NLWJC - Kagan
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Welfare - Cessna Event

WR-Cessna event

THE WHITE HOUSE AT WORK

Monday, November 17, 1997

PRESIDENT CLINTON ANNOUNCES THAT 2,500 COMPANIES PLEDGE TO MOVE PEOPLE FROM WELFARE TO WORK

"Now I challenge every state: Turn those welfare checks into private sector paychecks. I challenge every religious congregation, every community nonprofit, every business to hire someone off welfare. And I'd like to say especially to every employer in our country who ever criticized the old welfare system, you can't blame that old system anymore, we have torn it down. Now do your part. Give someone on welfare the chance to go to work."

--President Clinton, The State of the Union Address, February 4, 1997

President Clinton traveled to Wichita, Kansas, to the Cessna Aircraft Company, to discuss the progress of his Administration's efforts to move people on welfare to work. The President announced that thousands of companies have pledged to hire new workers from the welfare rolls, and that the U.S. Chamber of Commerce is joining the effort. The President also announced new work-focused welfare reform rules that will provide state and local governments with flexibility to continue the decline in welfare rolls, which dropped another 236,000 in July.

Increases in Private Sectors Commitments from 105 to 2,500. On May 20th, 105 company executives joined the President at the White House to launch the Welfare to Work Partnership and pledged to enlist 1,000 companies within six months. Today, the President announced that over 2,500 companies have joined the Partnership and pledged to hire welfare recipients without displacing current employees.

A New U.S. Chamber of Commerce Welfare to Work Campaign. The U.S. Chamber of Commerce is launching a new campaign to enlist every local chamber of commerce in the welfare to work effort. The U.S. Chamber of Commerce released a letter sent to over 3,000 chambers of commerce urging their members to join the Welfare to Work Partnership and hire welfare recipients to fill critical labor shortages. The U.S. Chamber of Commerce is the world's largest business federation representing more than 3 million businesses and organizations of every size, sector, and region.

New Results-Focused Welfare to Work Rules. The President unveiled new federal welfare rules that underscore his commitment to moving welfare recipients to work and self-sufficiency. The rules provide additional guidance to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and to states and localities receiving grants from the $3 billion Welfare to Work (WtW) fund the President fought for and won in the Balanced Budget. The new TANF rules uphold the welfare law's strong emphasis on work by strengthening the law's incentives to increase the work participation rates among former recipients. In addition, both the TANF and Welfare to Work rules provide tremendous flexibility to state and local governments to decide what programs and services will best help families become self-sufficient.

Dramatic Declines in Welfare Caseloads. President Clinton announced today that welfare caseloads have declined another 236,000, bringing the total reduction to more than 3.8 million since he became President. This is a drop of 27 percent and the largest decline in history. In the 11 months from August 1996 when he signed welfare reform into law through July 1997 (the numbers released today), welfare rolls have declined over 1.9 million to just over 10.2 million people. Since 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more. The welfare caseloads, which fell by a record 1.9 million in the President's first three-and-a-half years in office, have dropped by 1.9 million <u>more</u> in the first 11 months of the new law's first year.

WR - cessna event

THE WHITE HOUSE

WASHINGTON

November 15, 1997

WELFARE TO WORK EVENT

DATE:	November 17, 1997
LOCATION:	Cessna Aircraft Company, Wichita, KS
EVENT TIME:	Tour 1:00 pm - 1:25 pm Event 1:25 pm - 2:25 pm
FROM:	Bruce Reed/Cynthia Rice

I. PURPOSE

To highlight the success of the Welfare to Work Partnership in increasing the number of businesses committed to hiring welfare recipients; announce new caseload reduction numbers; unveil new welfare regulations; and applaud the model welfare-to-work program at the Cessna Aircraft Company -- one of the founding members of the Welfare to Work Partnership.

II. BACKGROUND

You will make remarks to an audience of 400, including elected officials and the 200 Cessna employees who graduated from the company's welfare-to-work training program. The event will take place at the new state-of-the-art welfare-to-work training facility, called the 21st Street Learning Center, which will be officially dedicated at this event. The facility, which opened last month, will enable Cessna to double the size of its welfare-to-work program. Cessna will now train about 40 sheet metal assemblers and a dozen clerical workers at a time and provide on-site child care for the trainees' children. Cessna's sheet metal assembly program provides trainees a $6.50 an hour salary with health benefits, child care, and a guaranteed job upon completion of the program. The clerical skills training program does not pay trainees or guarantee them jobs, but provides free training and places graduates at companies throughout Wichita. The new facility was built by the city of Wichita using loan guarantees from HUD, and is part of a new Cessna campus which includes temporary housing for trainees (now under renovation) and a new subassembly plant.

You will announce that in six months over 2,500 companies from all 50 states have joined the Welfare to Work Partnership and pledged to hire new workers from the welfare rolls -- far exceeding the goal of 1,000 set at the May 20th launch of the Welfare to Work

Partnership. You will also praise the U.S. Chamber of Commerce's new campaign to enlist every local chamber of commerce in persuading their members to join the Welfare to Work Partnership and hire welfare recipients.

You will also announce that welfare caseloads have continued their dramatic decline, falling another 236,000 in the most recent month for which statistics are available and a full 1.9 million in the 11 months after you signed welfare reform into law. According to the new numbers, 10,258,000 people were on welfare in July, a 27 percent drop from the 14,115,000 on the rolls when you took office. Since January 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.

Finally, you will announce new work-focused welfare reform rules that will provide state and local governments with the flexibility to use federal resources effectively, while holding them accountable for results. These regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency.

While the new welfare regulations will not be the focus of your visit to Wichita, we arranged to unveil them on the same day as your visit to reinforce your commitment to work and welfare reform. There are two sets of new rules: proposed regulations from HHS to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and interim final regulations from the Department of Labor to states and localities receiving grants from the $3 billion Welfare to Work (WtW) fund you fought for and won in the Balanced Budget.

We were able to resolve all the issues with HHS in a way that we believe reinforces the importance of the law's work requirements while giving states flexibility to design programs and a fair opportunity to correct failures.

States that fail the work rates will be levied a penalty based on performance -- how far they were from meeting the rates. States will have the opportunity to correct or eliminate violations through a corrective compliance plan, and states that make substantial progress during their corrective compliance period will be eligible for a reduced or eliminated penalty. To protect states from an unreasonable risk, the penalty for failing to meet the two-parent participation rate will be proportional to the size of the caseload in the state.

The rule attempts to create a system of disincentives that will discourage states from trying to game the work requirements by steering hard-to-employ individuals to state maintenance-of-effort programs, where the work rates don't apply. If the Secretary finds that a state has diverted recipients into a state program to evade the full force of the work requirements, she will refuse to reduce or limit the size of any penalties levied for failing to meet the work rates or time limits.

The regulation, like the law, allows states to reduce the required work participation rate by the percent the caseload has declined since 1995, so long as the lower caseloads are not due to new eligibility restrictions. HHS initially proposed that states should not get a caseload reduction credit for enforcement measures like fingerprinting, but ultimately agreed to change this position.

We were able to agree on a proposal to incorporate some of Senator Murray's concerns about victims of domestic violence. Under the new proposed rules, a state will not be penalized for failing to meet work requirements or time limits if its failure to do so is attributable to waiving these requirements for victims of domestic violence -- provided that these waivers are temporary and accompanied by services to help the individual prepare for work and self-sufficiency.

The Department of Labor rules for the $3 billion welfare to work grants will ensure that grant recipients have the tools they need to move hard-to-employ, long-term welfare recipients to work. The rules provide great flexibility to state and local governments to decide what programs and services will best help these families become self-sufficient. They encourage collaboration among local agencies to ensure that child care, substance abuse treatment, and transportation needs are addressed. And they ensure that these funds are targeted to hard-to-employ welfare recipients -- generally those with poor education, low skills, and little job experience -- who need help the most and whom the program was designed to serve.

These Department of Labor rules apply to both the funds that will be awarded competitively (about 25 percent of the total) and those distributed according to the statutory formula. As you know, 85 percent of the formula funds will be distributed to Private Industry Councils, and 15 percent will be retained by the states. Both states and PICs may contract with other service providers. We plan to release an application for the competitive funds next month.

III. PARTICIPANTS

Briefing Participants:
Doug Sosnik
Cynthia Rice

Event Participants:
Secretary Glickman
Secretary Herman
Michael Starnes, U.S. Chamber of Commerce Chairman and CEO of M.S. Carriers Inc., a trucking Company in Memphis Tennessee.
Russ Meyer, Jr., Chairman and CEO of Cessna
Tanya Oden, former welfare recipient now working in Cessna Plant.
Jodee Bradley, former welfare recipient now working in Cessna training program.

Also Seated on Stage:
Eli Segal, President and CEO of the Welfare to Work Partnership

John Moore, Vice President of Cessna

*Members of Congress and all other elected officials will be seated in the front row.

IV. PRESS PLAN

Tour of Training Facility: Pool Press
Tour of Child Care Facility: Still Photos
Event Program: Open Press

V. SEQUENCE OF EVENTS

- Upon arrival, **you** will be greeted by Russ Meyer, Cessna CEO, and Eli Segal.
- **You** will briefly tour the training facility and then the child care facility.
- **You** will then meet and greet the stage participants in a holding room.
- **You** will be announced onto the stage accompanied by Russ Meyer and Cessna employees Tanya Oden and Jodee Bradley.
- Secretary Glickman will make remarks and introduce Secretary Herman.
- Secretary Herman will make remarks and introduce Michael Starnes, Chairman of the U.S. Chamber of Commerce.
- Michael Starnes, Chairman of the U.S. Chamber of Commerce, will make remarks.
- Russ Meyer, CEO of Cessna, will make remarks and introduce Tanya Oden.
- Tanya Oden, Inspector at Cessna Plant, will make remarks and introduce Jodee Bradley.
- Jodee Bradley, Materials Clerk in Cessna Training Facility, will make remarks.
- **Jodee Bradley and Tanya Oden will then present you with a model plane that represents the work of all the graduates of the training program. They will place the model plane on a table to be displayed on stage, and then return to their seats.*
- **You** will make remarks.
- **You** will work a ropeline and then depart.

VI. REMARKS

Remarks Provided by Jordan Tamagni in Speechwriting.

November 15, 1997

WELFARE TO WORK EVENT

DATE:	November 17, 1997
LOCATION:	Cessna Aircraft Company, Wichita, KS
EVENT TIME:	Tour 1:00 pm - 1:25 pm
	Event 1:25 pm - 2:25 pm
FROM:	Bruce Reed/Cynthia Rice

I. PURPOSE

To highlight the success of the Welfare to Work Partnership in increasing the number of businesses committed to hiring welfare recipients ~~to over 2,500, and to~~ ; to announce new caseload reduction numbers; unveil new welfare regulations; and applaud the model welfare to work program at the Cessna Aircraft Company -- one of the founding members of the Welfare to Work Partnership. ~~This is also an opportunity to unveil the new welfare regulations focused on work requirements.~~

II. BACKGROUND

You will make remarks to an audience of 400, including elected officials and approximately ~~400~~ 200 Cessna employees at who graduated ~~of the~~ from the company's welfare-to-work training program~~, and elected officials.~~ The event will take place ~~in~~ at the new ~~20,000 square foot~~ state-of-the-art welfare-to-work training facility, called the 21st Street Learning Center, which will be officially dedicated at this event. The facility, which opened last month, will enable Cessna to double the size of ~~their~~ its welfare to work program. Cessna will now train about 40 sheet metal assemblers and a dozen clerical workers at a time and provide on–site child care for the trainees' children. Cessna's sheet metal assembly program provides trainees a $6.50 an hour salary with health benefits, child care, and a guaranteed job upon completion of the program. The clerical skills training program does not pay trainees or guarantee them jobs, but provides free training and places graduates at companies throughout Wichita. ~~About 200 graduates of the program are now working at Cessna, at an average wage of $12 an hour, and about two dozen work at other nearby companies.~~ The new facility was built by the city of Wichita using loan guarantees from HUD, and is part of a new Cessna campus which includes temporary housing for trainees (now under renovation) and a new subassembly plant. ~~Cessna's efforts, begun in 1990, have been a key part of a successful effort to revitalize Wichita's 21st Street area.~~

~~Your speech will underscore that your leadership on welfare reform is producing dramatic results.~~ You will announce that in six months over 2,500 companies from all 50 states have joined the Welfare to Work Partnership and pledged to hire new workers from the welfare rolls -- far exceeding the goal of 1,000 a system of / that will discourage

to create disincentives ~~for~~ states

levied for failing to meet the work rates or time limits.

states should not get a caseload reduction credit for enforcement measures like fingerprinting, but ~~they~~ ultimately agreed to change ~~their~~ this position.

The rule ~~does make clear that states that fail the work requirements and fail to show substantial progress in moving families to self-sufficiency will incur financial penalties. It also~~ attempts ~~to discourage states~~ from trying to game the work requirements by steering hard-to-employ individuals to state maintenance of effort programs, where the work rates don't apply. If the Secretary finds that a state has ~~done so, and is liable for a penalty for failing to meet the work rates or time limits, then the Secretary will not be able to~~ reduce or limit the size of ~~the~~ any penalties ~~imposed. By law, states that are penalized must expend more of their own funds to make up the penalty amount, to ensure that families are not short-changed.~~

diverted recipients into a state program to evade ~~game~~ the full force of the work requirements, she will refuse to

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We were able to agree on a proposal to incorporate some of Senator Murray's concerns about victims of domestic violence. Under the new proposed rules, ~~if a state fails to meet the work participation rates or to comply with the time limit because it granted waivers of these requirements on the grounds of domestic violence, it will receive a reasonable cause exception to the penalty. Good cause domestic violence waivers must be temporary, granted appropriately, and~~ accompanied by services to help the individual prepare for work and self-sufficiency.

for victims

The Department of Labor rules for the $3 billion welfare to work grants will ensure that grant recipients have the tools they need to move hard-to-employ, long-term welfare recipients to work. The rules provide great flexibility to state and local governments to decide what programs and services will best help these families become self-sufficient. They encourage collaboration among local agencies to ensure that child care, substance abuse treatment, and transportation needs are addressed. And they ensure that these funds are targeted to hard-to-employ welfare recipients -- generally those with poor education, low skills, and little job experience -- who need help the most and whom the program was designed to serve.

