# **CLASP**update

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CENTER FOR LAW AND SOCIAL POLICY

## Welfare Caseloads Increase in Most States

Thirty-eight (38) states and the District of Columbia reported a welfare caseload increase in the third quarter (July-September 2002), according to new data collected by Elise Richer, Hedieh Rahmanou, and Mark Greenberg of the Center for Law and Social Policy (CLASP). For the nation as a whole, the welfare caseload increased by 0.9 percent. This is only the second time since 1994 that caseloads, when summed nationally, have shown a quarterly increase.

"Given the growth in unemployment, an increase in welfare caseloads shouldn't be a surprise," said Mark Greenberg, CLASP Policy Director. "Although welfare caseloads in much of the country are still at or near historic lows, any increase in the number of families needing help puts further stress on states at a time when many are facing huge budget deficits."

While most state welfare caseloads increased in the most recent quarter, states are roughly evenly split as to whether they experienced a caseload increase during the past year (September 2001–September 2002). And, even with this quarter's growth, the national caseload declined 3.3 percent over the past year.

CLASP has collected the new data on the Temporary Assistance for Needy Families (TANF) caseloads through September 2002 from all 50 states and the District of Columbia. These are the most current and complete data available. It is possible that, in some instances, families removed from federal TANF assistance due to time limits may be transferred to state-funded TANF assistance. Because of the difficulty in collecting the data, such families are not included in the figures released by CLASP.

Most states reported a fluctuating caseload over the past quarter, as opposed to steady movements in one direction or another. Only one state (Indiana) has seen its caseload increase steadily for the past six months (that is, since April), while two states (Alaska and New York) have seen their caseloads decrease steadily for the past six months. All other states have seen at least some fluctuation in recent months, leading to most states having fairly stagnant caseloads. When summed across all states, the TANF caseload nationally has also shown small fluctuations over the past few months.

### **Additional TANF Caseload Findings**

In reviewing the new caseload data, CLASP also finds:

- In the last quarter, most states reported increases. From July to September 2002, 39 states (including D.C.) reported a caseload increase, with the remainder reporting decreases. States reporting increases averaged a 2.0 percent increase, and states reporting a decrease averaged a 1.7 percent decrease.
- In 25 states, TANF caseloads increased over the past year, from September 2001 to September 2002.

These increases are fairly large, averaging 8.5 percent.

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## Upcoming Legislation Affecting Working Women

On December 4, 2002, Wider Opportunities for Women, a Washington, DC-based non-profit, hosted a briefing to discuss upcoming legislation in the 108th Congress that affects low-income women, including the Workforce Investment Act (WIA), Carl D. Perkins Vocational and Technical Education Act, Transportation Equity Act for the 21st Century (TEA-21), and Temporary Assistance for Needy Families (TANF).

#### **WIA**

Nisha Patel, a CLASP Policy Analyst, was one of the speakers on WIA. WIA replaced the Job Training Partnership Act (JTPA) in 1998 and is slated for reauthorization in 2003. WIA established "one-stop" centers as entry points to all individuals seeking publicly funded job training, creat-



CLASP Policy Analyst Nisha Patel

ed a universal access system that no longer targeted lowincome job seekers, and emphasized a work-first approach that requires most individuals to demonstrate their inability to obtain or keep a job before qualifying for job training vouchers.

Patel discussed how since the inception of WIA in 1998, one-stop centers have been using a large portion of their

The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org federal funds to set up core services, resulting in an estimated 67-percent decrease in training services offered to clients since JTPA. Patel gave the following potential reasons for this decline:

- WIA requires clients to receive services in a sequential order beginning with core services (e.g., job search, eligibility determination) and ending with training, which many local areas have interpreted as work-first.
- There is no targeted funding for training for lowincome populations.
- The strong economy of the late 1990s made finding an entry-level job easier, which in a work-first approach reduces the incentive to provide training.

