with additional incentives to provide critical health care services.

- **Helping States Help Low-Income Families:** In March 1999, the Administration released new guidance encouraging States to reach out to children and families who are no longer eligible for cash assistance but are still eligible for Medicaid or CHIP. It also establishes that states must provide Medicaid applications upon request and process them without delay. The guidance reiterates state responsibilities to establish and maintain Medicaid eligibility for families and children affected by welfare reform, and provides creative examples of the best way to liberalize eligibility.

PROMOTING PERSONAL RESPONSIBILITY

- **Increasing Parental Responsibility and Enforcing Child Support:** Tougher measures under the Clinton Administration resulted in a record \$14.4 billion in child support collections in 1998, an increase of \$6.4 billion, or 80 percent since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48 percent from 2.8 million in 1992.
 - ▶ A new collection system, proposed by the President in 1994 and enacted as part of the 1996 welfare reform law, has located over 1.2 million delinquent parents in its first nine months of operation. With approximately one-third of all child support cases involving parents living in different states, this National Directory of New Hires helps track parents across state lines.
 - ▶ In June 1998, the President signed the Deadbeat Parents Punishment Act, a law based on his 1996 proposal for tougher penalties for parents who repeatedly fail to support children living in another state or who flee across state lines to avoid supporting them.
 - ▶ Paternity establishment, often the crucial first step in child support cases, has dramatically increased, due in large part to the in-hospital voluntary paternity establishment program begun in 1994 by the Clinton Administration. In 1997, the number of paternities established or acknowledged rose to a record 1.3 million, two and a half times the 1992 figure of 512,000.
 - ▶ Finally, President Clinton has taken executive action, including: collections from federal payments such as income tax refunds and employee salaries, and steps to deny federal loans to delinquent parents. The federal government collected over \$1.1 billion in delinquent child support from federal income tax refunds for tax year 1997, a 70 percent increase since 1992.
- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and, provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and

promising teen pregnancy prevention strategies, including working with boys and young men on pregnancy prevention strategies. The National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1996 State of the Union. In 1997, the President announced the National Strategy to Prevent Teen Pregnancy. The first annual report on this Strategy reported that HHS-supported programs already reach at least 31 percent or 1,470 communities in the United States. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen six years in a row, by 15 percent from 1991 to 1997. And, teen pregnancy rates are at their lowest level in 20 years.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. In 1998, the President continued his proposals to reverse unfair cuts in benefits to legal immigrants. The Administration's FY 2000 budget would build on this progress by restoring important disability, health, and nutrition benefits to additional categories of legal immigrants, at a cost of \$1.3 billion over five years.

- **Disability and Health:** The Balanced Budget Act of 1997 and the Noncitizen Technical Amendment Act of 1998 invested \$11.5 billion to restore disability and health benefits to 380,000 legal immigrants who were in this country before welfare reform became law (August 22, 1996). The President's FY 2000 Budget would restore eligibility for SSI and Medicaid to legal immigrants who enter the country after that date if they have been in the United States for five years and become disabled after entering the United States. This proposal would cost approximately \$930 million and assist an estimated 54,000 legal immigrants by 2004, about half of whom would be elderly.
- **Nutritional Assistance:** The Agricultural Research Act of 1998 provided Food Stamps for 225,000 legal immigrant children, senior citizens, and people with disabilities who enter the United States by August 22, 1996. The President's FY 2000 Budget would extend this provision by allowing legal immigrants in the United States on August 22, 1996 who subsequently reach age 65 to be eligible for Food Stamps at cost of \$60 million, restoring benefits to about 20,000 elderly legal immigrants by 2004..
- **Health Care for Children and Pregnant Women:** Under current law, states have the option to provide health coverage to immigrant children and pregnant women who entered the country before August 22, 1996. The President's FY 2000 Budget gives states the option to extend Medicaid or CHIP coverage to low-income legal immigrant children and Medicaid to pregnant women who entered the country after August 22, 1996. The proposal would cost \$325 million and provide critical health insurance to approximately 55,000 children and 23,000 women by FY 2004. This proposal would reduce the number of high-risk pregnancies, ensure healthier children, and lower the cost of emergency Medicaid deliveries.
- **Helping People Who Want to Work but Can't Find a Job:** The Balanced Budget Act, as amended by the Agricultural Research Act, also restored \$1.3 billion in food stamp cuts. The welfare reform law restricts food stamps to 3 out of every 36 months for able-bodied childless adults, unless they were working. Acknowledging that finding a job often takes time, the BBA provided funds for work slots and food stamp benefits to help those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.