These Department of Labor rules apply to both the funds ~~which~~ that will be awarded competitively (about 25 percent of the total) and those distributed according to the statutory formula. As you know, 85 percent of the formula funds will be distributed to Private Industry Councils, and 15 percent will be retained by the states. Both may contract with other service providers. We plan to release an application for the competitive funds next month.

states and PICs

III. PARTICIPANTS

to do so / or

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attributable

Briefing Participants:
Doug Sosnik
Cynthia Rice

Event Participants:

's new campaign to enlist every local chamber of commerce in persuading their members

set at the May 20th launch of the Welfare to Work Partnership. You will also praise the ~~decision of the~~ U.S. Chamber of Commerce to join the Welfare to Work Partnership. ~~The Chairman, Michael Starnes, will announce that the U.S. Chamber will work to enlist every local Chamber of Commerce in the welfare to work effort, and that the President of the U.S. Chamber has sent letters to every local Chamber urging them to create welfare to work programs with the businesses in their communities. The business members in developing welfare to work programs, and he has invited them to participate in a joint forum with the Partnership to learn more about how to do this.~~ and hire welfare recipients.

Put bracketed material in its own paragraph here

Finally, you ~~also~~ ~~At this event,~~ You will announce new work-focused welfare reform rules ~~which~~ that will ~~ensure~~ provide state and local governments ~~are accountable for results and have~~ the flexibility to use federal resources ~~most~~ effectively, while holding them accountable for results. These regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency. [You will also announce that welfare caseloads have continued their dramatic decline, falling ~~as much as~~ another 234,000 in the most recent month for which statistics are available and a full 1.9 million in the 11 months after you signed welfare reform into law ~~as they fell during the first three and a half years of your Presidency~~. According to the new numbers, 10,258,000 people were on welfare in July, a 27 percent drop from the 14,115,000 on the rolls when you took office. Since January 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.]

While the new welfare regulations will not be the focus of your visit to Wichita, we arranged to unveil them on the same day as your visit to reinforce your commitment to work and welfare reform. There are two sets of new rules: proposed regulations from HHS to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and interim final regulations from the Department of Labor to states and localities receiving grants from the $3 billion Welfare to Work (WtW) fund you fought for and won in the Balanced Budget.

We were able to resolve all the issues with HHS in a way that we believe reinforces the importance of the law's work requirements while giving ~~with flexibility for~~ states ~~appropriate~~ flexibility to design ~~welfare to work~~ programs and ~~to have~~ a fair opportunity to correct failures.

① States that fail the work rates will be ~~levied~~ ~~Penalty~~ a penalty based on performance -- how far they were from meeting the rates. ② States will have the opportunity to correct or eliminate violations through a corrective compliance plan, and states that make substantial progress during their corrective compliance period will be eligible for a reduced or eliminated penalty. To protect states from an unreasonable risk, the penalty for failing to meet the two-parent participation rate will be proportional to the size of the caseload in the state. ~~As you know, the welfare reform law requires states to put an increasing percentage of adults to work each year (25 percent of all families must work in fiscal year 1997 rising to 50 percent in 2002; 75 percent of two parent families must work in 1997, rising to 90 percent in 1999).~~ The regulation, like the law, allows states to reduce the required work participation rate by the percent the caseload has declined since 1995, so long as the lower caseloads are not due to new eligibility restrictions. HHS initially proposed that

Put this ← ¶ new paragraph just below the next one (on disincentives)

③

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Is there a reason why this is bolded?

VI. REMARKS

Remarks Provided by Jordan Tamagni in Speechwriting.

WR-Cessna event

THE PRESIDENT ANNOUNCES NEW WELFARE TO WORK COMMITMENTS
November 17, 1997

Today, President Clinton announced that in six months over 2,500 companies from all 50 states have pledged to hire new workers from the welfare rolls, far surpassing the goals set May 20th when the Welfare to Work Partnership was launched at the White House. The President praised a new campaign by the U.S. Chamber of Commerce to enlist every local chamber of commerce in the welfare to work effort. The President also unveiled new work-focused welfare reform rules that will provide state and local governments with the flexibility to use federal resources effectively, while holding them accountable for results. He also announced that welfare caseloads have continued their dramatic decline, dropping another 236,000 in the most recent month for which statistics are available and a full 1.9 million in the 11 months after he signed welfare reform into law. The President made these announcements in Wichita, Kansas at the dedication of a new welfare to work facility opened by Cessna Aircraft Company, one of the Welfare to Work Partnership's founding members.

The President Announces an Increase in Private Sectors Commitments from 105 to 2,500

On May 20th, 105 company executives joined the President at the White House to launch the Welfare to Work Partnership and pledged to enlist 1,000 companies within six months. Today, the President announced that over 2,500 companies have joined the Partnership and pledged to hire welfare recipients without displacing current employees.

The President Praises New U.S. Chamber of Commerce Welfare to Work Campaign

Today, the President praised the U.S. Chamber of Commerce's new campaign to enlist every local chamber of commerce in the welfare to work effort. U.S. Chamber of Commerce Chairman Michael S. Starnes appeared with the President today and released a letter sent to over 3,000 chambers of commerce urging their members to join the Welfare to Work Partnership and hire welfare recipients to fill critical labor shortages. The Chamber and the Partnership today announced plans for a welfare to work forum for the U.S. Chamber's members on February 23rd and a business-oriented welfare to work guide to be sent to every chamber in America early next year. The U.S. Chamber of Commerce is the world's largest business federation representing more than 3 million businesses and organizations of every size, sector, and region.

President Unveils New Results-Focussed Welfare to Work Rules

The President today unveiled new federal welfare rules that underscore his commitment to work and welfare reform. The rules provide additional guidance to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and to states and localities receiving grants from the $3 billion Welfare to Work (WtW) fund the President fought for and won in the Balanced Budget.

Overall, these regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency. The new TANF rules uphold the law's strong emphasis on work by underscoring the importance of the law's work participation rates. Under the TANF program enacted last year, states must put an increasing percentage of adults to work each year (25 percent of all families must work in fiscal year 1997 rising to 50 percent in 2002; 75 percent of two parent families must work in 1997, rising to 90 percent in 1999). The rules announced today provide a clear and firm structure of penalties for states that do not meet these critical work rules. A state that fails the work participation rates will be assessed a penalty based on the degree of noncompliance, but will be given an opportunity to correct the violation. If the state fails to make substantial progress, then it will have to pay the penalty (up to 5 percent of its welfare block grant, with higher penalties for repeat failures). By law, a state must increase its welfare spending by at least the amount of the penalty, to ensure that a state's failure to meet the law's expectations does not harm dependent families.

The new welfare rules ensure that states and localities have the flexibility they need to design welfare to work initiatives that meet individual needs and local conditions. Both the TANF and Welfare to Work rules provide tremendous flexibility to state and local governments to decide what programs and services will best help families become self-sufficient.

Both the TANF regulations (issued by the Department of Health and Human Services) and theWelfare to Work regulations (issued by the Department of Labor) are on display today at the Federal Register and will be published later this week.

The President Announces that Welfare Caseloads Continue their Dramatic Decline

President Clinton announced today that welfare caseloads have declined another 236,000, bringing the total reduction to more than 3.8 million since he became President, a drop of 27 percent. In the 11 months from August 1996 when he signed welfare reform into law through July 1997 (the numbers released today), welfare rolls have declined over 1.9 million to just over 10.2 million people. Since 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.

The new caseload numbers demonstrate the success of the welfare reform law. The welfare caseloads, which fell by a record 1.9 million in the President's first three-and-a-half years in office, have dropped by 1.9 million more in the first 11 months of the new law's first year. The total 3.8 million caseload decline is the largest in history. The numbers released today show that welfare rolls in Kansas dropped by 46 percent, or more than 40,000 people, between January 1993 and July 1997 and by 26 percent, or more than 16,000 people, in the last 11 months.

The President Dedicates New State-of-the-Art Welfare to Work Facility at Cessna

Today, the President dedicated Cessna Aircraft Company's new state-of-the-art facility to train welfare recipients for skilled production jobs at Cessna. The new 20,000 square foot facility will allow Cessna, one of the founding members of the Welfare to Work Partnership, to double its welfare to work program and provide on-site child care for the children of its trainees. The President hailed Cessna's model program for providing individualized training in sheet metal assembly, a salary with health benefits and child care, and a guaranteed job upon completion of the program. About 200 graduates of the program are now working at Cessna, at an average wage of $12 an hour. Cessna also sponsors a smaller, clerical skills training program -- also housed in the new facility -- which places graduates at companies throughout the city. The new facility was built by the city of Wichita using loan guarantees from the U.S. Department of Housing and Urban Development, and is part of a new Cessna campus which includes temporary housing for trainees (now under renovation) and a new subassembly plant. Cessna's efforts, begun in 1990, have played a key role in revitalizing Wichita's 21st Street area. Today, the President was joined in the dedication ceremony by Cessna CEO Russell W. Meyer, Jr. and two program graduates -- Tanya Oden, a 1997 graduate who is the first trainee to be promoted to inspector, and Jodee Bradley, a 1996 graduate who now mentors new trainees.

WR - Census event

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**: Last year 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, a performance bonus to reward states for moving welfare recipients into jobs, 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 and Work Opportunity 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**: From January 1993 to July 1997, the number of people receiving welfare benefits fell by 27 percent, or 3.8 million recipients -- the largest decline in the welfare rolls in history and the lowest percentage of the population on welfare since 1970. 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.

- **Mobilizing the Business Community**: To make welfare reform a success and help move a million people from welfare into the workforce by the year 2000, President Clinton has enlisted the business community's leadership. 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 pledged to reach 1,000 business within six months and by November over 2,500 companies had joined. 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 fourteen other civic groups.

- **Doing Our Fair Share with the Federal Government's Hiring Initiative**: Under the Clinton Administration, the Federal workforce has been reduced by more than 300,000 positions, the smallest the Federal government 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 2,000 welfare recipients, achieving in six months nearly 20 percent of the President's goal. As a part of this effort, the White House pledged, and has already hired, six welfare recipients.

- **Enforcing Child Support -- 50% Increase in Collections**: The Clinton Administration collected a record $12 billion in child support in 1996 through tougher enforcement, an increase of $4 billion, or nearly 50 percent, since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1996, the number of child support cases with collections rose to 4 million, an increase of 43 percent, from 2.8 million in 1992. And paternity establishment, often the first crucial step in child support cases, has dramatically increased. In 1996, the number of paternities established rose to nearly 1 million, almost double, from 516,000 in 1992.

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, but first, all states must enact the state laws to implement these tough new rules.

- **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 four years in a row, by 8 percent from 1991 to 1995.

BALANCED BUDGET HELPS MOVE PEOPLE FROM WELFARE TO WORK

- **$3 Billion to Help Move 1 Million People from Welfare to Work**: Because of the President's leadership, the balanced budget includes the total funding requested by the President for the creation of his $3 billion Welfare to Work Jobs Challenge 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.

- **A Welfare-to-Work Tax Credit for Employers**: This tax credit will give employers an added incentive to hire long-term welfare recipients by providing 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, paid to new hires who have received welfare for an extended period. The credit is for two years per worker to encourage not only hiring, but also retention.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment last year to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. After months of continuous refusals by the Congressional leadership to consider these changes, the President fought for and ultimately was successful in ensuring that the balanced budget protects the most vulnerable.

- **Protects Immigrants Who Become Disabled and Those Currently Receiving Benefits**: The balanced budget restores$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 balanced budget 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 restores $1.5 billion in food stamp cuts. Last year's welfare reform bill 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 budget bill provides 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. The balanced budget 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.

- **Protects Children by Keeping the Medicaid Guarantee**: The balanced budget preserves 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.

WR - Cervera event

Questions and Answers on Welfare Reform
November 17, 1997

Business Welfare to Work Commitments

Question: **How many companies have accepted the President's welfare to work challenge?**

Answer: Today, President Clinton announced that in six months over 2,500 companies have pledged to hire new workers from the welfare rolls -- far surpassing the six month goal of 1,000 set May 20th when the Welfare to Work Partnership was launched at the White House. The growth from 105 to 2,500 companies in just six months shows a tremendous private sector commitment to welfare reform.

Question: **What exactly have the 2,500 companies committed to?**

Answer: The 2,500 companies have already hired welfare recipients or have pledged to do so without displacing other workers.

Question: **What kind of companies are they?**

Answer: All kinds of companies, from all 50 states, have joined the Partnership. Twenty percent of them have more than 250 employees; 22 are Fortune 100 companies. Half are small companies, with 25 or fewer employees.

Question: **Is the Welfare to Work Partnership part of the White House?**

Answer: No. The Welfare to Work Partnership is an independent, nonpartisan, national effort of the American business community to help move those on public assistance into jobs in the private sector. The Partnership was formed in response to the President's challenge in his 1997 State of the Union speech to forge "a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work."

U.S. Chamber of Commerce Announcement

Question: **The President praised the Chamber of Commerce today for its commitment to welfare to work. What have they done?**

Answer: Today, the U.S. Chamber of Commerce launched a major campaign to enlist over 3,000 chambers of commerce in the welfare to work effort. In a letter sent today to all chambers of commerce in the nation, U.S. Chamber President Tom Donohue urged members to develop welfare to work programs in their communities and pledged to provide them with information and assistance to do so.

The U.S. Chamber of Commerce is teaming up with the Welfare to Work Partnership to distribute business-oriented welfare to work guides to every chamber in America by early 1998 and to sponsor a welfare to work forum at the chamber's annual meeting on February 23rd.