Patel also discussed the lack of data available on whom the one-stops are serving. The Department of Labor—the agency responsible for WIA—has not released these data in a format accessible to the general public nor data on the types of training being provided.

Jane McDonald Pines of the AFL/CIO and Toni Henle of Women Employed, a Chicago non-profit, both spoke about the need for additional training services from WIA to help workers obtain greater self-sufficiency and to ensure that one-stops are not revolving doors for low-wage working women. In addition, Jaime Fausteau of the American Association of University Women discussed how post-secondary institutions have not been very involved in WIA because of the cumbersome paperwork and accountability measures. Streamlining the process could make involvement by post-secondary institutions more likely, she noted.

## Other Programs Affecting Women's Employment

The Perkins Act, which provides relatively flexible funds to support activities that enhance the vocational and academic achievement of students, also is scheduled to be reauthorized in 2003. Leslie Annexstein of the National Women's Law Center spoke about sex discrimination in

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### The perfect solution for tight travel budgets!

## **CLASP Announces 2003 Audio Conference Series**

The 108th Congress convenes in January with a full plate of issues affecting low-income families and their children—including the reauthorization of key programs like Head Start, the Workforce Investment Act, Child Nutrition, and the Perkins Vocational and Technical Education Act, as well as the overdue reauthorization of the federal welfare program. All of this activity will occur in the context of a tight federal budget and continuing state fiscal crises.

How can you stay up-to-date on the latest developments in Washington and their effects on low-income families and children in your state? Register now for CLASP's 2003 Audio Conference Series, "How Will Low-Income Children and Families Fare in the 108th Congress?" Now in its 10th year, the CLASP Audio Conference Series brings Members of Congress, Capitol Hill staff, federal



Jodie Levin-Epstein, CLASP Deputy Director, hosts the CLASP Audio Conference Series

and state policy experts, and practitioners right to your office or conference room. The Series is hosted by CLASP Deputy Director Jodie Levin-Epstein. Great discounts are available for registrants who order the whole 13-call series and for on-line credit card orders.

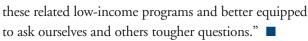
The CLASP 2003 Audio Conference Series will launch on Friday, January 24, with "State & Federal Budgets: Implications for Low-Income

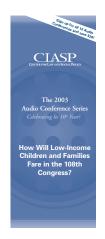
Programs," focusing on the state budget crises and growing federal deficit. The 2003 Series promises to be a lively one—with calls on work-family initiatives in Congress and the U.K., welfare, child welfare, federal student aid, runaway youth, and more.

CLASP Audio Conferences are hour-long conference calls held on Fridays at 12:30 pm (ET) during which leading policymakers, program administrators, and other experts discuss the latest developments in policy for low-income families and their effects on states and communities. Many

subscribers gather colleagues around a speaker phone and use the call as a catalyst for discussion. Every registrant also receives a list of web resources prior to each call.

"The CLASP Audio Conferences tackle a range of low-income programs," noted Mary Kay Cook, Colorado Department of Human Services. "As state staff working on TANF, we come away from the Audio Conferences feeling smarter about





#### **HEAR FROM THE EXPERTS!**

The 2003 CLASP Audio Conference Series will feature policymakers and experts from Washington and elsewhere, including:

- Senator Christopher Dodd, D-CT (invited)
- Senator Chuck Grassley, R-IA (incoming Chair of the Senate Finance Committee)
- Ellen Galinsky, Families and Work Institute
- Mark Greenberg, Center for Law and Social Policy



Senator Dodd, D-CT

- Bob Greenstein, Center on Budget and Policy Priorities
- Ron Haskins, Brookings Institution (and former Bush White House advisor on welfare)
- Bill Hoagland, Office of Senator Trent Lott, R-MS (invited)
- Alison Houston, Marks & Spencer
- **Frank Shafroth, National Governors Association**

■ For more information and to order, visit: www.claspstore.org

## Updated State TANF Policies Affecting Microenterprise

ver the past four years, CLASP has been assisting the Charles Stewart Mott Foundation and the Aspen Institute in developing a better understanding of how state policies have affected access to and participation in microenterprise training and self-employment for TANF recipients. Most recently for this project, CLASP Policy Analyst Nisha Patel and Director of Policy Mark Greenberg updated a series of case studies titled *Key State TANF Policies Affecting Microenterprise*, which documents the TANF policy environment in nine states where microenterprise demonstration programs funded by the Mott Foundation operated.