WR - accomplishments

Clinton-Gore Accomplishments Reforming Welfare

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. The latest caseload numbers, released in August, show that welfare caseloads fell by 5.7 million since President Clinton took office and 3.8 million since he signed the welfare reform law. The new figures, from June 1998, show 8.4 million people on welfare, a drop of more than 41 percent from January 1993. This historic decline occurred in

response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Two Years Later, Millions of Welfare Recipients are Working:** In August 1998, the President released the First Annual Report to Congress on the Temporary Assistance for Needy Families program showing a dramatic increase in the number of welfare recipients who have gone to work since he signed the welfare law in August 1996. Data from the Census Bureau's Current Population Survey show that the rate of employment of individuals on welfare in one year who were working in the following year increased by nearly 30 percent between 1996 and 1997. As a result, 1.7 million adults on welfare in 1996 were working in March 1997.
- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership grew to 5,000 within one year, and now includes over 6,000 businesses. In 1997 these businesses hired 135,000 welfare recipients and the President has challenged them to double their efforts to 270,000 in 1998. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number, a web site, a "Blueprint for Business" manual, and a new report called The Road to Retention on businesses whose retention rates for former welfare recipients are higher than the retention rates for other new hires.
- **Connecting Small Businesses with New Workers:** The Small Business Administration is reaching out to small businesses throughout the country to help them connect with job-ready welfare recipients. In addition, SBA assists welfare recipients who wish to start their own businesses.
- **Mobilizing Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition focuses on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.
- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at

least 10,000 welfare recipients in the next four years. Already, the federal government has hired nearly 6,200 welfare recipients, 58 percent of its planned hires. As a part of this effort, the White House pledged to hire six welfare recipients and has already exceeded this goal.

- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients, and certain non-custodial parents, into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects. The President announced the first round of 49 innovative competitive grants on May 27th.
- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits through April 2000.
- **Welfare-to-Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare-to-Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are

poorly served by existing transit routes. To help those on welfare get to work, President Clinton proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. The Transportation Equity Act for the 21st Century (TEA-21), which the President signed on June 9th, authorizes \$750 million over five years for the President's initiative and reverse commute grants. Of this amount, \$50 million is guaranteed funding in FY 1999, rising to \$150 million in 2003. The Job Access competitive grants will assist states and localities in developing flexible transportation alternatives, such as van services, for welfare recipients and other low income workers.

- **Eliminating Anti-Work and Anti-Family Rules that Denied Families Health Coverage:** In August 1998, the President eliminated a vestige of the old welfare system by announcing that the Department of Health and Human Services will revise its regulations to allow all states to provide Medicaid coverage to working, two-parent families who meet State income eligibility. Under the old welfare regulations, adults in two-parent families who worked more than 100 hours per month could not receive Medicaid regardless of income level, while there were no such restrictions on single-parent families. Because these regulations provided disincentives to marriage and full-time work, the Administration allowed a number of states to waive this rule. The new regulation eliminates this rule for all States, providing health coverage for more than 130,000 working families to help them stay employed and off welfare.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 68% Increase in Collections:** The Clinton Administration collected a record \$13.4 billion in child support in 1997 through tougher enforcement, an increase of \$5.4 billion, or 68% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. In addition, a new collection system proposed by the President in 1994 and enacted as part of the 1996 welfare reform law located one million delinquent parents in its first nine months of operation. This National Directory of New Hires helps track parents across state lines by enabling child support officials to match records of delinquent parents with wage records from throughout the nation. Approximately one-third of all child support cases involve parents living in different states. In June 1998, the President signed the Deadbeat Parents Punishment Act, a law based on his 1996 proposal for tougher penalties for parents who repeatedly fail to support children living in another state or who flee across state lines to avoid

supporting them. This new law creates two new felonies, with penalties of up to two years in prison, for egregious child support evaders who travel across state or country lines to evade child support obligations, or who have an unpaid obligation to a child living in another state that is more than \$10,000 or has remained unpaid for more than two years.