New Welfare to Work Rules

Question: The President referred to new welfare to work rules released today. What do the new rules do?

Answer: The President today unveiled new federal welfare reform rules that underscore his commitment to work and welfare reform. The rules provide additional guidance to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and to states and localities receiving Welfare to Work (WtW) grants enacted in the Balanced Budget Act. The rules are on public display at the Federal Register on Tuesday.

HHS Regulations

Question: **What's newsworthy about the HHS regulations?**

Answer: Not much is new substantively, since the statute itself was very clear, and the department has used its regulatory authority very sparingly to allow states maximum flexibility. But these regulations do restate the guidance given to states since the law's enactment, and restate the President's commitment to work and accountability. Overall, these regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency.

Question: **How do the rules underscore the President's commitment to work?**

Answer: The new HHS rules uphold the law's strong emphasis on work through their treatment of the law's work participation rates. Under the welfare reform signed into law by the President last year, states must put an increasing percentage of adults to work each year (25 percent of all families must work in fiscal year 1997 rising to 50 percent in 2002; 75 percent of two parent families must work in 1997, rising to 90 percent in 1999). The rules announced today provide a clear and firm structure of penalties for states that do not meet these critical work rules. A state that fails the work participation rates will be assessed a penalty based on degree of noncompliance, but will be given an opportunity to correct the violation. If the state fails to make substantial progress, then it will have to pay the penalty (up to 5 percent of its welfare block grant, with higher penalties for repeat failures). By law, a state must increase its welfare spending by at least the amount of the penalty, to ensure that a state's failure to meet the law's expectations does not harm dependent families.

Question: **Some observers still believe that the proposed regulations undercut the tough work requirements of welfare reform. Do you agree?**

Answer: No. We believe the proposed regulations are very tough on work requirements.

We're serious about imposing tough but fair penalties, the core feature of the proposed regulations. States can seek corrective compliance plans and reasonable cause exceptions for very limited, legitimate problems in meeting requirements. However, if a state tries to game the system or avoid work requirements -- and fails to show substantial progress in moving families to self-sufficiency --- they will incur financial penalties.

Question: **You say you're emphasizing accountability, and that you plan to penalize states that don't meet work rates. Why should we believe you, since you've never imposed any penalties before?**

Answer: We are serious about imposing penalties, because if states are not succeeding, then

families are not achieving self-sufficiency. That doesn't mean we are opposed to state flexibility: the Clinton administration has a track record of granting 43 states waivers of old federal red tape, more than the previous administrations combined. But if states try to evade work requirements or fail to help families get on the road to work, then they will face severe consequences.

Question: **What does this regulation mean for states failing to meet the two parent work rate?**

Answer: The proposed regulation closely tracks the law, balancing tough expectations for states to fulfill work requirements and fair opportunities to address problems. There are several provisions in the proposal that apply to two-parent families. Most notably, states can obtain a credit in their two-parent participation requirement for a reduction in their two-parent caseload, as specified in the statute.

Consistent with our previous guidance on this provision, our draft regulation requires states to calculate the reduction separately for all families and for two-parent families and apply the reductions, with exclusions for eligibility changes, to the respective participation rates.

In applying the penalty, if a state still fails to meet the minimum participation rate for two-parent families (75% for FY97 and FY98, 90% for FY99 and thereafter), then the proposal would take a 5 percent reduction in the block grant allocation proportional to their two-parent caseload (i.e., if a state's two-parent caseload is 10 percent, then the reduction would be 10 percent of 5 percent of the block grant allocation).

States also have the option to submit a corrective compliance plan to HHS that would contain measures to address the problem. States could also seek a reasonable cause exception from the Secretary if they can demonstrate a compelling reason why they should not receive a penalty.

Question: **Doesn't this interpretation mean that you're letting states off the hook on the**

first substantive requirement of the new law? How can you possibly say the Administration is committed to tough work requirements?

Answer: The law passed by Congress, at the request of the states, specifically required both a caseload reduction credit and a provision that requires the Secretary to consider severity in imposing the penalty. These regulations are our best reading of Congress' intent.

Overall, we believe these regulations strike the appropriate balance between accountability and state flexibility, and stress the importance of moving people from welfare to work. For example, the regulations allows "reasonable cause" exceptions for only very limited circumstances. We have also been clear that there will be severe consequences for states who try to evade the law's work requirements by setting up separate programs with state money.

Question: **States say the rules will stifle creativity, and impose restrictions on use of their own funds. Can you comment?**

Answer: The proposed regulations reinforce the balance between state flexibility and state accountability for success in moving families from welfare to work. Under this proposal, states and communities will have great flexibility in designing welfare-to-work strategies geared to the needs of their own welfare population and labor market. For example, states have complete flexibility to define the work activities listed in the law. Yet the proposal holds states accountable by attaching severe consequences for states diverting families from TANF to separate state programs in order to evade TANF's work requirements.

Question: **Senators Murray and Wellstone criticize you for not doing enough for domestic violence victims in these regulations. How do you respond?**

Answer: We believe that the proposed regulations comply with the intention of the family violence option, sponsored by Senators Murray and Wellstone. We are also confident that the proposal represents the right balance between protecting domestic violence victims and helping them obtain the work experience they need to become self-sufficient and independent. For states, the proposal offers an opportunity for a reasonable cause exception from penalties for failure to meet the work participation rates and five-year time limit, if the reason for non-compliance is the provision of appropriate services to victims of domestic violence.

Question: **Why did it take you so long --15 months -- to put out proposed regulations?**

Answer: We've been giving states guidance all along, but the issuance of these regulations was delayed because of the many important changes and technical amendments to the welfare reform law made in the Balanced Budget Act. That legislation was not passed until August, and we moved relatively quickly to get these regulations done.

Question: **I thought the Clinton Administration is for streamlining government -- why is the regulation so long?**

Answer: We have made every effort to use our regulatory authority sparingly, but in the areas we did issue regulations -- such as penalties for states that don't meet the law's work requirements -- wc felt an obligation to be clear. The length of the document reflects an attempt to set forth clearly both the proposed regulatory requirements and the rationale behind them. As you may know, Congress specified only limited authority to HHS to regulate the welfare program, and the Administration is committed to state flexibility. Nevertheless, Congress and the President expected accountability from the states to move families from welfare to work. The regulations closely track the new law, providing clarity to guide states for successful implementation of welfare reform while ensuring that states don't abuse that flexibility by actions that would gut the strong work requirements.

Dept. of Labor Regulations

Question: **What do the Department of Labor rules do?**

Answer: The Labor Department rules implement the $3 billion welfare to work fund the President fought for and won in the Balanced Budget Act. The new rules ensure that states and localities have the tools they need to move hard-to-employ, long-term welfare recipients to work. The rules provide tremendous flexibility to state and local governments to decide what programs and services will best help families become self-sufficient. They encourage collaboration among local agencies to ensure that child care, substance abuse treatment, and transportation needs are addressed. And they ensure that these funds are targeted to hard-to-employ welfare recipients -- generally those with poor education, low skills, and little job experience -- who need help the most.

Question: **What can the $3 billion welfare to work funds be used for?**

Answer: The funds can be used for a wide variety of work activities to help individuals achieve the ultimate goal of unsubsidized employment, including: job creation through public- or private-sector wage subsidies; on-the-job training; contracts with pubic or private providers of job readiness, job placement, and post-employment services; job vouchers for similar services; community service or work experience; or job retention and supportive services not otherwise available to the individuals receiving the WtW services.

Question: **Who operates these programs?**

Answer: About 25 percent of the $3 billion welfare to work funds will be awarded on a competitive basis to innovative local programs (the application for these competitive funds will be released next month). About 75 percent of the $3 billion funds are distributed according to a formula based on the number of people in poverty and on welfare. 85 percent of the formula funds will be distributed to Private Industry Councils, and 15 percent will be retained by the states, which may contract with other organizations.

Caseload Numbers

Question: **What are the new welfare caseload numbers released today?**

Answer: President Clinton announced today that welfare caseloads have declined another 236,000, bringing the total reduction to more than 3.8 million since he became President, a drop of 27 percent. In the 11 months from August 1996 when he signed welfare reform into law through July 1997 (the numbers released today), welfare rolls have declined over 1.9 million to just over 10.2 million. Since 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.

The new caseload numbers demonstrate the success of the welfare reform law. The welfare caseloads, which fell by a record 1.9 million in the President's first three-and-a-half years in office, have dropped by 1.9 million more in the first 11 months of the new law's first year. The total 3.8 million caseload decline is the largest in history.

Question: **Isn't the decline in caseloads due mainly to the good economy?**

Answer: According to a May report by the Council of Economic Advisors (CEA) about 40 percent of the reduction in the welfare rolls can be attributed to the strong economic growth during the Clinton Administration, nearly one-third can be attributed to waivers granted to states to test innovative strategies to move people from welfare to work, and the rest is attributed to other factors -- such as the Clinton Administration's decisions to increase the Earned Income Tax Credit, strengthen child support enforcement, and increase funding for child care.

Question: **How can you use the decline in the welfare caseloads as a measure of success when we don't know what's happening to these former recipients?**

Answer: Welfare caseloads are the best measure we have right now of the success of welfare reform. Not enough time has passed for full scale research studies to be completed to tell us what recipients are doing once they leave the rolls, but we do know that almost all have left the rolls voluntarily, since very few time limits of any kind have gone into effect yet. The natural inference is that the people leaving the welfare rolls have found better opportunities and more self-sufficient lives, and the preliminary studies we have support that conclusion.

Welfare Caseloads

	Baseline Recipients (Jan. 93)	Recipients (in month noted)	Percentage Drop	Decline since Jan. 93	Decline since Aug. 96
May 96 (data we had when law was signed)	14.115	12.499	11%	1.616	
Aug. 96* (when law was signed)	14.115	**12.202**	14%	**1.913**	
Jan. 97	14.115	11.360	20%	2.755	
Feb. 97	14.115	11:262	20%	2.853	
Mar. 97	14.115	11.156	21%	2.959	
Apr. 97	14.115	10.969	22%	3.146	1.233
May 97	14.115	10.748	24%	3.367	1.454
June 97	14.115	10.494	26%	3.621	1.708
July 97**	**14.115**	**10.258**	**27%**	**3.857**	**1.944**

*Note that when the welfare law was signed in August 1996, only had caseload data through the month of May 1996 was available. Thus, the public statements made at that time were based on that May 1996 data.

** Data released 11/17/97.

Welfare Caseloads as Percent of Population

Year	Welfare Caseload (millions)	Population (millions)	Percent
1969	6.706	202.677	3.3%
1970	8.466	205.052	4.1%
1971-1992	bet. 8-13	bet. 207-255	bet. 4.1-5.3%
1993	14.142	258.137	5.5%
1994	14.225	260.660	5.5%
1995	13.652	263.034	5.2%
1996	12.648	265.284	4.7%
July 1997*	10.258	266.789	3.8%

* Data released 11/17/97.

Question: **Which are the 16 states that have cut their rolls by 40 percent or more in the last four years?**

Answer: The 16 states are: Alabama, Colorado, Florida, Idaho, Indiana, Kansas, Massachusetts, Mississippi, North Dakota, Oklahoma, Oregon, South Carolina, Tennessee, Utah, Wisconsin, and Wyoming.

Question: **How does Kansas' caseload decline compare to the nation's?**

Answer: The numbers released today show that welfare rolls in Kansas dropped by 46 percent, or more than 40,000 people, between January 1993 and July 1997 -- far higher than the nationwide rate. In fact, welfare caseloads in Kansas have fallen nearly as much in 11 months (26 percent) as the U.S. caseload fell in four and a half years (27 percent).

Cessna's Welfare to Work Program

Question: **What's happening today in Wichita?**

Answer: Today, the President dedicated the Cessna Aircraft Company's new state-of-the-art facilities where welfare recipients are trained for skilled production jobs at Cessna. The new 20,000 square foot facility will allow Cessna, one of the founding members of the Partnership, to nearly double its welfare-to-work program, known as 21st Street, and provide on-site child care for the children of its trainees.

Question: **Why is Cessna's training program being touted?**

Answer: The President hailed Cessna's model program for providing individualized training in sheet metal assembly, a salary with health benefits and child care, and a guaranteed job upon completion of the program. With these new facilities, Cessna will also provide a positive living environment for those who may need it; housing on campus will be available for female trainees who may be in abusive living conditions or for trainees without reliable transportation. Additionally, Cessna's commitment to the community is laudable: by placing the training facilities and plant in an economically distressed part of Wichita, it has spurred economic revitalization in the 21st Street corridor.

Question: **What is the 21st Street training program?**

Answer: The 21st Street Training Program is a program that targets Wichita residents who are considered unemployable. It is designed to offer skills and training to people who cannot qualify for entry-level jobs and to provide them with an opportunity to achieve self-sufficiency. The "campus" is made up of two building: the sub-assembly plant and the Learning Center which houses both the training center and the day care facility. The residential cottages, which will serve as short-term housing, are on the grounds. Started in December 1990 in a refurbished grocery store, the new Cessna 21st Street Program will be able to teach twice as many trainees as before and provide on-site child care and short-term housing (if needed).

Question: **Hasn't Cessna been operating this program since 1990? What's new about it?**

Answer: Building on Cessna's success of providing training and jobs to former welfare recipients, Cessna, the Department of Housing and Urban Development (which provided loan guarantees), and the City of Wichita entered into a partnership to build these new facilities. The new 21st Street will substantially expand the training capabilities, provide on-site child care, and create a significant number of permanent full-time jobs for area residents in a new adjacent sub-assembly plant.

Question: **Does the program only provide training to people on welfare? How are candidates selected?**

Answer: Today, all the trainees admitted to the program are welfare recipients, although this was not true in the program's earliest days. Candidates are referred and screened by KanWork, Kansas' welfare reform program. Applicants are then interviewed by a panel of 21st Street staff who assess motivation and the desire to make lifelong changes.