In 1998, the Mott Foundation initiated the "Microenterprise Development Initiatives for Welfare-to-Work" demonstration. The project, which involved 10 grantees in nine states (California, Colorado, Illinois, Iowa, Massachusetts, Michigan, Minnesota, New York, and Oregon) sought to better understand the issues microenterprise programs have faced in the TANF framework. These demonstration programs enrolled TANF recipients who received a range of program services, including microenterprise and personal effectiveness training, access to capital, business counseling, and, in some cases, employment assistance.

Each of the updated state case studies provides information on the following: general TANF funding and spending, TANF spending to support microenterprise, initial participation requirements, whether and how microenterprise participation is a countable work activity, work participation rates, sanctions for failing to comply with work requirements, time limits, treatment of income, treatment of resources, and supportive services available. These case studies are a companion to a document written by Patel and Greenberg for this project that was released in April 2002. Microenterprise Development and Self-Employment for TANF Recipients: State Experiences and Issues in TANF Reauthorization discusses how state policies have affected access to and participation in microenterprise training and self-employment for TANF recipients involved in the demonstration project and recommends ways in which TANF law could be changed during reauthorization to encourage, or at least not discourage, states from providing support to microenterprise initiatives.

- To view the updated state policy case studies, visit: http://www.clasp.org/DMS/Documents/1040063874.62/ welfare\_policy.htm
- To view Microenterprise Development and Self-Employment for TANF Recipients, visit: http://www.clasp.org/DMS/
  Documents/1023820695.1/microenterprise\_report.pdf

#### **NEW CLASP BROCHURE RELEASED**

Everything you wanted to know about CLASP, but were afraid to ask! Check out this new 10-page brochure to learn about CLASP's work to promote a progressive agenda in family policy and to secure equal justice for all. It describes CLASP's policy and research analysis and targeted technical assistance on the following issues: welfare reform, child care and early education, child support, child welfare,



couples and marriage policy, low-income fathers, reproductive health and teen pregnancy, workforce development and job creation, at-risk youth, and civil legal assistance.

For a free copy of the brochure, e-mail lblackmon@clasp.org.

## New Assessment of Legal Services Hotlines

Because resource limitations prevent legal services programs from serving all low-income clients with legal needs, many programs and states have created telephone hotline systems to provide brief legal advice and referrals for those who must handle their legal problem without an attorney. A recently released report from the Project for the Future of Equal Justice (PFEJ), a joint project of CLASP and the National Legal Aid and Defender Association, assesses the effectiveness of these hotlines.

The Hotline Outcomes Assessment Study. Phase III—Final Report: Full Scale Telephone Survey describes whether clients understand the advice they are given by hotlines, whether they follow up on it, and whether they realize a satisfactory resolution to their problems and provides recommendations to encourage positive results. It is the largest study of any aspect of the civil legal assistance delivery system as it currently exists and the first and only cross-site study of legal services case outcomes.

Conducted by Jessica Pearson and Lanae Davis of the Center for Policy Research in Denver, Colorado, the study was managed by Julia Gordon, a Senior Staff Attorney at CLASP, and Robert Echols, an independent legal services consultant. Gordon and Echols worked closely with the researchers to design the study and analyze the results, and they also performed one of the study's core activities: reviewing and categorizing each of the 2,000-plus cases included in the study.