Increasing Parental Responsibility: The President's unprecedented and sustained campaign to ensure parents financially support their children is working. Paternity establishment, often the crucial first step in child support cases, has dramatically increased, due in large part to the in-hospital voluntary paternity establishment program begun in 1994 by the Clinton Administration. In 1997, the number of paternities established or acknowledged rose to a record 1.3 million, two and a half times the 1992 figure of 512,000. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries, and taking steps to deny Federal loans to any delinquent parents. The welfare reform law contains tough child support measures that President Clinton has long supported including: the national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies, including working with boys and young men on pregnancy prevention strategies. In 1997, the President announced the National Strategy to Prevent Teen Pregnancy, mandated in the welfare reform law. It reported that HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996. And, teen pregnancy rates have decreased significantly from 1992-1995 in

each of the 42 states that report data to Centers for Disease Control.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. In 1998, the President continues to reverse unfair cuts in benefits to legal immigrants.

- **Restoring Food Stamp Benefits for Legal Immigrants:** In June 1998, the President signed the Agricultural Research Act into law, which restores food stamp benefits to 250,000 elderly, disabled, and other needy legal immigrants, including 75,000 children, who lawfully resided in the U.S. as of August 22, 1996 and lost assistance as a result of cuts in the 1996 welfare law that had nothing to do with welfare reform. It restores benefits to Hmong immigrants from Laos who aided our country during the Vietnam War and extends the period during which refugees and asylees may qualify for Food Stamps while they await citizenship. This law funds a significant part of the President's 1999 budget proposal to restore food stamp benefits to 730,000 legal immigrants, but the President's budget proposal would go further by covering families with children regardless of the date they entered the U.S. This restoration builds on the President's success last year in restoring SSI and Medicaid to 420,000 legal immigrants whose benefits were also terminated in welfare reform (see below).
- **Protects Legal Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants whose benefits were also terminated in welfare reform. This law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Protects Children by Keeping the Medicaid Guarantee:** The BBA preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act (BBA), as amended by the Agricultural Research Act, also restored \$1.3 billion in food stamp cuts. The welfare reform law restricted

food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The BBA provided funds for work slots and food stamp benefits to help those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.

8/25/98

Andrea Kane

01/15/04 10:52

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: Use this version--Updated WR Accomplishments

Latest version--includes new teen pregnancy data, federal hiring numbers, and changes to last bullet on food stamps to reflect Ag Research amendments. Chandler/Kelly, please post to web site.

Thanks



welsum14.wp

Message Sent To:

Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Lee Ann Brackett/OVP @ OVP
Thomas M. Rosshirt/OVP @ OVP
Robin J. Bachman/WHO/EOP
Chandler G. Spaulding/WHO/EOP
Kelly Skoloda/OA/EOP
Anil Kakani/OMB/EOP
Maureen H. Walsh/OMB/EOP
Jack A. Smalligan/OMB/EOP
Joseph C. Fanaroff/WHO/EOP
Bruce N. Reed/OPD/EOP
Elena Kagan/OPD/EOP
Jlombard @ acf.dhhs.gov @ inet
mkharfen @ acf.dhhs.gov @ inet
Paul_A. Leonard @ HUD.gov @ inet
linda.lawson @ ost.dot.gov @ inet
corine.hegland @ ost.dot.gov @ inet
Julie.Anderson @ ost.dot.gov @ inet
dana.colarulli @ sba.gov @ inet
William H. White Jr./WHO/EOP
Joanne.Whitman @ npr.gov @ inet
susan.valaskovic @ npr.gsa.gov @ inet
edahl @ os.dhhs.gov @ inet

CLINTON-GORE ACCOMPLISHMENTS

REFORMING WELFARE

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. The latest caseload numbers, announced May 27th, show that welfare caseloads fell by 5.2 million since President Clinton took office and 3.3 million since he signed the welfare reform law. The new figures, from March 1998, show 8.9 million people on welfare, a drop of more than 37 percent from January 1993. This historic decline occurred in response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership has grown to 5,000 businesses within one year. In 1997 these businesses hired 135,000 welfare recipients and the President has challenged them to double their efforts to 270,000 in 1998. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number, a web site, a "Blueprint for Business" manual, and a new report called The Road to Retention on businesses whose retention rates for former welfare recipients are higher than the retention rates for other new hires.
- **Connecting Small Businesses with New Workers:** The Small Business Administration is reaching out to small businesses throughout the country to help them connect with job-ready welfare recipients. In addition, SBA assists welfare recipients who wish to start their own businesses.
- **Mobilizing Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition focuses on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.
- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired over 5,000 welfare recipients, 48 percent of its planned hires. As a part of this effort, the White House pledged to hire six welfare recipients and has already exceeded this goal.
- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients, and certain non-custodial parents, into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects. The