Question: **What is the curriculum for sheet metal training?**

Answer: The skills training includes blueprint reading and other basic sheet metal skills. The production training involves actual experience in production in the plant. All of the training staff are Cessna employees. The curriculum is flexible; the length of training generally is assumed to require six months, but trainees may need more or less depending on individual trainee's skills, experience, and ability to learn.

Question: **How many individuals can be trained at the new facility? What salary and benefits do they get while in training?**

Answer: The new facility will be able to train about 40 sheet metal trainees. Trainees work full-time and earn $6.50 an hour with health care benefits. Child care is available on-site.

Question: **How many participants have graduated? What is the success rate?**

Answer: Over the six year history of the program, over 250 people have successfully completed the program and over 200 of them continue to be employed at Cessna, with another 26 working full-time elsewhere in the private sector. More than 60% of all participants in the Cessna program successfully achieve full-time, private sector employment.

Question: **Is this facility part of Cessna's headquarters?**

Answer: No. Cessna is headquartered in Wichita, but its main facility is not on 21st Street. While the new campus will have a new sub-assembly plant, bringing more jobs to 21st Street, many individuals trained at the 21st Street site move after training to begin work at Cessna's main sites.

Question: **What kind of clerical training does the facility offer?**

Answer: 21st Street also holds clerical training classes. There are two sessions per year with a maximum of 12 students per session. No fees are assessed; the participants receive no wages. As a final step in the program, students are placed in internships in various departments throughout Cessna. Upon successful completion of the program, participants are assisted in job placement and a number of participants have secured positions with Cessna, but job placement is not guaranteed.

Question: **What was HUD's role in helping Cessna build these facilities?**

Answer: Cessna, the Department of Housing and Urban Development and the City of Wichita have worked in partnership to make this training program a reality. The City of Wichita in 1990 earmarked $440,000 of its Community Development Block Grant entitlement from HUD and used it to finance the conversion of the initial Cessna training building. In 1994, the city was awarded a $1.5 million grant from HUD for the acquisition of the current property. Subsequently in 1996, the city received a Section 108 loan guarantee from HUD in the amount of $3.6 million to be used as a portion of the $5.27 million project cost to develop the learning and work complex. Since Cessna opened its original facility in 1990, more than $40 million of private and public investments have been made in the 21st Street corridor.

Question: **How is the program funded?**

Answer: The program is funded by Cessna, with some assistance from the Job Training Partnership Act (JTPA), and the Kansas Department of Commerce and the Social and Rehabilitation Services (the state welfare agency).

<u>Child Care</u>

Question: **Describe the child care facility. Does it meet the standards that the President and Mrs. Clinton set forth at the White House Conference on Child Care last month?**

Answer: The Child Development Center, opened October 27, 1997, is in the same building as the training center. The Center is licensed for up to 40 children, ages one (walking) to kindergarten age. Children of trainees are given first priority and children of sub-assembly employees are next. If space is available, applications from children from the area whose parents are not affiliated with Cessna will be considered. Cessna's on-site child care center is a good example of the type of child care the President and First Lady called for -- safe, affordable, quality care that is available to parents.

Question: **Is it an accredited child care program?**

Answer: No. The center is very new. It is licensed.

Question: **I understand AmeriCorps played some role here. What did they do?**

Answer: Last year, welfare recipients who joined AmeriCorps staffed the small, pilot child care center which was started before the new Cessna facility was finished. They served as child care providers in the child care center and aided families trying to get off welfare. Now, the child care center is operated by Cessna, which has hired several AmeriCorps alumni to work at the center full-time. In this year's AmeriCorps program, the AmeriCorps members will mentor welfare recipients seeking to make the move from welfare to work.

Question: **Isn't the AmeriCorps project in Wichita a troubled one?**

Answer: No, but there were some administrative issues, now resolved, between the state Kansas Commission on National and Community Service and its local subcontractor, the Department of Social and Rehabilitation Services (the welfare agency) actually operating the AmeriCorps program in Wichita. These issues led to a brief shutdown of the program by the Commission. These issues have now been worked out and the program will start its second year in a few weeks. In its second year, approximately 20 AmeriCorps members will mentor welfare recipients seeking to make the move from welfare to work.

Question: **How is the child care facility funded?**

Answer: Trainees and employees pay tuition, with a sliding scale for trainees. Cessna covers the remaining operating costs.

Question: **Do other employees at the other Cessna sites have company-sponsored child care options?**

Answer: They do not have this type of arrangement at any other Cessna plant. But employees at corporate headquarters may use a child care center that gives Cessna's employees a reduced rate. Cessna then withholds payment of the child care costs from employee wages.

WR - cessna event

SUGGESTED PRESS PACKET:

1) White House Fact Sheet on Event (2 pgs.)

2) Welfare Caseload Numbers since '93 - State by State (2 pgs.)

3) Welfare Caseload Numbers since '96 - State by State (2 pgs.)

4) Letter from the U.S. Chamber of Commerce (2 pgs.)

5) Fact Sheet on Welfare to Work Partnership (1 pg.)

6) Fact Sheet on Cessna Partnership (1pg.)

7) Summary of Cessna Welfare to Work Program (2 pg.)

8) Accomplishments Document (4 pgs.)

9) Map of Caseload Numbers (*Cynthia is bringing colored copies.)

BACKUP DOCUMENTS:

1) Bio of Russ Meyer, CEO Cessna

2) Bio of Michael Starnes, Chair, US Chamber of Commerce

3) Event Speaking Program Order

4) Dept. Of Labor Fact Sheet on new Welfare Regulations

5) HHS Fact Sheet on new Welfare Regulations - (*to be sent Monday a.m.)

6) Welfare to Work Partnership Q&A

7) Welfare to Work Partnership Press Release

8) White House Internal Q&A (13 pgs.)

THE PRESIDENT ANNOUNCES NEW WELFARE TO WORK COMMITMENTS
November 17, 1997

Today, President Clinton announced that in six months over 2,500 companies from all 50 states have pledged to hire new workers from the welfare rolls, far surpassing the goals set May 20th when the Welfare to Work Partnership was launched at the White House. The President praised a new campaign by the U.S. Chamber of Commerce to enlist every local chamber of commerce in the welfare to work effort. The President also unveiled new work-focused welfare reform rules that will provide state and local governments with the flexibility to use federal resources effectively, while holding them accountable for results. He also announced that welfare caseloads have continued their dramatic decline, dropping another 236,000 in the most recent month for which statistics are available and a full 1.9 million in the 11 months after he signed welfare reform into law. The President made these announcements in Wichita, Kansas at the dedication of a new welfare to work facility opened by Cessna Aircraft Company, one of the Welfare to Work Partnership's founding members.

The President Announces an Increase in Private Sectors Commitments from 105 to 2,500

On May 20th, 105 company executives joined the President at the White House to launch the Welfare to Work Partnership and pledged to enlist 1,000 companies within six months. Today, the President announced that over 2,500 companies have joined the Partnership and pledged to hire welfare recipients without displacing current employees.

The President Praises New U.S. Chamber of Commerce Welfare to Work Campaign

Today, the President praised the U.S. Chamber of Commerce's new campaign to enlist every local chamber of commerce in the welfare to work effort. U.S. Chamber of Commerce Chairman Michael S. Starnes appeared with the President today and released a letter sent to over 3,000 chambers of commerce urging their members to join the Welfare to Work Partnership and hire welfare recipients to fill critical labor shortages. The Chamber and the Partnership today announced plans for a welfare to work forum for the U.S. Chamber's members on February 23rd and a business-oriented welfare to work guide to be sent to every chamber in America early next year. The U.S. Chamber of Commerce is the world's largest business federation representing more than 3 million businesses and organizations of every size, sector, and region.

President Unveils New Results-Focussed Welfare to Work Rules

The President today unveiled new federal welfare rules that underscore his commitment to work and welfare reform. The rules provide additional guidance to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and to states and localities receiving grants from the $3 billion Welfare to Work (WtW) fund the President fought for and won in the Balanced Budget.

Overall, these regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency. The new TANF rules uphold the law's strong emphasis on work by underscoring the importance of the law's work participation rates. Under the TANF program enacted last year, states must put an increasing percentage of adults to work each year (25 percent of all families must work in fiscal year 1997 rising to 50 percent in 2002; 75 percent of two parent families must work in 1997, rising to 90 percent in 1999). The rules announced today provide a clear and firm structure of penalties for states that do not meet these critical work rules. A state that fails the work participation rates will be assessed a penalty based on the degree of noncompliance, but will be given an opportunity to correct the violation. If the state fails to make substantial progress, then it will have to pay the penalty (up to 5 percent of its welfare block grant, with higher penalties for repeat failures). By law, a state must increase its welfare spending by at least the amount of the penalty, to ensure that a state's failure to meet the law's expectations does not harm dependent families.

The new welfare rules ensure that states and localities have the flexibility they need to design welfare to work initiatives that meet individual needs and local conditions. Both the TANF and Welfare to Work rules provide tremendous flexibility to state and local governments to decide what programs and services will best help families become self-sufficient.

Both the TANF regulations (issued by the Department of Health and Human Services) and theWelfare to Work regulations (issued by the Department of Labor) are on display today at the Federal Register and will be published later this week.

The President Announces that Welfare Caseloads Continue their Dramatic Decline

President Clinton announced today that welfare caseloads have declined another 236,000, bringing the total reduction to more than 3.8 million since he became President, a drop of 27 percent. In the 11 months from August 1996 when he signed welfare reform into law through July 1997 (the numbers released today), welfare rolls have declined over 1.9 million to just over 10.2 million people. Since 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.

The new caseload numbers demonstrate the success of the welfare reform law. The welfare caseloads, which fell by a record 1.9 million in the President's first three-and-a-half years in office, have dropped by 1.9 million more in the first 11 months of the new law's first year. The total 3.8 million caseload decline is the largest in history. The numbers released today show that welfare rolls in Kansas dropped by 46 percent, or more than 40,000 people, between January 1993 and July 1997 and by 26 percent, or more than 16,000 people, in the last 11 months.

The President Dedicates New State-of-the-Art Welfare to Work Facility at Cessna

Today, the President dedicated Cessna Aircraft Company's new state-of-the-art facility to train welfare recipients for skilled production jobs at Cessna. The new 20,000 square foot facility will allow Cessna, one of the founding members of the Welfare to Work Partnership, to double its welfare to work program and provide on-site child care for the children of its trainees. The President hailed Cessna's model program for providing individualized training in sheet metal assembly, a salary with health benefits and child care, and a guaranteed job upon completion of the program. About 200 graduates of the program are now working at Cessna, at an average wage of $12 an hour. Cessna also sponsors a smaller, clerical skills training program -- also housed in the new facility -- which places graduates at companies throughout the city. The new facility was built by the city of Wichita using loan guarantees from the U.S. Department of Housing and Urban Development, and is part of a new Cessna campus which includes temporary housing for trainees (now under renovation) and a new subassembly plant. Cessna's efforts, begun in 1990, have played a key role in revitalizing Wichita's 21st Street area. Today, the President was joined in the dedication ceremony by Cessna CEO Russell W. Meyer, Jr. and two program graduates -- Tanya Oden, a 1997 graduate who is the first trainee to be promoted to inspector, and Jodee Bradley, a 1996 graduate who now mentors new trainees.

CHANGE IN WELFARE CASELOADS

Total AFDC/TANF families and recipients

	Jan.93	Jan.94	Jan.95 (millions)	Jan.96	July97	percent(93-97)
Families	4.963	5.053	4.936	4.628	3.742	-25%
			1,221,000 fewer families			
Recipients	14.115	14.276	13.918	12.877	10.258	-27%
			3,857,000 fewer recipients			

Total AFDC/TANF recipients by State

state	Jan.93	Jan.94	Jan.95	Jan.96	July97	percent(93-97)
Alabama	141,746	135,096	121,837	108,269	74,097	-48%
Alaska	34,951	37,505	37,264	35,432	33,663	-4%
Arizona	194,119	202,350	195,082	171,617	137,899	-29%
Arkansas	73,982	70,563	65,325	59,223	51,506	-30%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,282,389	-5%
Colorado	123,308	118,081	110,742	99,739	60,056	-51%
Connecticut	160,102	164,265	170,719	161,736	144,943	-9%
Delaware	27,652	29,286	26,314	23,153	21,841	-21%
D.C.	65,860	72,330	72,330	70,082	64,326	-2%
Florida	701,842	689,135	657,313	575,553	407,598	-42%
Georgia	402,228	396,736	388,913	367,656	243,541	-39%
Hawaii	54,511	60,975	65,207	66,690	74,297	+36%
Idaho	21,116	23,342	24,050	23,547	8,006	-62%
Illinois	685,508	709,969	710,032	663,212	547,958	-20%
Indiana	209,882	218,061	197,225	147,083	107,355	-49%
Iowa	100,943	110,639	103,108	91,727	73,837	-27%
Kansas	87,525	87,433	81,504	70,758	47,434	-46%
Kentucky	227,879	208,710	193,722	176,601	151,190	-34%
Louisiana	263,338	252,860	258,180	239,247	178,335	-32%
Maine	67,836	65,006	60,973	56,319	44,972	-34%
Maryland	221,338	219,863	227,887	207,800	154,166	-30%
Massachusetts	332,044	311,732	286,175	242,572	196,630	-41%
Michigan	686,356	672,760	612,224	535,704	424,612	-38%
Minnesota	191,526	189,615	167,949	171,916	151,201	-21%
Mississippi	174,093	161,724	146,319	133,029	87,118	-50%
Missouri	259,039	262,073	259,595	238,052	182,022	-30%
Montana	34,848	35,415	34,313	32,557	21,258	-39%
Nebraska	48,055	46,034	42,038	38,653	37,455	-22%
Nevada	34,943	37,908	41,846	40,491	27,896	-20%
New Hampshire	28,972	30,386	28,671	24,519	19,157	-34%
New Jersey	349,902	334,780	321,151	293,833	253,700	-27%
New Mexico	94,836	101,676	105,114	102,648	78,404	-17%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,002,936	-15%

state	Jan.93	Jan.94	Jan.95	Jan.96	July97	percent(93-97)
North Carolina	331,633	334,451	317,836	282,086	231,506	-30%
North Dakota	18,774	16,785	14,920	13,652	10,508	-44%
Ohio	720,476	691,099	629,719	552,304	449,123	-38%
Oklahoma	146,454	133,152	127,336	110,498	74,567	-49%
Oregon	117,656	116,390	107,610	92,182	56,299	-52%
Pennsylvania	604,701	615,581	611,215	553,148	432,907	-28%
Rhode Island	61,116	62,737	62,407	60,654	52,196	-15%
South Carolina	151,026	143,883	133,567	121,703	76,608	-49%
South Dakota	20,254	19,413	17,652	16,821	12,497	-38%
Tennessee	320,709	302,608	281,982	265,320	163,236	-49%
Texas	785,271	796,348	765,460	714,523	554,878	-29%
Utah	53,172	50,657	47,472	41,145	31,975	-40%
Vermont	28,961	28,095	27,716	25,865	22,403	-23%
Virginia	194,212	194,959	189,493	166,012	119,430	-39%
Washington	286,258	292,608	290,940	276,018	238,920	-17%
West Virginia	119,916	115,376	107,668	98,439	80,359	-33%
Wisconsin	241,098	230,621	214,404	184,209	100,387	-58%
Wyoming	18,271	16,740	15,434	13,531	4,957	-73%
Guam	5,087	6,651	7,630	8,364	7,844	+54%
Puerto Rico	191,261	184,626	171,932	149,944	141,215	-26%
Virgin Islands	3,763	3,767	4,345	4,953	4,309	+15%