The study found that where an outcome could be determined, hotline cases were almost evenly split between successful (48 percent) and unsuccessful (52 percent) outcomes. When callers understand what they are told to do and follow the advice they are given, they tend to prevail. Only 6 percent of all clients received unfavorable results because they did not prevail after following the advice of hotline workers. In contrast, 13 percent failed because they did not understand the advice that was given, and 9 percent because they lacked the time, initiative, or courage to try to do what the worker suggested.

The study also discovered that certain demographic categories of clients were much less likely to obtain favorable outcomes than others. Non-English speakers and those who reported no income performed significantly worse than other demographic sub-groups. Similarly, clients who reported having less than an 8th grade education or having problems with transportation, reading or comprehending English, scheduling, stress, fear, or other personal factors affecting their ability to resolve their problems were less likely to obtain a successful outcome.

Finally, the study showed that certain types of hotline cases and services are more likely to result in successful outcomes. The most striking differences depended on who the opposing party was: cases in which the hotline provided advice on dealing directly with a landlord, creditor, ex-spouse or partner, or other private party were much more likely to have a successful outcome than cases in which clients were advised about representing themselves in court or dealing with a government agency.

The report offers recommendations to hotline managers and other policymakers, including:

- Hotlines should institute or improve follow-up procedures. Hotlines should institute tickler systems flagging cases for a callback to check on the client's progress. Cases that should be flagged are those in which the client has one or more of the characteristics that make it less likely that he or she will prevail.
- Hotlines should develop or increase their capacity to provide brief services or institute a brief services unit. In cases where it may be possible to resolve the client's problem with a letter, telephone call, or completion of a form or referral, it is likely to be a more effective use of resources for the hotline or a related unit to perform the action than for the hotline to advise the client how to do so.
- Hotlines that do not routinely provide written information to clients should do so. The provision of written information, whether a generic pamphlet on an

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#### Welfare Caseloads continued from page 1

Twenty-one states reported increases the previous year, between September 2000 and September 2001.

- Two states experienced substantial caseload growth in the past year. The states with the largest increases from September 2001 to September 2002 were Nevada (31.0 percent) and Wisconsin (15.8 percent).
- Three states saw large caseload declines in the past year. The states reporting a decrease of more than 15 percent over the same time frame were New York (28.8 percent), Illinois (23.7 percent), and Hawaii (15.3 percent).
- Fewer states are seeing large decreases. From September 2001 to September 2002, six states reported caseload decreases greater than 10 percent. The prior year, seven states reported that size of a decrease, and the year before that, 18 states had such decreases.
- Most, but not all, states have experienced a caseload **increase since the recession began.** Between the "official" start of the recession in March 2001 and September 2002, 27 states have experienced a caseload increase. On average, states experiencing an increase have seen a caseload increase of 12.7 percent. The states experiencing the largest increases over this period are Nevada (60.1 percent), Mississippi (26.6 percent), Wisconsin (23.7 percent), Arizona (22.6 percent), South Carolina (22.6 percent), and Indiana (22.4 percent). For the 24 states experiencing caseload declines during the recession, the average decrease has been 9.9 percent, with the largest declines in New York (33.4 percent), Illinois (33.2 percent), Wyoming (26.3 percent), New Mexico (21.6 percent), and Hawaii (20.0 percent).

## The Context of the Continuing State Budget Crises

These increases in state caseloads have come as most states are facing serious budget deficits, characterized by the National Governors Association and National Association of State Budget Officers as "the most dire fiscal situation since World War II." A report issued jointly by the two associations, *The Fiscal Survey of States*, found that 37 states were forced to reduce their enacted budgets by a

total of \$12.8 billion in fiscal year 2002. To plug these budget gaps, 26 states made across-the-board cuts and used rainy day funds. Midway through the current fiscal year, 23 states plan to reduce their net enacted budgets by more than \$8.3 billion.