President announced the first round of 49 innovative competitive grants on May 27th.

- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits through April 2000.
- **Welfare-to-Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare-to-Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to work, President Clinton proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. The Transportation Equity Act for the 21st Century (TEA-21), which the President signed on June 9th, authorizes \$750 million over five years for the President's initiative and reverse commute grants. Of this amount, \$50 million is guaranteed funding in FY 1999, rising to \$150 million in 2003. The Job Access competitive grants will assist states and localities in developing flexible transportation alternatives, such as van services, for welfare recipients and other low income workers.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 68% Increase in Collections:** The Clinton Administration collected a record \$13.4 billion in child support in 1997 through tougher enforcement, an increase of \$5.4 billion, or 68% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. In addition, a new collection system proposed by the President in 1994 and enacted as part of the 1996 welfare reform law located one million delinquent parents in its first nine months of operation. This National Directory of New Hires helps track parents across state lines by enabling child support officials to match records of delinquent parents with wage records from throughout the nation. Approximately one-third of all child support cases involve parents living in different

states. In June 1998, the President signed the Deadbeat Parents Punishment Act, a law based on his 1996 proposal for tougher penalties for parents who repeatedly fail to support children living in another state or who flee across state lines to avoid supporting them. This new law creates two new felonies, with penalties of up to two years in prison, for egregious child support evaders who travel across state or country lines to evade child support obligations, or who have an unpaid obligation to a child living in another state that is more than \$10,000 or has remained unpaid for more than two years.

Increasing Parental Responsibility: The President's unprecedented and sustained campaign to ensure parents financially support their children is working. Paternity establishment, often the crucial first step in child support cases, has dramatically increased, due in large part to the in-hospital voluntary paternity establishment program begun in 1994 by the Clinton Administration. In 1997, the number of paternities established or acknowledged rose to a record 1.3 million, two and a half times the 1992 figure of 512,000. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries, and taking steps to deny Federal loans to any delinquent parents. The welfare reform law contains tough child support measures that President Clinton has long supported including: the national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies, including working with boys and young men on pregnancy prevention strategies. In 1997, the President announced the National Strategy to Prevent Teen Pregnancy, mandated in the welfare reform law. It reported that HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996. And, teen pregnancy rates have decreased significantly from 1992-1995 in each of the 42 states that report data to Centers for Disease Control.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. In 1998, the President continues to reverse unfair cuts in benefits to legal immigrants.

- **Restoring Food Stamp Benefits for Legal Immigrants:** In June 1998, the President signed the Agricultural Research Act into law, which restores food stamp benefits to 250,000 elderly, disabled, and other needy legal immigrants, including 75,000 children, who lawfully resided in the U.S. as of August 22, 1996 and lost assistance as a result of cuts in the 1996 welfare law that had nothing to do with welfare reform. It restores benefits to Hmong immigrants from Laos who aided our country during the Vietnam War and extends the period during which refugees and asylees may qualify for Food Stamps while they await citizenship. This law funds a significant part of the President's 1999 budget proposal to restore food stamp benefits to 730,000 legal immigrants, but the President's budget proposal would go further by covering families with children regardless of the date they entered the U.S. This restoration builds on the President's success last year in restoring SSI and Medicaid to 420,000 legal immigrants whose benefits were also terminated in welfare reform (see below).
- **Protects Legal Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants whose benefits were also terminated in welfare reform. This law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Protects Children by Keeping the Medicaid Guarantee:** The BBA preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act (BBA), as amended by the Agricultural Research Act, also restored \$1.3 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The BBA provided funds for work slots and food stamp benefits to help those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who

would otherwise be denied benefits as a result of the "3 in 36" limit.