Note: as of July 1, 1997, all states changed their reporting system from AFDC to TANF

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
November 1997

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF THE NEW WELFARE LAW

Total TANF families and recipients

	Aug.96	July97 (millions)	percent
Families	4.389	3.742 *647,000 fewer families*	-15%
Recipients	12.202	10.258 *1,944,000 fewer recipients*	-16%

Total TANF recipients by State

state	Aug.96	July97	percent
Alabama	100,510	74,907	-25%
Alaska	35,540	33,663	-5%
Arizona	169,440	137,899	-19%
Arkansas	56,230	51,506	-8%
California	2,578,450	2,282,389	-11%
Colorado	95,790	60,056	-37%
Connecticut	159,060	144,943	-9%
Delaware	23,650	21,841	-8%
D.C.	69,290	64,326	-7%
Florida	533,800	407,598	-24%
Georgia	329,160	243,541	-26%
Hawaii	66,480	74,297	+12%
Idaho	21,800	8,006	-63%
Illinois	640,870	547,958	-14%
Indiana	141,850	107,355	-24%
Iowa	85,940	73,837	-14%
Kansas	63,780	47,434	-26%
Kentucky	170,890	151,190	-12%
Louisiana	228,120	178,335	-22%
Maine	53,790	44,972	-16%
Maryland	194,130	154,166	-21%
Massachusetts	219,580	196,630	-10%
Michigan	501,440	424,612	-15%
Minnesota	169,740	151,201	-11%
Mississippi	122,750	87,118	-29%
Missouri	222,820	182,022	-18%
Montana	28,240	21,258	-25%
Nebraska	38,510	37,445	-3%
Nevada	33,920	27,896	-18%
New Hampshire	22,940	19,157	-16%
New Jersey	275,700	253,700	-8%
New Mexico	99,660	78,404	-21%
New York	1,143,960	1,002,936	-12%

state	Aug.96	July97	percent
North Carolina	266,470	231,506	-13%
North Dakota	13,130	10,508	-20%
Ohio	549,310	449,123	-18%
Oklahoma	96,010	74,567	-22%
Oregon	78,420	56,299	-28%
Pennsylvania	530,520	432,907	-18%
Rhode Island	56,460	52,196	-8%
South Carolina	113,430	76,608	-32%
South Dakota	15,840	12,497	-21%
Tennessee	238,890	163,236	-32%
Texas	647,790	554,878	-14%
Utah	39,060	31,975	-18%
Vermont	24,270	22,403	-8%
Virginia	152,680	119,430	-22%
Washington	268,930	238,920	-11%
West Virginia	89,039	80,359	-10%
Wisconsin	148,890	100,387	-33%
Wyoming	11,400	4,957	-57%
Guam	8,314	7,844	-6%
Puerto Rico	151,023	141,215	-6%
Virgin Islands	4,898	4,309	-12%

Note: as of July 1, 1997, all states changed their reporting system from AFDC to TANF

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
November 1997

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

THOMAS J. DONOHUE
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
202/463-5300 • 202/463-5327 FAX

November 17, 1997

Dear Chamber Executive:

The shortage of available labor in this country is reaching crisis proportions. As you know, many of our members are already working to identify new sources of labor not only to meet the demands of tomorrow's customers but also so that we as a country can maintain our current standard of living and level of economic growth.

Like many of you, the U.S. Chamber has made this search for skilled labor a priority. And, like many of you, we are not interested in re-inventing the wheel, but in identifying programs that are working, and sharing those initiatives with others around the nation.

I am pleased, therefore, to tell you about the U.S. Chamber's decision to work with the Welfare to Work Partnership, a bi-partisan group dedicated to moving people from welfare to work. Our efforts will look at welfare recipients to meet the workforce needs of business in your community and help those businesses develop welfare to work programs.

This effort already has the support of more than 2,500 companies around the nation.

To kick-off our joint efforts, we will co-sponsor a forum in conjunction with our annual meeting on February 23, 1998. I hope you will plan to join us.

The forum, which will involve key business and political leaders, will be structured to assist all chambers in developing public-private partnerships in their communities. A special "Blueprint for Business" hiring guide will be tailored to participating states and regions, describing successful programs and steps for initiating them in your area.

We have a common goal: to help our members find the workers they need to stay competitive. This effort allows us to do that, and at the same time to move people from lives of dependence to lives of independence.

I'll be sending you more information on the forum in the coming weeks, but I wanted you to be aware of our efforts in this regard and solicit your participation, advice and assistance.

Sincerely,

Thomas J. Donohue

The Welfare to Work
PARTNERSHIP

Mission of the Partnership

- The Partnership is a national nonpartisan effort of the business community to help move people on public assistance to jobs in the private sector. The Partnership is made up of employers, known as Business Partners, who pledge to hire and retain welfare recipients without displacing existing workers. Currently, The Partnership has more than 2,500 Business Partners, representing more than 5 million employees nationwide. These employers are located in all 50 states. More than 80 percent of these Business Partners have fewer than 250 employees.

Objectives of the Partnership

- Motivate: The Partnership will establish a PSA campaign, sponsor regional challenges, host conferences and seminars, and recognize successful private sector welfare to work programs at a national awards ceremony.
- Educate: The Partnership provides resources to assist our Business Partners. These include a toll-free number (1-888-USA-JOB1), the Blueprint for Business hiring guide, weekly fax updates, a quarterly newsletter, regular policy briefings and regional directories of service providers that link businesses with work-ready welfare recipients.

Welfare to Work – A smart solution for business

- America is in the midst of sustained economic recovery: strong job creation, low unemployment, low interest rates, and low inflation.
- As economic growth reduces unemployment and the labor pool shrinks, many industries face a shortage of entry-level workers.
- Welfare to work programs expand the job applicant pool of entry-level workers -- filling a critical business need.
- For many businesses, welfare to work results in higher retention, lower turnover, and trained, ready-to-work employees with measurable skills.
- Welfare to work allows business to use the Work Opportunity Tax Credit and other federal and state financial incentives.

Welfare Recipients – The Real Story (Data courtesy of The Urban Institute)

- 58% of the adult welfare population has completed high school or a higher level of education.
- Over two-thirds of women on welfare have recent work experience.
- 42% of all families that go on welfare receive benefits for less than 2 years.
- Over 50% of welfare mothers have children of school age - 6 years or older.
- Only 6% of the welfare population is in their teens; the majority are in their 20s and 30s.
- Welfare recipients are from racially diverse backgrounds; 36% are white, 37% are African-American, 21% are Hispanic.

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The Welfare to Work
PARTNERSHIP

The Welfare to Work Partnership and Cessna Aircraft Company

The Welfare to Work Partnership is pleased to salute Cessna Aircraft Company's tremendous commitment to welfare to work. Few companies in the United States have done as much to move people from welfare into private-sector jobs.

- Cessna was one of the original 105 companies that helped launch The Welfare to Work Partnership on May 20, 1997. At the launch event at the White House, Cessna CEO Russell W. Meyer, Jr. met with Partnership CEO Eli Segal to discuss Cessna's innovative training program at 21st Street.

- The success of the 21st program demonstrates that welfare to work is a smart solution for business. Cessna has been able to take Wichita residents thought to be unemployable and helped them become dedicated, productive and loyal employees. Of the nearly 250 graduates of the program, 200 are still employed with Cessna.

- Cessna has proven that one company can make a difference for an entire community. While the 21st Street facility has helped reduce crime and unemployment in that part of Wichita, Cessna has also provided skilled workers for other area businesses. The program has produced 26 graduates that now have full-time jobs with other companies in the Wichita area.

- The 21st Street facility is an outstanding example of a successful public-private partnership. Cessna has made a tremendous corporate commitment to this facility and to welfare to work generally, but this corporate involvement has been supplement by smart public investments. The U.S. Department of Housing and Urban Development, AmeriCorps, the Kansas Department of Social and Rehabilitation Services, as well as the City of Wichita all have been involved in the expansion of the 21st Street Campus.

- Cessna's program is designed to teach trainees real job-skills, but the company has also provided for the individual needs of each trainee. Participants are paid and received full benefits while they train, and child care and housing is provided for trainees who need them. In addition, participants also receive personal counseling on life skills necessary for success in the mainstream economy.

- Thanks to the example set by companies like Cessna, The Partnership has grown to more than 2,200 employers (known as Business Partners), each of whom has pledged to hire and retain former welfare recipients without job displacement.

#####

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21ST STREET
A Corporate Initiative of the
Cessna Aircraft Company
Wichita, Kansas

Cessna
A Textron Company

EXECUTIVE SUMMARY

- Program began in December of 1990 in an abandoned grocery store on 21st Street that was refurbished by the City of Wichita and leased to Cessna. In 1990, the 21st Street area experienced the city's highest crime and unemployment rates.

- Targeted at Wichita residents who are considered unemployable.

- Designed to offer skills and customized training to people who cannot qualify for entry-level production jobs and to provide them the opportunity to achieve self-sufficiency.

- The 21st Street program is distinctive in its assumptions about the people it serves:

    1. **Trainees learn best at their own rate, not in a fixed duration.** Trainees are given the opportunity to progress based on prior experience and learning aptitude.

    2. **Trainees have personal needs that must also be addressed.** A counselor is on staff to prepare trainees to assimilate into a large industrial work force and help them with any personal issues that might arise during training.

    3. **Trainees need compensation and benefits while they are learning.** Cessna provides salary and benefits throughout the program.

    4. **Trainees are most effectively motivated to succeed by the guarantee of a job** upon successful completion of the program.

- Curriculum offers: (1) a program to teach vocational skills, (2) experience in subassembly work, (3) counseling in a variety of personal areas, and (4) the guarantee of a job with Cessna at the successful completion of the program.

- Trainees earn salary and benefits as soon as they enter the program. As skill level increases, salary increases.

- All staff are Cessna employees.

continued ...

- Community support comes from the City of Wichita, Kansas State Social and Rehabilitation Services, the Wichita Police Department, and Unified School District #259.

- The program moved from its original location on the south side of 21st Street to a new two-building campus on a 46-acre site on the north side of 21st Street on October 13, 1997.

  Subassembly Facility: 24,214 sq. ft.; designed for up to 50 production employees and 10 support staff; site is expandable to 100 hourly employees; assemblies will be produced for Cessna's business jet and single engine products.

  Learning Center:

  1) Training Program: 16,072 sq. ft.; designed for training up to 40 sheet metal assemblers (20 in skills training and 20 in production training) and 12 clerical.

  2) Child Development Center: 4,160 sq. ft.; licensed for 40 children, ages 1 (and walking) to 5 years.

- To date, approximately 250 individuals have successfully completed the training program and almost 200 of them are currently employed by Cessna. Another 26 trainees have full-time, private sector employment with other companies.

- Since Cessna opened its original facility in 1990, more than $40 million of private and public investments have been made in the 21st Street corridor.

11/6/97

For additional information, contact:

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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**: Last year 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, a performance bonus to reward states for moving welfare recipients into jobs, 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 and Work Opportunity 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**: From January 1993 to July 1997, the number of people receiving welfare benefits fell by 27 percent, or 3.8 million recipients -- the largest decline in the welfare rolls in history and the lowest percentage of the population on welfare since 1970. 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.

- **Mobilizing the Business Community**: To make welfare reform a success and help move a million people from welfare into the workforce by the year 2000, President Clinton has enlisted the business community's leadership. 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 pledged to reach 1,000 business within six months and by November over 2,500 companies had joined. 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 fourteen other civic groups.

- **Doing Our Fair Share with the Federal Government's Hiring Initiative**: Under the Clinton Administration, the Federal workforce has been reduced by more than 300,000 positions, the smallest the Federal government 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 2,000 welfare recipients, achieving in six months nearly 20 percent of the President's goal. As a part of this effort, the White House pledged, and has already hired, six welfare recipients.

- **Enforcing Child Support -- 50% Increase in Collections**: The Clinton Administration collected a record $12 billion in child support in 1996 through tougher enforcement, an increase of $4 billion, or nearly 50 percent, since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1996, the number of child support cases with collections rose to 4 million, an increase of 43 percent, from 2.8 million in 1992. And paternity establishment, often the first crucial step in child support cases, has dramatically increased. In 1996, the number of paternities established rose to nearly 1 million, almost double, from 516,000 in 1992.