In addition, states have come to rely in recent years on a level of federal TANF spending well above the annual block grant level, according to recent analyses by the Center on Budget and Policy Priorities (CBPP). States spent \$2.2 billion more in fiscal year 2002 than they received from the basic TANF block grant and \$1.6 billion more than their total TANF funding, including the supplemental grants and performance bonuses some states receive. States were able to spend at this level in FY 2001 and FY 2002 by drawing heavily on their unspent TANF funds from prior years. However, CBPP warns that reserves of unspent funds have now dwindled, and many states will not be able to maintain their current TANF spending levels over the next couple of years. In fact, some states already have made cuts in TANF-funded programs.

- To view the new TANF caseload data and CLASP's analysis, visit: http://www.clasp.org/DMS/Documents/1041388586.43/caseload\_2002\_03.pdf
- To view *The Fiscal Survey of States* from the National Governors Association and National Association of State Budget Officers, visit: http://www.nga.org/cda/files/NOV2002FISCALSURVEY.pdf
- To view CBPP's budget analyses, visit: www.cbpp.org

## LEGAL SERVICES ARTICLES FROM CLASP

In legal services news, two articles by CLASP Executive
Director Alan Houseman have been published in the *Poverty*Law Manual for the New Lawyer by the National Center on
Poverty Law. Houseman authored an article titled "Legal Aid
History" and another with CLASP Senior Staff Attorney Linda
Perle titled "What You May and May Not Do Under the Legal
Services Corporation Restrictions." Both articles can be
downloaded at http://www.povertylaw.org/legalresearch/
manual/index.cfm. Houseman is currently working on a more
detailed history of legal aid to be published by CLASP in 2003.

#### Working Women continued from page 2

vocational education. In a study conducted in New York City's vocational high schools, sex segregation appears to be rampant with women being pushed into cosmetology and other "traditional" women-dominated programs and not being offered slots in more technical, male-dominated programs that frequently lead to higher-wage jobs. Annexstein hopes this will be addressed in reauthorization.

Kathy Patrick of Tradeswomen Now and Tomorrow spoke about the women's training provisions in TEA-21, which will also be reauthorized in the 108th Congress. Currently, TEA-21 provides states with the option to use one-half of 1 percent of their surface transportation and bridge monies on job training and supportive services to help women and minorities gain employment in nontraditional jobs in this field. Since it seems unlikely the women and minority provisions can be strengthened in this Congress, the focus will be on not allowing them to be weakened or eliminated.

Lastly on the legislative front, Jackie Payne of NOW Legal Defense and Education Fund spoke about the prospects for TANF reauthorization in the 2003. With the Republicans now in the majority in the Senate, the fate of the TANF reauthorization bill that came out of the Senate Finance Committee in 2002 is very uncertain in the 108th Congress. The Senate Finance bill would increase the ability of states to count vocational and post-secondary education as work.

The meeting concluded with a discussion of coalition-building and the need to reach out to non-traditional allies, such as local business leaders and chambers of commerce. CLASP and the Workforce Alliance are co-convening a coalition on WIA reauthorization, which will emphasize issues impacting low-income families. (For more information on the coalition, contact Christin Driscoll at the Workforce Alliance at christind@workforcealliance.org.)