7/08/98

Andrea Kane

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: Updated Welfare Reform Accomplishments document

Here is a revised version of our accomplishment document, updated to reflect passage of TEA-21, and signing of Ag Research and Deadbeat Parent bills. Please let me know if you have any comments. Lynn and Lee Anne, this is good to go for Texas event. Chandler, please update the link on our web site to this revised document.



welsum13.wp

Message Sent To:

Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Lee Ann Brackett/OVP @ OVP
Thomas M. Rosshirt/OVP @ OVP
Robin J. Bachman/WHO/EOP
Chandler G. Spaulding/WHO/EOP
Emil E. Parker/OPD/EOP
Anil Kakani/OMB/EOP
Maureen H. Walsh/OMB/EOP
Jack A. Smalligan/OMB/EOP
Joseph C. Fanaroff/WHO/EOP
Bruce N. Reed/OPD/EOP
Elena Kagan/OPD/EOP
Jlombard @ acf.dhhs.gov @ inet
mkharfen @ acf.dhhs.gov @ inet
Paul_A. Leonard @ HUD.gov @ inet
linda.lawson @ ost.dot.gov @ inet
corine.hegland @ ost.dot.gov @ inet
Julie.Anderson @ ost.dot.gov @ inet
dana.colarulli @ sba.gov @ inet
William H. White Jr./WHO/EOP
Joanne.Whitman @ npr.gov @ inet
susan.valaskovic @ npr.gsa.gov @ inet
edahl @ os.dhhs.gov @ inet

Clinton-Gore Accomplishments Reforming Welfare

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. The latest caseload numbers, announced May 27th, show that welfare caseloads fell by 5.2 million since President Clinton took office and 3.3 million since he signed the welfare reform law. The new figures, from March 1998, show 8.9 million people on welfare, a drop of more than 37 percent from January 1993. This historic decline occurred in

response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership has grown to 5,000 businesses within one year. In 1997 these businesses hired 135,000 welfare recipients and the President has challenged them to double their efforts to 270,000 in 1998. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number, a web site, a "Blueprint for Business" manual, and a new report called The Road to Retention on businesses whose retention rates for former welfare recipients are higher than the retention rates for other new hires.
- **Connecting Small Businesses with New Workers:** The Small Business Administration is reaching out to small businesses throughout the country to help them connect with job-ready welfare recipients. In addition, SBA assists welfare recipients who wish to start their own businesses.
- **Mobilizing Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition focuses on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.
- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired over 4,811 welfare recipients, 45 percent of its planned hires. As a part of this effort, the White House pledged to hire six welfare recipients and has already exceeded this goal.
- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients, and certain non-custodial parents, into lasting,

unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects. The President announced the first round of 49 innovative competitive grants on May 27th.

- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits through April 2000.
- **Welfare-to-Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare-to-Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to work, President Clinton proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. The Transportation Equity Act for the 21st Century (TEA-21), which the President signed on June 9th, authorizes \$750 million over five years for the President's initiative and reverse commute grants. Of this amount, \$50 million is guaranteed funding in FY 1999, rising to \$150 million in 2003. The Job Access competitive grants will assist states and localities in developing flexible transportation alternatives, such as van services, for welfare recipients and other low income workers.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 68% Increase in Collections:** The Clinton Administration collected a record \$13.4 billion in child support in 1997 through tougher enforcement, an increase of \$5.4 billion, or 68% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. In addition, a new collection system proposed by the President in 1994 and enacted as part of the 1996 welfare reform law located one million delinquent parents in its first nine months of operation. This National Directory of New Hires helps track parents across state lines by enabling child support officials to match records of delinquent parents with wage records from throughout the nation. Approximately one-third of all child support cases involve parents living in different states. In June 1998, the President signed the Deadbeat Parents Punishment Act, a law based on his 1996 proposal for tougher penalties for parents who repeatedly fail to support children living in another state or who flee across state lines to avoid supporting them. This new law creates two new felonies, with penalties of up to two years in prison, for egregious child support evaders who travel across state or country lines to evade child support obligations, or who have an unpaid obligation to a child living in another state that is more than \$10,000 or has remained unpaid for more than two years.