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, but first, all states must enact the state laws to implement these tough new rules.

- **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 four years in a row, by 8 percent from 1991 to 1995.

BALANCED BUDGET HELPS MOVE PEOPLE FROM WELFARE TO WORK

- **$3 Billion to Help Move 1 Million People from Welfare to Work**: Because of the President's leadership, the balanced budget includes the total funding requested by the President for the creation of his $3 billion Welfare to Work Jobs Challenge 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.

- **A Welfare-to-Work Tax Credit for Employers**: This tax credit will give employers an added incentive to hire long-term welfare recipients by providing 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, paid to new hires who have received welfare for an extended period. The credit is for two years per worker to encourage not only hiring, but also retention.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment last year to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. After months of continuous refusals by the Congressional leadership to consider these changes, the President fought for and ultimately was successful in ensuring that the balanced budget protects the most vulnerable.

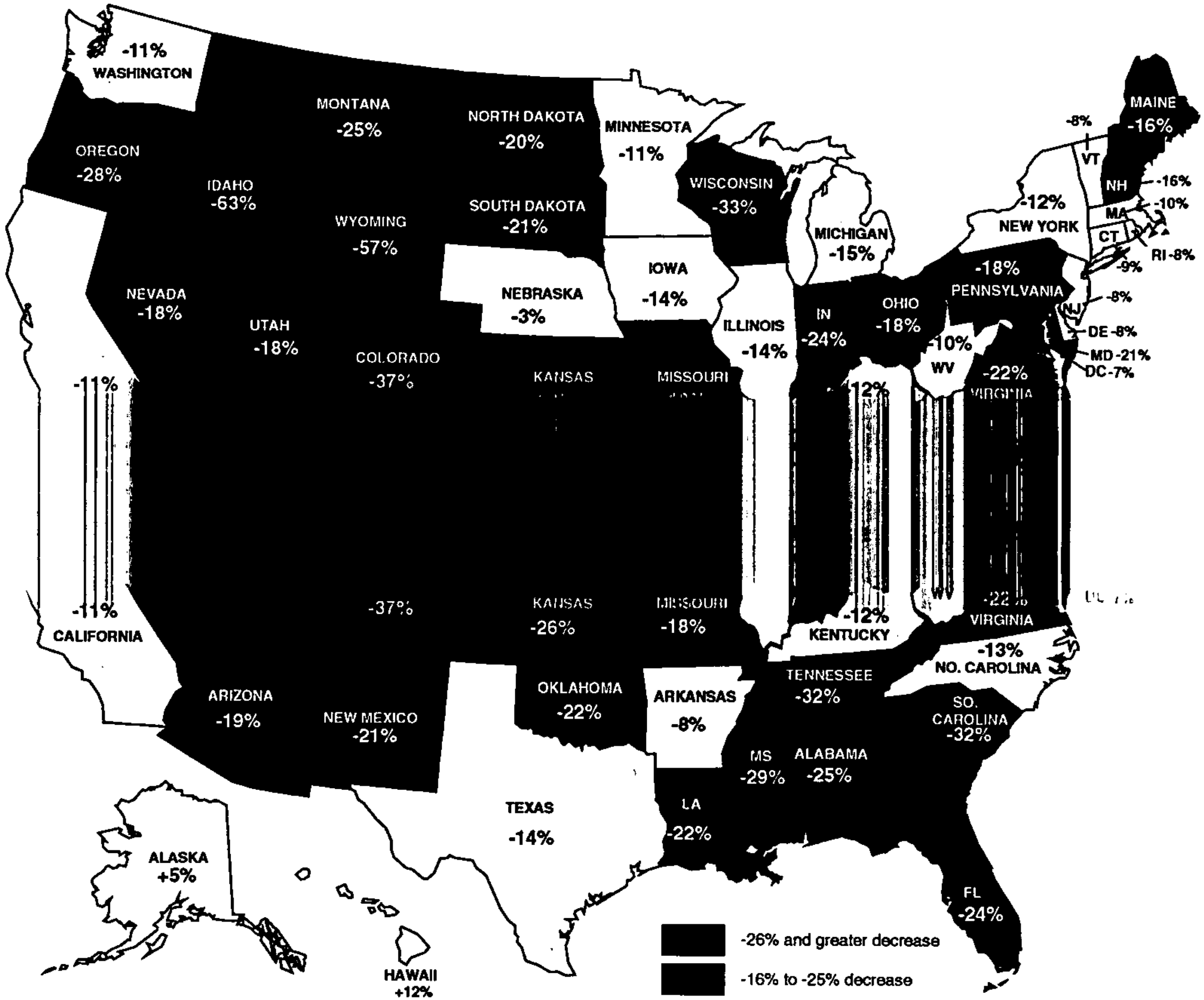
- **Protects Immigrants Who Become Disabled and Those Currently Receiving Benefits**: The balanced budget restores$11.5 billion in SSI and Medicaid benefits for legal immigrants. The new law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the balanced budget 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 restores $1.5 billion in food stamp cuts. Last year's welfare reform bill 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 budget bill provides 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. The balanced budget 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.

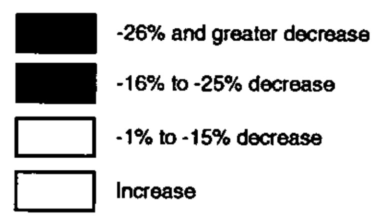
- **Protects Children by Keeping the Medicaid Guarantee**: The balanced budget preserves the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage.

11/15/97

SINCE NEW WELFARE LAW ENACTED



Footnote: Nationwide, the number of TANF recipients has fallen from 12.2 million to 10.3 million since August 1996, an average of 16% percent as of July 1997.



Cessna
A Textron Company

**RUSSELL W. MEYER, JR.
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
CESSNA AIRCRAFT COMPANY**

Russell W. Meyer, Jr. joined Cessna Aircraft Company, the world's leading manufacturer of general aviation airplanes, as Executive Vice President in June of 1974. He was named Chairman and Chief Executive Officer one year later.

Mr. Meyer, a native of Davenport, Iowa, was President and Chief Executive Officer of Grumman American Aviation Corporation, Cleveland, Ohio, from 1966-1974. From 1961-1966, he was an attorney with the firm of Arter & Hadden in Cleveland.

Mr. Meyer was graduated from Yale University with a B.A. degree in 1954 and earned his Doctor of Law degree from Harvard Law School in 1961. He served with the U.S. Air Force as a jet fighter pilot from 1955-1958, and was also a pilot with the U.S. Marine Corps Reserve from 1958-1961. A commercial, instrument-rated pilot with more than 14,000 hours of flight time, he is type rated in all models of the Cessna Citation business jet and regularly flies as pilot in command.

He served as Chairman of the Board of the General Aviation Manufacturers Association (GAMA) in 1974, 1982, and 1994. During the latter tenure, he led the industry's successful effort to gain passage of the General Aviation Revitalization Act of 1994, which established an 18-year statute of repose for general aviation manufacturers involved in product liability litigation.

Mr. Meyer has been honored with the industry's highest awards during his distinguished career. In 1986 he and Cessna Aircraft Company were awarded the Robert J. Collier Trophy by the National Aeronautic Association (NAA) for the safety record of the Cessna Citation fleet of business jets. It was the first time in the long history of America's highest aviation award that the Collier Trophy had been presented to an individual or company in the general aviation industry. Ten years later in 1996, under Mr. Meyer's leadership, the Collier Trophy was awarded to Cessna and the Citation X Design Team for the Citation X, the first commercial aircraft to achieve a cruising speed of Mach .92.

In 1991, Mr. Meyer and Cessna received the George S. Dively Award for Corporate Public Initiative from Harvard University. The award was presented for the creation of a comprehensive academic, personal and on-site vocational skills training program for Wichita's inner-city residents, with jobs guaranteed to those who complete the program.

In 1995, he received the Meritorious Service to Aviation Award from the National Business Aircraft Association (NBAA) for his tireless efforts to gain passage of the General Aviation Revitalization Act. Also in 1995, he received aviation's most prestigious individual honor, the Wright Brothers Memorial Trophy, awarded annually on the anniversary of the Wright Brothers' first powered flight by the (NAA). The citation accompanying the award reads: "For leadership in the revitalization of general aviation, effective public service, and active involvement in the creation and support of innovative aviation-related programs and opportunities for the disadvantaged and disabled."

In 1996, Russ Meyer was inducted into the Kansas Aviation Hall of Fame. This award is aviation's highest honor given in the state of Kansas and was created to preserve the memory of extraordinary aviation contributions made by citizens of Kansas.

Mr. Meyer has served on three Presidential commissions. In 1987, he was appointed by President Reagan to the seven-member Aviation Safety Commission, which submitted a comprehensive report on the air transportation system in 1988. He was also a member of President Reagan's Commission on Executive, Legislative, and Judicial Salaries. In 1993, he was appointed to President Clinton's National Commission to Ensure a Strong and Competitive Airline Industry.

Mr. Meyer is a Director of NationsBank Corporation, Public Broadcasting Service, Western Resources, Inc., and a member of the Board of Trustees of Wake Forest University.

Mr. Meyer and his wife, Helen, have five children.

(November 1997)

U.S. Chamber of Commerce

Washington, D.C. 20062-2000

Michael S. Starnes

Michael S. Starnes, chairman and CEO of M.S. Carriers Inc. of Memphis, Tenn., is the 1997-1998 chairman of the U.S. Chamber of Commerce. He has been a Chamber director since 1992.

Starnes has 25 years of experience in the transportation industry. He founded M.S. Carriers in 1978. The company is a truckload carrier providing service throughout the United States, Canada and Mexico.

He serves on the board of directors of RFS Hotel Investors Inc., NationsBank of Memphis, NationsBank Tennessee State Board and the Interstate Truckload Carriers Conference. He is also a member of the American Trucking Association's executive committee.

He has been named Small Business Executive of the Year in the Mid-South, holds a Gold Award and three Bronze Awards from Wall Street Transcript and a Master of Free Enterprise Award, and is a member of the University of Mississippi's Alumni Hall of Fame.

Starnes has served as president of the Chickasaw Council of the Boy Scouts of America and president of the Society of Entrepreneurs, as well as a member of the boards of Youth Programs Inc., and the University of Mississippi Loyalty Foundation. He also served on the advisory council of the University of Mississippi School of Business.

He holds a bachelor of business administration degree from the University of Mississippi.

The U.S. Chamber of Commerce is the world's largest business federation representing an underlying membership of more than three million businesses and organizations of every size, sector and region. Central to the Chamber's impact on public policy is its extensive grassroots outreach through its Grassroots Action Information Network (GAIN) of business activists and its federation of member chambers and associations and their members.

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2/97

JOSH - FYI

John Moore, Vice President of Cessna

*Members of Congress and all other elected officials will be seated in the front row.

IV. PRESS PLAN

Tour of Training Facility: Pool Press
Tour of Child Care Facility: Still Photos
Event Program: Open Press

V. SEQUENCE OF EVENTS

- Upon arrival, **you** will be greeted by Russ Meyer, Cessna CEO, and Eli Segal.
- **You** will briefly tour the training facility and then the child care facility.
- **You** will then meet and greet the stage participants in a holding room.
- **You** will be announced onto the stage accompanied by Russ Meyer and Cessna employees Tanya Oden and Jodee Bradley.
- Secretary Glickman will make remarks and introduce Secretary Herman.
- Secretary Herman will make remarks and introduce Michael Starnes, Chairman of the U.S. Chamber of Commerce.
- Michael Starnes, Chairman of the U.S. Chamber of Commerce, will make remarks.
- Russ Meyer, CEO of Cessna, will make remarks and introduce Tanya Oden.
- Tanya Oden, Inspector at Cessna Plant, will make remarks and introduce Jodee Bradley.
- Jodee Bradley, Materials Clerk in Cessna Training Facility, will make remarks.
- ******Jodee Bradley and Tanya Oden will then present you with a model plane that represents the work of all the graduates of the training program. They will place the model plane on a table to be displayed on stage, and then return to their seats.*
- **You** will make remarks.
- **You** will work a ropeline and then depart.

VI. REMARKS

Remarks Provided by Jordan Tamagni in Speechwriting.

The Welfare to Work
PARTNERSHIP

Questions & Answers

What is The Welfare to Work Partnership?
The Partnership is a national, independent, nonpartisan effort of the business community to help move people on public assistance to jobs in the private sector. The Partnership is made up of employers, known as Business Partners, that have committed to hire and retain former welfare recipients without job displacement. The Partnership provides information, technical assistance and support for businesses of all sizes, from all industries and from all areas of the country.

How did The Partnership get started?
On August 22, 1996, the federal welfare reform bill was signed, ending welfare as we know it. At that time, many businesses recognized that the private sector must take the lead in moving people from welfare to work. Accordingly, the CEOs of United Airlines, Burger King, Sprint, Monsanto and UPS joined together to form The Partnership. Eli Segal is President and CEO of The Partnership, and United Airlines CEO Gerald Greenwald is the Chairman of the Board.

What are the goals of The Partnership?
The Partnership plans to build an expanding network of employers committed to hiring and retaining persons on public assistance. In addition to mobilizing companies, The Partnership has published a "Blueprint for Business" hiring guide for businesses. It is also developing directories of service providers that provide job-training and readiness, child care and related services. The Partnership also sponsors a national Public Service Announcement campaign aimed at changing the public's attitude toward former welfare recipients.

Why should businesses get involved in Welfare to Work?
Welfare to work is a smart solution for business. As the economy grows, unemployment goes down and the labor pool shrinks. Many companies find it difficult to locate entry-level workers. By actively recruiting welfare recipients, companies will greatly enlarge their pool of potential entry-level workers. Tax credits and other financial incentives are also available. In addition, more companies with welfare to work programs have found that retention rates for welfare to work employees are actually higher than retention rates for more traditional employees.