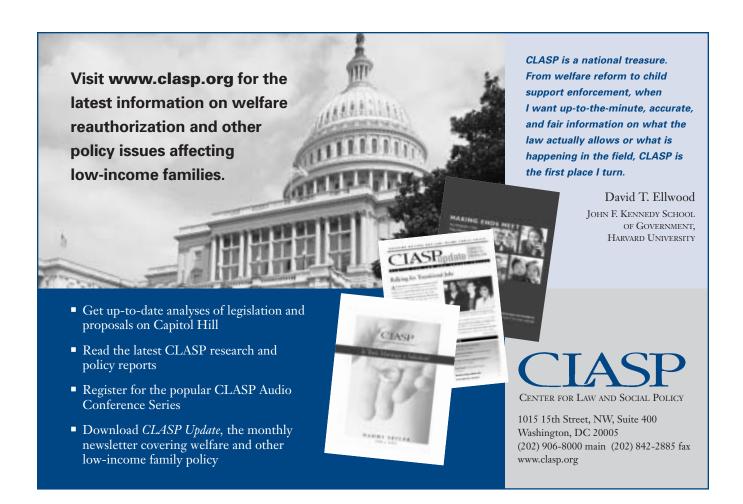
## CLASP STAFF PRESENTS AT WORKFORCE ALLIANCE MEETING

CLASP staff presented on the same set of issues—reauthorizations of TANF, WIA, Perkins Vocational and Technical Education Act, and the Higher Education Act (HEA)—at the Workforce Alliance 2002 National Conference on December 10, 2002. As part of a panel, Senior Staff Attorney Steve Savner provided an overview of what can be expected during the upcoming policy debates on the reauthorizations of TANF, WIA, and HEA. Also participating in panels were Nisha Patel on TANF reauthorization, Julie Strawn on HEA and Perkins reauthorizations, and Abbey Frank on the policy implications of TANF-WIA integration.

#### **Hotlines** continued from page 5

issue or a letter detailing the advice provided, increases the likelihood of a successful outcome.

- Hotlines should screen callers for certain barriers that are associated with unfavorable outcomes. Screening for barriers is likely to require special attention during intake, since the study found that most of these barriers could not be discerned from case files. Hotlines should develop protocols for dealing with these clients, possibly by increasing support or providing more extended services.
- Hotlines should recognize that telling callers that they should obtain a private attorney is unlikely to result in a successful outcome. Most clients who are advised by the hotline to retain a private attorney, particularly in divorce cases, will not be able to afford one willing to take their case. Hotlines should explore alternative services that are more likely to result in successful outcomes.
- To view the report, visit: http://www.clasp.org/DMS/ Documents/1037814145.6/Hotline\_Phase3.pdf



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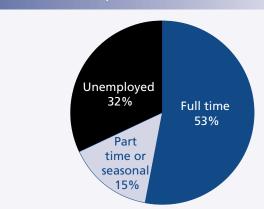
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CENTER FOR LAW AND SOCIAL POLICY

## CLASP Policy Brief Summarizes Head Start Data

Head Start, enacted in 1965, provides federal grants to local agencies for the provision of early education and comprehensive family support services to poor preschool children and their families. With the federal Head Start program scheduled for reauthorization by Congress in 2003, there is a need to understand what the program

EMPLOYMENT STATUS OF HEAD START FAMILIES' HEADS OF HOUSEHOLD, PROGRAM YEAR 2001



Source: Schumacher, R., & Rakpraja, T. (2003, March). *A Snapshot of Head Start Children, Families, Teachers, and Programs:* 1997 and 2001. CLASP Policy Brief: Head Start Series, No. 1. Washington, DC: CLASP.

and the children and families it serves look like today and how they have changed since the last reauthorization in 1998. Therefore, CLASP has just released an 8-page policy brief titled *A Snapshot of Head Start Children, Families, Teachers, and Programs: 1997 and 2001* by Rachel Schumacher and Tanya Rakpraja.

Head Start Program Information Reports (PIR), which all federal grantees are required to submit annually to the

U.S. Department of Health and Human Services, provide a basic snapshot of Head Start children, families, staff, and programs. In this brief, CLASP first synthesizes key PIR data from the most recently available program year, 2000-2001, and then compares these data with data from the 1996-1997 program year (prior to implementation of the 1998 reauthorization requirements). While in most cases the information remains fairly consistent between the two years, the authors note four trends that merit particular attention:

- More Head Start families were working full-time and fewer were receiving cash assistance in 2001, leading more parents to report a need for full-day, full-year child care for their children.
- More Head Start programs were able to provide children with full-day, full-year services in 2001, although the proportion of these services available was less than

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## Advocacy 101

n March 7, 2003, the DC Partnership to End Poverty and the DC Fair Budget Coalition sponsored a day-long conference, "From Service to Justice: Realizing a Vision for a Just, Inclusive, and Caring DC." The conference brought together a diverse group of more than 100 people, including social service providers, faithbased institutions, advocacy organizations, labor unions, community activists, and progressive artists for an energizing day of building advocacy skills and relationships.