Increasing Parental Responsibility: The President's unprecedented and sustained campaign to ensure parents financially support their children is working. Paternity establishment, often the crucial first step in child support cases, has dramatically increased, due in large part to the in-hospital voluntary paternity establishment program begun in 1994 by the Clinton Administration. In 1997, the number of paternities established or acknowledged rose to a record 1.3 million, two and a half times the 1992 figure of 512,000. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries, and taking steps to deny Federal loans to any delinquent parents. The welfare reform law contains tough child support measures that President Clinton has long supported including: the national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies, including working with boys and young men on pregnancy prevention strategies. In 1997, the President announced the National Strategy to Prevent Teen Pregnancy, mandated in the welfare reform law. It reported that HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. In 1998, the President continues to reverse unfair cuts in benefits to legal immigrants.

- **Restoring Food Stamp Benefits for Legal Immigrants:** In June 1998, the President signed the Agricultural Research Act into law, which restores food stamp benefits to 250,000 elderly, disabled, and other needy legal immigrants, including 75,000 children, who lawfully resided in the U.S. as of August 22, 1996 and lost assistance as a result of cuts in the 1996 welfare law that had nothing to do with welfare reform. It restores benefits to Hmong immigrants from Laos who aided our country during the Vietnam War and extends the period during which refugees and asylees may qualify for Food Stamps while they await citizenship. This law funds a significant part of the President's 1999 budget proposal to restore food stamp benefits to 730,000 legal immigrants, but the President's budget proposal would go further by covering families with children regardless of the date they entered the U.S. This restoration builds on the President's success last year in restoring SSI and Medicaid to 420,000 legal immigrants whose benefits were also terminated in welfare reform (see below).

- **Protects Legal Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants whose benefits were also terminated in welfare reform. This law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Protects Children by Keeping the Medicaid Guarantee:** The BBA preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act (BBA) also restored \$1.5 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The BBA provided funds for an estimated 235,000 work slots over 5 years and food stamp benefits to those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.

6/25/98

Andrea Kane

Record Type: Record

To: Kevin S. Moran/WHO/EOP

cc: See the distribution list at the bottom of this message

Subject: Welfare Reform Accomplishments 



welsum8.wp

Here's the latest version. No major changes since State of the Union except we've updated number of businesses who've joined the welfare to work partnership and number of federal welfare to work hires, and included latest child support numbers. Welfare caseload numbers have not changed. We expect to release new ones at 5/27 welfare to work partnership event and will be updating this document again then.

Message Copied To:

Robin J. Bachman/WHO/EOP
Cynthia A. Rice/OPD/EOP
Emil E. Parker/OPD/EOP
Anil Kakani/OMB/EOP
Diana Fortuna/OPD/EOP
Jonathan Orszag/OPD/EOP
Laura Emmett/WHO/EOP
Bruce N. Reed/OPD/EOP
Joshua Silverman/WHO/EOP
Nanda Chitre/WHO/EOP

CLINTON-GORE ACCOMPLISHMENTS

REFORMING WELFARE

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care and guaranteed medical coverage. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. New caseload numbers show that welfare caseloads fell by 4.3 million since President Clinton took office and 2.4 million in the first 13 months of the new law. The new figures, from September 1997, show 9.8 million Americans on welfare, a drop of more than 30 percent from January 1993. This historic decline occurred in response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership now has over 4,000 members. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number (1-888-USAJOB1), the Partnership's Web site (www.welfaretowork.org) and a "Blueprint for Business" manual.

... **and Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition will focus on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.
- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired over 3,600 welfare recipients. As a part of this effort, the White House pledged, and has already hired, six welfare recipients.
- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects.
- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits for an additional year.

- **Welfare to Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare to Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to their jobs, President Clinton has proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. This competitive grant program would assist states and localities in developing flexible transportation alternatives, such as van services.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 68% Increase in Collections:** The Clinton Administration collected a record \$13.4 billion in child support in 1997 through tougher enforcement, an increase of \$5.4 billion, or 68% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. And paternity establishment, often the first crucial step in child support cases, has dramatically increased. In 1997, the number of paternities established or acknowledged rose to 1.1 million from 512,000 in 1992, an increase of 115%.