What do Business Partners receive?
Employers that join The Partnership receive the widely-acclaimed Blueprint for Business as well as weekly fax updates and regular policy briefings. In addition, Business Partners are invited to participate in Partnership events around the country, including "city challenges," conferences, announcements and award ceremonies.

FOR IMMEDIATE RELEASE

CONTACT: Michael Barbera, The Partnership
202-955-3005 x 317

Jan McIntire, Cessna
316-941-6488

The Welfare to Work Partnership, President Clinton, Salutes Cessna's 21st Street Training Center

WICHITA, KS, November 17, 1997 — The Welfare to Work Partnership joined with President Clinton today to dedicate an expansion of the Cessna Aircraft Company's 21st Street Training Center. The 21st Street Center trains former welfare recipients in manufacturing skills and guarantees all trainees jobs upon graduation.

The 21st Street program targets Wichita residents who are considered unemployable. All trainees receive salaries and benefits while they are enrolled in the program, and Cessna employees staff the entire facility. The program teaches vocational skills, offers experience in subassembly work, and includes counseling in a variety of personal areas.

"Cessna's experience shows that welfare to work is a smart solution for business. Cessna has proven that welfare recipients can be valuable employees that can help companies meet their hiring needs," said Eli J. Segal, President of The Welfare to Work Partnership. "The commitment of Cessna to the welfare to work movement is almost unmatched in the American business community."

Cessna Chairman Russ Meyer noted "We are very proud that President Clinton will participate in the dedication of our new facilities. It will be wonderful to recognize the achievements of the graduates, and we hope that thousands of other companies will be encouraged to undertake similar job and employment training initiatives."

The 21st Street Center is a public-private partnership designed to help move Wichita-area residents from lives of dependence to lives of independence. Along with Cessna's considerable corporate commitment, government funds and loans from the U.S. Department of Housing and Urban Development were used in the construction of the facility. Community support was provided by the City of Wichita, Kansas State Social and Rehabilitation Services, the Wichita Police Department, and Unified School District #259.

The Center has been a catalyst in the economic revitalization of Wichita's 21st Street corridor. Previously the area had experienced Wichita's highest crime and poverty rates. The Cessna program began in an abandoned grocery store on 21st Street that was refurbished by the City of Wichita and leased to the company. Over the nearly six-year history of the 21st Street Center, over 250 people have successfully completed the program. Over 200 graduates continue to be employed at Cessna, and 26 graduates are working full-time at other companies.

"Cessna's 21st Street program has a proven track record of success," said Segal. "We hope that other businesses will follow Cessna's lead and establish welfare to work programs that meet their hiring needs."

Cessna is one of the original 105 members of The Welfare to Work Partnership. The Partnership is a new national effort of the American business community to help employers hire and retain former welfare recipients without job displacement. The Partnership started on May 20, 1997 and now represents over 2,500 employers known as Business Partners.

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Welfare-to-Work Grants
Highlights of Interim Final Regulations

U.S. Department of Labor
Washington, DC

Overview:

The Balanced Budget Act of 1997, signed by President Clinton in August, provides $3 billion in Welfare-to-Work grants to help move long-term welfare recipients into jobs.

The Interim Final Regulations for the new Welfare-to-Work Grants appeared in the Federal Register on Tuesday, November 18, 1997 and are now in effect. The rules provide guidance to states and localities using Welfare-to-Work funds to place people directly into jobs, and help them acquire the skills, work experience, and resources they need to find and keep unsubsidized employment. There is a 60 day comment period on the published Interim Final Regulations. Following consideration of all written comments, they may be revised as appropriate.

Key Principles:

The new Welfare-to-Work rules are based on several key principles:

- **The goal of the program is to move those most at risk of long-term welfare dependence into jobs.** The grants will be used to equip long-term welfare recipients--generally those with poor education, low income, and little job experience--with the resources and support they need to find and keep good jobs.

- **Local implementing agencies should have the flexibility to design services to meet individual and community needs.** Under these grants, communities will have great flexibility in designing welfare-to-work strategies geared to the needs of their own labor market and economies. Possible grant activities may include job creation through public- or private-sector wage subsidies; on-the-job training; contracts with pubic or private providers of job readiness, job placement, and post-employment services; job vouchers for similar services; community service or work experience; or job retention and supportive services not otherwise available to the individuals receiving the WtW services.

- **Local collaboration and integration of services will help eliminate employment barriers faced by hard to employ welfare recipients.** A broad cross-section of the public and private sectors is encouraged to collaborate on program design and service delivery. Elected officials, workforce development organizations, welfare agencies, the business community, labor unions, non-profit and faith based organizations, disability groups, substance abuse treatment organizations, transportation boards, child care groups, housing entities and others must work together to effectively help welfare recipients with barriers to employment transition to unsubsidized loans.

welfare to work

Questions and Answers on Welfare Reform
November 17, 1997

Business Welfare to Work Commitments

Question: **How many companies have accepted the President's welfare to work challenge?**

Answer: Today, President Clinton announced that in six months over 2,500 companies have pledged to hire new workers from the welfare rolls -- far surpassing the six month goal of 1,000 set May 20th when the Welfare to Work Partnership was launched at the White House. The growth from 105 to 2,500 companies in just six months shows a tremendous private sector commitment to welfare reform.

Question: **What exactly have the 2,500 companies committed to?**

Answer: The 2,500 companies have already hired welfare recipients or have pledged to do so without displacing other workers.

Question: **What kind of companies are they?**

Answer: All kinds of companies, from all 50 states, have joined the Partnership. Twenty percent of them have more than 250 employees; 22 are Fortune 100 companies. Half are small companies, with 25 or fewer employees.

Question: **Is the Welfare to Work Partnership part of the White House?**

Answer: No. The Welfare to Work Partnership is an independent, nonpartisan, national effort of the American business community to help move those on public assistance into jobs in the private sector. The Partnership was formed in response to the President's challenge in his 1997 State of the Union speech to forge "a new national effort to marshal America's businesses, large and small, to create jobs so that people can move from welfare to work."

U.S. Chamber of Commerce Announcement

Question: **The President praised the Chamber of Commerce today for its commitment to welfare to work. What have they done?**

Answer: Today, the U.S. Chamber of Commerce launched a major campaign to enlist over 3,000 chambers of commerce in the welfare to work effort. In a letter sent today to all chambers of commerce in the nation, U.S. Chamber President Tom Donohue urged members to develop welfare to work programs in their communities and pledged to provide them with information and assistance to do so.

The U.S. Chamber of Commerce is teaming up with the Welfare to Work Partnership to distribute business-oriented welfare to work guides to every chamber in America by early 1998 and to sponsor a welfare to work forum at the chamber's annual meeting on February 23rd.

New Welfare to Work Rules

Question: The President referred to new welfare to work rules released today. What do the new rules do?

Answer: The President today unveiled new federal welfare reform rules that underscore his commitment to work and welfare reform. The rules provide additional guidance to states operating the Temporary Assistance for Needy Families (TANF) welfare reform program and to states and localities receiving Welfare to Work (WtW) grants enacted in the Balanced Budget Act. The rules are on public display at the Federal Register on Tuesday.

HHS Regulations

Question: **What's newsworthy about the HHS regulations?**

Answer: Not much is new substantively, since the statute itself was very clear, and the department has used its regulatory authority very sparingly to allow states maximum flexibility. But these regulations do restate the guidance given to states since the law's enactment, and restate the President's commitment to work and accountability. Overall, these regulations make clear that we want all welfare recipients who can work to go to work and that we want states to work with every family on welfare to help them achieve self-sufficiency.

Question: **How do the rules underscore the President's commitment to work?**

Answer: The new HHS rules uphold the law's strong emphasis on work through their treatment of the law's work participation rates. Under the welfare reform signed into law by the President last year, states must put an increasing percentage of adults to work each year (25 percent of all families must work in fiscal year 1997 rising to 50 percent in 2002; 75 percent of two parent families must work in 1997, rising to 90 percent in 1999). The rules announced today provide a clear and firm structure of penalties for states that do not meet these critical work rules. A state that fails the work participation rates will be assessed a penalty based on degree of noncompliance, but will be given an opportunity to correct the violation. If the state fails to make substantial progress, then it will have to pay the penalty (up to 5 percent of its welfare block grant, with higher penalties for repeat failures). By law, a state must increase its welfare spending by at least the amount of the penalty, to ensure that a state's failure to meet the law's expectations does not harm dependent families.

Question: **Some observers still believe that the proposed regulations undercut the tough work requirements of welfare reform. Do you agree?**

Answer: No. We believe the proposed regulations are very tough on work requirements. We're serious about imposing tough but fair penalties, the core feature of the proposed regulations. States can seek corrective compliance plans and reasonable cause exceptions for very limited, legitimate problems in meeting requirements. However, if a state tries to game the system or avoid work requirements -- and fails to show substantial progress in moving families to self-sufficiency --- they will incur financial penalties.

Question: **You say you're emphasizing accountability, and that you plan to penalize states that don't meet work rates. Why should we believe you, since you've never imposed any penalties before?**

Answer: We are serious about imposing penalties, because if states are not succeeding, then families are not achieving self-sufficiency. That doesn't mean we are opposed to state flexibility: the Clinton administration has a track record of granting 43 states waivers of old federal red tape, more than the previous administrations combined. But if states try to evade work requirements or fail to help families get on the road to work, then they will face severe consequences.

Question: **What does this regulation mean for states failing to meet the two parent work rate?**

Answer: The proposed regulation closely tracks the law, balancing tough expectations for states to fulfill work requirements and fair opportunities to address problems. There are several provisions in the proposal that apply to two-parent families. Most notably, states can obtain a credit in their two-parent participation requirement for a reduction in their two-parent caseload, as specified in the statute.

Consistent with our previous guidance on this provision, our draft regulation requires states to calculate the reduction separately for all families and for two-parent families and apply the reductions, with exclusions for eligibility changes, to the respective participation rates.

In applying the penalty, if a state still fails to meet the minimum participation rate for two-parent families (75% for FY97 and FY98, 90% for FY99 and thereafter), then the proposal would take a 5 percent reduction in the block grant allocation proportional to their two-parent caseload (i.e., if a state's two-parent caseload is 10 percent, then the reduction would be 10 percent of 5 percent of the block grant allocation).

States also have the option to submit a corrective compliance plan to HHS that would contain measures to address the problem. States could also seek a reasonable cause exception from the Secretary if they can demonstrate a compelling reason why they should not receive a penalty.

Question: **Doesn't this interpretation mean that you're letting states off the hook on the first substantive requirement of the new law? How can you possibly say the Administration is committed to tough work requirements?**

Answer: The law passed by Congress, at the request of the states, specifically required both a caseload reduction credit and a provision that requires the Secretary to consider severity in imposing the penalty. These regulations are our best reading of Congress' intent.

Overall, we believe these regulations strike the appropriate balance between accountability and state flexibility, and stress the importance of moving people from welfare to work. For example, the regulations allows "reasonable cause" exceptions for only very limited circumstances. We have also been clear that there will be severe consequences for states who try to evade the law's work requirements by setting up separate programs with state money.

Question: **States say the rules will stifle creativity, and impose restrictions on use of their own funds. Can you comment?**

Answer: The proposed regulations reinforce the balance between state flexibility and state accountability for success in moving families from welfare to work. Under this proposal, states and communities will have great flexibility in designing welfare-to-work strategies geared to the needs of their own welfare population and labor market. For example, states have complete flexibility to define the work activities listed in the law. Yet the proposal holds states accountable by attaching severe consequences for states diverting families from TANF to separate state programs in order to evade TANF's work requirements.

Question: **Senators Murray and Wellstone criticize you for not doing enough for domestic violence victims in these regulations. How do you respond?**

Answer: We believe that the proposed regulations comply with the intention of the family violence option, sponsored by Senators Murray and Wellstone. We are also confident that the proposal represents the right balance between protecting domestic violence victims and helping them obtain the work experience they need to become self-sufficient and independent. For states, the proposal offers an opportunity for a reasonable cause exception from penalties for failure to meet the work participation rates and five-year time limit, if the reason for non-compliance is the provision of appropriate services to victims of domestic violence.

Question: **Why did it take you so long --15 months -- to put out proposed regulations?**

Answer: We've been giving states guidance all along, but the issuance of these regulations was delayed because of the many important changes and technical amendments to the welfare reform law made in the Balanced Budget Act. That legislation was not passed until August, and we moved relatively quickly to get these regulations done.

Question: **I thought the Clinton Administration is for streamlining government -- why is the regulation so long?**

Answer: We have made every effort to use our regulatory authority sparingly, but in the areas we did issue regulations -- such as penalties for states that don't meet the law's work requirements -- we felt an obligation to be clear. The length of the document reflects an attempt to set forth clearly both the proposed regulatory requirements and the rationale behind them. As you may know, Congress specified only limited authority to HHS to regulate the welfare program, and the Administration is committed to state flexibility. Nevertheless, Congress and the President expected accountability from the states to move families from welfare to work. The regulations closely track the new law, providing clarity to guide states for successful implementation of welfare reform while ensuring that states don't abuse that flexibility by actions that would gut the strong work requirements.

Dept. of Labor Regulations

Question: **What do the Department of Labor rules do?**

Answer: The Labor Department rules implement the $3 billion welfare to work fund the President fought for and won in the Balanced Budget Act. The new rules ensure that states and localities have the tools they need to move hard-to-employ, long-term welfare recipients to work. The rules provide tremendous flexibility to state and local governments to decide what programs and services will best help families become self-sufficient. They encourage collaboration among local agencies to ensure that child care, substance abuse treatment, and transportation needs are addressed. And they ensure that these funds are targeted to hard-to-employ welfare recipients -- generally those with poor education, low skills, and little job experience -- who need help the most.