Making Deadbeat Parents Pay: The President's unprecedented and sustained campaign to make deadbeat parents pay is working. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries; taking steps to Federal deny loans to any delinquent parents; issuing an executive order making the Federal government a model employer in the area of child support enforcement. The President also directed the Attorney General to submit legislation that strengthens the Child Support Recovery Act by prosecuting more parents who take egregious actions to avoid paying child support. And most significantly, the welfare reform law contains tough child support measures that President Clinton has long supported including: a national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies; HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. And now, with his 1999 budget, he's continuing the fight.

- **Protects Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants. The new law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act (BBA) also restored \$1.5 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The BBA provided funds for an estimated 235,000 work slots over 5 years and food stamp benefits to those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.
- **Food Stamps for Legal Immigrants:** The President's 1999 budget proposes to restore Food Stamp benefits for vulnerable groups of legal immigrants. The President's proposals would provide Food Stamp benefits to 730,000 legal immigrants in 1999 at a cost of \$2.5 billion over 5 years. Specifically, benefits would be restored for: all families with children; immigrants with disabilities and elderly immigrants age 65 and older who entered the U.S. before welfare reform was enacted, on the same basis as the SSI and Medicaid restorations in the 1997 BBA; refugees and asylees, whose eligibility would be extended from 5 to 7 years; Hmong immigrants who came to the U.S. after the Vietnam war; and certain Native Americans living along the Canadian and Mexican borders.
- **Protects Children by Keeping the Medicaid Guarantee:** The BBA preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage. The President's 1999 budget proposes to provide States the option to provide health care coverage through Medicaid and the Children's Health Insurance Program (CHIP) for legal immigrant children, regardless of when they entered the U.S.

2/9/98

CLINTON-GORE ACCOMPLISHMENTS REFORMING WELFARE

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care and guaranteed medical coverage. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. New caseload numbers show that welfare caseloads fell by 4.3 million since President Clinton took office and 2.4 million in the first 13 months of the new law. The new figures, from September 1997, show 9.8 million Americans on welfare, a drop of more than 30 percent from January 1993. This historic decline occurred in response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership now has nearly 3,000 members. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number (1-888-USAJOB1), the Partnership's Web site (www.welfaretowork.org) and a "Blueprint for Business" manual.

... **and Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition will focus on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.

- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired 2,400 welfare recipients. As a part of this effort, the White House pledged, and has already hired, six welfare recipients.
- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor will provide oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects.
- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits for an additional year.

- **Welfare to Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare to Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to their jobs, President Clinton has proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. This competitive grant program would assist states and localities in developing flexible transportation alternatives, such as van services.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 63% Increase in Collections:** The Clinton Administration collected a record \$13 billion in child support in 1997 through tougher enforcement, an increase of \$5 billion, or 63% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. And paternity establishment, often the first crucial step in child support cases, has dramatically increased. In 1997, the number of paternities established or acknowledged rose to 1.1 million from 512,000 in 1992, an increase of 115%.

Making Deadbeat Parents Pay: The President's unprecedented and sustained campaign to make deadbeat parents pay is working. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries; taking steps to Federal deny loans to any delinquent parents; issuing an executive order making the Federal government a model employer in the area of child support enforcement. The President also directed the Attorney General to submit legislation that strengthens the Child Support Recovery Act by prosecuting more parents who take egregious actions to avoid paying child support. And most significantly, the welfare reform law contains tough child support measures that President Clinton has long supported including: a national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies; HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. And now, with his 1999 budget, he's continuing the fight.

- **Protects Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants. The new law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act also restored \$1.5 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The Balanced Budget Act provided funds for an estimated 235,000 work slots over 5 years and food stamp benefits to those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.
- **Food Stamps for Legal Immigrants:** The President's 1999 budget proposes to restore Food Stamp benefits for vulnerable groups of legal immigrants. The President's proposals would provide Food Stamp benefits to 730,000 legal immigrants in 1999 at a cost of \$2.5 billion over 5 years. Specifically, benefits would be restored for: all families with children; immigrants with disabilities and elderly immigrants age 65 and older who entered the U.S. before welfare reform was enacted, on the same basis as the SSI and Medicaid restorations in the 1997 Balanced Budget Act; refugees and asylees, whose eligibility would be extended from 5 to 7 years; Hmong immigrants who came to the U.S. after the Vietnam war; and certain Native Americans living along the Canadian and Mexican borders.
- **Protects Children by Keeping the Medicaid Guarantee:** The Balanced Budget Act preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage. The President's 1999 budget proposes to provide States the option to provide health care coverage through Medicaid and the Children's Health Insurance Program (CHIP) for legal immigrant children,

regardless of when they entered the U.S.