Question: **What can the $3 billion welfare to work funds be used for?**

Answer: The funds can be used for a wide variety of work activities to help individuals achieve the ultimate goal of unsubsidized employment, including: job creation through public- or private-sector wage subsidies; on-the-job training; contracts with pubic or private providers of job readiness, job placement, and post-employment services; job vouchers for similar services; community service or work experience; or job retention and supportive services not otherwise available to the individuals receiving the WtW services.

Question: **Who operates these programs?**

Answer: About 25 percent of the $3 billion welfare to work funds will be awarded on a competitive basis to innovative local programs (the application for these competitive funds will be released next month). About 75 percent of the $3 billion funds are distributed according to a formula based on the number of people in poverty and on welfare. 85 percent of the formula funds will be distributed to Private Industry Councils, and 15 percent will be retained by the states, which may contract with other organizations.

Caseload Numbers

Question: **What are the new welfare caseload numbers released today?**

Answer: President Clinton announced today that welfare caseloads have declined another 236,000, bringing the total reduction to more than 3.8 million since he became President, a drop of 27 percent. In the 11 months from August 1996 when he signed welfare reform into law through July 1997 (the numbers released today), welfare rolls have declined over 1.9 million to just over 10.2 million. Since 1993, a total of 49 out of 50 states have lowered their welfare rolls -- 16 states by 40 percent or more.

The new caseload numbers demonstrate the success of the welfare reform law. The welfare caseloads, which fell by a record 1.9 million in the President's first three-and-a-half years in office, have dropped by 1.9 million more in the first 11 months of the new law's first year. The total 3.8 million caseload decline is the largest in history.

Question: **Isn't the decline in caseloads due mainly to the good economy?**

Answer: According to a May report by the Council of Economic Advisors (CEA) about 40 percent of the reduction in the welfare rolls can be attributed to the strong economic growth during the Clinton Administration, nearly one-third can be attributed to waivers granted to states to test innovative strategies to move people from welfare to work, and the rest is attributed to other factors -- such as the Clinton Administration's decisions to increase the Earned Income Tax Credit, strengthen child support enforcement, and increase funding for child care.

Question: **How can you use the decline in the welfare caseloads as a measure of success when we don't know what's happening to these former recipients?**

Answer: Welfare caseloads are the best measure we have right now of the success of welfare reform. Not enough time has passed for full scale research studies to be completed to tell us what recipients are doing once they leave the rolls, but we do know that almost all have left the rolls voluntarily, since very few time limits of any kind have gone into effect yet. The natural inference is that the people leaving the welfare rolls have found better opportunities and more self-sufficient lives, and the preliminary studies we have support that conclusion.

Welfare Caseloads

	Baseline Recipients (Jan. 93)	Recipients (in month noted)	Percentage Drop	Decline since Jan. 93	Decline since Aug. 96
May 96 (data we had when law was signed)	14.115	12.499	11%	1.616	
Aug. 96* (when law was signed)	14.115	**12.202**	14%	**1.913**	
Jan. 97	14.115	11.360	20%	2.755	
Feb. 97	14.115	11.262	20%	2.853	
Mar. 97	14.115	11.156	21%	2.959	
Apr. 97	14.115	10.969	22%	3.146	1.233
May 97	14.115	10.748	24%	3.367	1.454
June 97	14.115	10.494	26%	3.621	1.708
July 97**	**14.115**	**10.258**	**27%**	**3.857**	**1.944**

*Note that when the welfare law was signed in August 1996, only had caseload data through the month of May 1996 was available. Thus, the public statements made at that time were based on that May 1996 data.

** Data released 11/17/97.

Welfare Caseloads as Percent of Population

Year	Welfare Caseload (millions)	Population (millions)	Percent
1969	6.706	202.677	3.3%
1970	8.466	205.052	4.1%
1971-1992	bet. 8-13	bet. 207-255	bet. 4.1-5.3%
1993	14.142	258.137	5.5%
1994	14.225	260.660	5.5%
1995	13.652	263.034	5.2%
1996	12.648	265.284	4.7%
July 1997*	10.258	266.789	3.8%

* Data released 11/17/97.

Question: **Which are the 16 states that have cut their rolls by 40 percent or more in the last four years?**

Answer: The 16 states are: Alabama, Colorado, Florida, Idaho, Indiana, Kansas, Massachusetts, Mississippi, North Dakota, Oklahoma, Oregon, South Carolina, Tennessee, Utah, Wisconsin, and Wyoming.

Question: **How does Kansas' caseload decline compare to the nation's?**

Answer: The numbers released today show that welfare rolls in Kansas dropped by 46 percent, or more than 40,000 people, between January 1993 and July 1997 -- far higher than the nationwide rate. In fact, welfare caseloads in Kansas have fallen nearly as much in 11 months (26 percent) as the U.S. caseload fell in four and a half years (27 percent).

Cessna's Welfare to Work Program

Question: **What's happening today in Wichita?**

Answer: Today, the President dedicated the Cessna Aircraft Company's new state-of-the-art facilities where welfare recipients are trained for skilled production jobs at Cessna. The new 20,000 square foot facility will allow Cessna, one of the founding members of the Partnership, to nearly double its welfare-to-work program, known as 21st Street, and provide on-site child care for the children of its trainees.

Question: **Why is Cessna's training program being touted?**

Answer: The President hailed Cessna's model program for providing individualized training in sheet metal assembly, a salary with health benefits and child care, and a guaranteed job upon completion of the program. With these new facilities, Cessna will also provide a positive living environment for those who may need it; housing on campus will be available for female trainees who may be in abusive living conditions or for trainees without reliable transportation. Additionally, Cessna's commitment to the community is laudable: by placing the training facilities and plant in an economically distressed part of Wichita, it has spurred economic revitalization in the 21st Street corridor.

Question: **What is the 21st Street training program?**

Answer: The 21st Street Training Program is a program that targets Wichita residents who are considered unemployable. It is designed to offer skills and training to people who cannot qualify for entry-level jobs and to provide them with an opportunity to achieve self-sufficiency. The "campus" is made up of two building: the sub-assembly plant and the Learning Center which houses both the training center and the day care facility. The residential cottages, which will serve as short-term housing, are on the grounds. Started in December 1990 in a refurbished grocery store, the new Cessna 21st Street Program will be able to teach twice as many trainees as before and provide on-site child care and short-term housing (if needed).

Question: **Hasn't Cessna been operating this program since 1990? What's new about it?**

Answer: Building on Cessna's success of providing training and jobs to former welfare recipients, Cessna, the Department of Housing and Urban Development (which provided loan guarantees), and the City of Wichita entered into a partnership to build these new facilities. The new 21st Street will substantially expand the training capabilities, provide on-site child care, and create a significant number of permanent full-time jobs for area residents in a new adjacent sub-assembly plant.

Question: **Does the program only provide training to people on welfare? How are candidates selected?**

Answer: Today, all the trainees admitted to the program are welfare recipients, although this was not true in the program's earliest days. Candidates are referred and screened by KanWork, Kansas' welfare reform program. Applicants are then interviewed by a panel of 21st Street staff who assess motivation and the desire to make lifelong changes.

Question: **What is the curriculum for sheet metal training?**

Answer: The skills training includes blueprint reading and other basic sheet metal skills. The production training involves actual experience in production in the plant. All of the training staff are Cessna employees. The curriculum is flexible; the length of training generally is assumed to require six months, but trainees may need more or less depending on individual trainee's skills, experience, and ability to learn.

Question: **How many individuals can be trained at the new facility? What salary and benefits do they get while in training?**

Answer: The new facility will be able to train about 40 sheet metal trainees. Trainees work full-time and earn $6.50 an hour with health care benefits. Child care is available on-site.

Question: **How many participants have graduated? What is the success rate?**

Answer: Over the six year history of the program, over 250 people have successfully completed the program and over 200 of them continue to be employed at Cessna, with another 26 working full-time elsewhere in the private sector. More than 60% of all participants in the Cessna program successfully achieve full-time, private sector employment.

Question: **Is this facility part of Cessna's headquarters?**

Answer: No. Cessna is headquartered in Wichita, but its main facility is not on 21st Street. While the new campus will have a new sub-assembly plant, bringing more jobs to 21st Street, many individuals trained at the 21st Street site move after training to begin work at Cessna's main sites.

Question: **What kind of clerical training does the facility offer?**

Answer: 21st Street also holds clerical training classes. There are two sessions per year with a maximum of 12 students per session. No fees are assessed; the participants receive no wages. As a final step in the program, students are placed in internships in various departments throughout Cessna. Upon successful completion of the program, participants are assisted in job placement and a number of participants have secured positions with Cessna, but job placement is not guaranteed.

Question: **What was HUD's role in helping Cessna build these facilities?**

Answer: Cessna, the Department of Housing and Urban Development and the City of Wichita have worked in partnership to make this training program a reality. The City of Wichita in 1990 earmarked $440,000 of its Community Development Block Grant entitlement from HUD and used it to finance the conversion of the initial Cessna training building. In 1994, the city was awarded a $1.5 million grant from HUD for the acquisition of the current property. Subsequently in 1996, the city received a Section 108 loan guarantee from HUD in the amount of $3.6 million to be used as a portion of the $5.27 million project cost to develop the learning and work complex. Since Cessna opened its original facility in 1990, more than $40 million of private and public investments have been made in the 21st Street corridor.

Question: **How is the program funded?**

Answer: The program is funded by Cessna, with some assistance from the Job Training Partnership Act (JTPA), and the Kansas Department of Commerce and the Social and Rehabilitation Services (the state welfare agency).

<u>Child Care</u>

Question: **Describe the child care facility. Does it meet the standards that the President and Mrs. Clinton set forth at the White House Conference on Child Care last month?**

Answer: The Child Development Center, opened October 27, 1997, is in the same building as the training center. The Center is licensed for up to 40 children, ages one (walking) to kindergarten age. Children of trainees are given first priority and children of sub-assembly employees are next. If space is available, applications from children from the area whose parents are not affiliated with Cessna will be considered. Cessna's on-site child care center is a good example of the type of child care the President and First Lady called for -- safe, affordable, quality care that is available to parents.

Question: **Is it an accredited child care program?**

Answer: No. The center is very new. It is licensed.

Question: **I understand AmeriCorps played some role here. What did they do?**

Answer: Last year, welfare recipients who joined AmeriCorps staffed the small, pilot child care center which was started before the new Cessna facility was finished. They served as child care providers in the child care center and aided families trying to get off welfare. Now, the child care center is operated by Cessna, which has hired several AmeriCorps alumni to work at the center full-time. In this year's AmeriCorps program, the AmeriCorps members will mentor welfare recipients seeking to make the move from welfare to work.

Question: **Isn't the AmeriCorps project in Wichita a troubled one?**

Answer: No, but there were some administrative issues, now resolved, between the state Kansas Commission on National and Community Service and its local subcontractor, the Department of Social and Rehabilitation Services (the welfare agency) actually operating the AmeriCorps program in Wichita. These issues led to a brief shutdown of the program by the Commission. These issues have now been worked out and the program will start its second year in a few weeks. In its second year, approximately 20 AmeriCorps members will mentor welfare recipients seeking to make the move from welfare to work.

Question: **How is the child care facility funded?**

Answer: Trainees and employees pay tuition, with a sliding scale for trainees. Cessna covers the remaining operating costs.

Question: **Do other employees at the other Cessna sites have company–sponsored child care options?**

Answer: They do not have this type of arrangement at any other Cessna plant. But employees at corporate headquarters may use a child care center that gives Cessna's employees a reduced rate. Cessna then withholds payment of the child care costs from employee wages.

WR - Cessna event

Cynthia A. Rice 10/22/97 06:42:06 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Christa Robinson/OPD/EOP, Diana Fortuna/OPD/EOP
Subject: Update on Cessna Event

1) At today's meeting (which Elena and Christa attended) the Wichita event was added to the schedule, pending the outcome of the Erskine scheduling meeting tomorrow at 11:00. Scheduling feels strongly, and apparently everyone in the room agreed, that a Kansas event on November 17th means no non-message event with the board members on the 19th. Everyone agreed to hold the line with Eli. Of course nothing's final until tomorrow's Erskine meeting.

2) Today, I had a long talk with the Cessna Senior VP in charge of the welfare to work project, which convinced me we could do a good event there. My friend the former Kassebaum staffer also got a glowing report from her source. However, I think we need to decide whether this is **the** Welfare to Work Partnership event we want to do in the next several months, given that, as currently structured, it highlights only one model company's effort -- which are expanding, but were begun in 1990. Here are a few things you should know:

a) The project is small -- 200 graduates total since it started in 1990. They've had 24 classes of about 15 trainees each; at their new facility they'll be able to double the size of the trainee class to 30. The trainees are welfare recipients, referred by the KanWorks program and are nearly all women.

b) The event would not be a graduation, although it will be attended by a class that just graduated several weeks ago as well as about 200 former trainees who are now Cessna employees. On average, former program trainees now at Cessna earn $12 an hour, mostly as sheet metal assemblers.

c) The event would dedicate their new facility, which the city owns and built with HUD loans and which Cessna rents. There are two buildings -- one is a training center which has on-site child care for the trainees (staffed in part by AmeriCorps), and the other is a Cessna production site. Cessna says they believe this is the only facility of its kind in the country (Polaroid has a inner-city production plant, but it's apparently not as comprehensive a program). In addition, Cessna will keep the old facility (across the street from the new one) as a production facility.

d) Trainees get paid while in training (currently $6.50 an hour), receive full health and pension benefits, and are guaranteed jobs upon graduation. And now, the new site has temporary housing for trainees to live in during training. During the training period, JTPA funds are used to pay half of the trainees' wages.

e) This effort has been the cornerstone of a larger revitalization effort in the 21st Street area -- thus there's a larger story to tell about public-private efforts to revitalize cities.

f) In addition to the project which trains individuals for jobs at Cessna, they also host a clerical training program, which places individuals in jobs around the city (66% get placed, they say).