2/9/98

CLINTON-GORE ACCOMPLISHMENTS

REFORMING WELFARE

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act:** In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care and guaranteed medical coverage. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.
- **Law Builds on the Administration's Welfare Reform Strategy:** Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.
- **Largest Decline in the Welfare Rolls in History:** The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. New caseload numbers show that welfare caseloads fell by 4.3 million since President Clinton took office and 2.4 million in the first 13 months of the new law. The new figures, from September 1997, show 9.8 million Americans on welfare, a drop of more than 30 percent from January 1993. This historic decline occurred in response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Mobilizing the Business Community:** At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership now has nearly 3,000 members. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number (1-888-USAJOB1), the Partnership's Web site (www.welfaretowork.org) and a "Blueprint for Business" manual.

... **and Civic, Religious and Non-profit Groups:** The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition will focus on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.

- **Doing Our Fair Share with the Federal Government's Hiring Initiative:** Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired 2,400 welfare recipients. As a part of this effort, the White House pledged, and has already hired, six welfare recipients.
- **\$3 Billion to Help Move More People from Welfare to Work:** Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his \$3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor will provide oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects.
- **Tax Credits for Employers:** The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first \$10,000 in wages in the first year of employment, and 50 percent of the first \$10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to \$2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits for an additional year.

- **Welfare to Work Housing Vouchers:** In his FY 1999 budget, the President proposes \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.
- **Welfare to Work Transportation:** One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to their jobs, President Clinton has proposed a \$100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. This competitive grant program would assist states and localities in developing flexible transportation alternatives, such as van services.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 63% Increase in Collections:** The Clinton Administration collected a record \$13 billion in child support in 1997 through tougher enforcement, an increase of \$5 billion, or 63% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. And paternity establishment, often the first crucial step in child support cases, has dramatically increased. In 1997, the number of paternities established or acknowledged rose to 1.1 million from 512,000 in 1992, an increase of 115%.

Making Deadbeat Parents Pay: The President's unprecedented and sustained campaign to make deadbeat parents pay is working. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries; taking steps to Federal deny loans to any delinquent parents; issuing an executive order making the Federal government a model employer in the area of child support enforcement. The President also directed the Attorney General to submit legislation that strengthens the Child Support Recovery Act by prosecuting more parents who take egregious actions to avoid paying child support. And most significantly, the welfare reform law contains tough child support measures that President Clinton has long supported including: a national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional \$24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy:** Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides \$50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies; HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. And now, with his 1999 budget, he's continuing the fight.

- **Protects Immigrants Who Become Disabled and Those Currently Receiving Benefits:** The Balanced Budget Act of 1997 restored \$11.5 billion in SSI and Medicaid benefits for legal immigrants. The new law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.
- **Helps People Who Want to Work but Can't Find a Job:** The Balanced Budget Act also restored \$1.5 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The Balanced Budget Act provided funds for an estimated 235,000 work slots over 5 years and food stamp benefits to those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.
- **Food Stamps for Legal Immigrants:** The President's 1999 budget proposes to restore Food Stamp benefits for vulnerable groups of legal immigrants. The President's proposals would provide Food Stamp benefits to 730,000 legal immigrants in 1999 at a cost of \$2.5 billion over 5 years. Specifically, benefits would be restored for: all families with children; immigrants with disabilities and elderly immigrants age 65 and older who entered the U.S. before welfare reform was enacted, on the same basis as the SSI and Medicaid restorations in the 1997 Balanced Budget Act; refugees and asylees, whose eligibility would be extended from 5 to 7 years; Hmong immigrants who came to the U.S. after the Vietnam war; and certain Native Americans living along the Canadian and Mexican borders.
- **Protects Children by Keeping the Medicaid Guarantee:** The Balanced Budget Act preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage. The President's 1999 budget proposes to provide States the option to provide health care coverage through Medicaid and the Children's Health Insurance Program (CHIP) for legal immigrant children,

regardless of when they entered the U.S.

2/9/98