Most of the conference sessions focused on teaching the nuts and bolts of advocacy and community organizing work, with skilled presenters from the Alliance for Justice, the Washington Interfaith Network (the local Industrial Areas Foundation affiliate), the DC Fiscal Policy Institute, DC Action for Children, Washington Inner-City Self Help (WISH), and the Washington Legal Clinic for the Homeless. Other sessions focused on building bridges between the arts and advocacy communities, networking among the participants, and creating a sense of community.

Conference co-chairs Julia Gordon, Senior Staff Attorney at the Center for Law and Social Policy, and Mark Anderson, Outreach Coordinator at Emmaus Services for the Aging, expressed great satisfaction with the outcome of the day. "We were very pleased to meet our conference

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1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org participation goal, and also to have presented a very strong agenda for the day," said Gordon. "We believe this conference was a significant stepping stone on the way to creating a stronger and more effective advocacy and organizing force on behalf of low-income District residents."

Speakers included longtime civil rights activist and feminist Heather Booth, who spoke about "Direct Organizing Essentials for Service Providers," and Gustavo Torres, the Executive Director of CASA of Maryland, which has created a multi-pronged approach to assisting Latino low-wage workers through service work, advocacy, and organizing.

In the final session of the conference, participants created action plans that included specific steps to take both as individuals and as organizational staff members.

#### **CLASP BIDS FAREWELL TO GORDON**

After six years, Julia Gordon, Senior Staff Attorney, is leaving CLASP to work as a consultant on equal justice projects. Gordon joined CLASP in 1997 to work on the Project for the Future of Equal Justice, a joint project of CLASP and the National Legal Aid and Defender Association working to ensure meaningful access to a full range of civil legal assistance for low-income people.

Among her many accomplishments, Gordon is credited with successfully encouraging the legal services community to make use of the latest technology, particularly computers and the Internet, for the benefit of their clients. She also managed the Hotline Outcomes Assessment Project, the first national study of outcomes obtained by clients receiving telephone advice from legal services entities.

"Julia Gordon helped focus the Project for the Future of Equal Justice on activities that made a real difference to the civil legal aid community," said Alan Houseman, CLASP Executive Director.

Julia Gordon can be reached at (202) 669-0424 and julia@juliagordon.net.

## Improving Child Care for Children with Disabilities

Pamilies with children with disabilities often have difficulty finding high-quality child care for their children. This problem is compounded for low-income families for whom it can be a real struggle to find affordable, quality child care for any child. First, low-income children are more likely to have disabilities than children in higher income families. Second, low-income families are more likely to live in neighborhoods that lack child care for children with special needs, as well as infant care and non-standard-hour care generally.

This year, Congress is considering the reauthorization of the two statutes that support the development of young children with disabilities and their families—the Child Care and Development Block Grant (CCDBG) and the Individuals with Disabilities Education Act (IDEA). Together these laws provide the resources for the early childhood education infrastructure for low-income young children with disabilities in all states. A new paper, Addressing Child Care Challenges for Children with Disabilities: Proposals for CCDBG and IDEA Reauthorizations, by Katherine Beh Neas of Easter Seals and Jennifer Mezey of CLASP, discusses the benefits of providing quality child care and early intervention services to children with disabilities; describes the challenges families face in finding appropriate, high-quality child care for children with disabilities; provides background on CCDBG, IDEA, and other relevant statutes, as well as the children they serve; and proposes recommendations for CCDBG and IDEA reauthorizations.

Quality early intervention and preschool services for children ages 0 to 5 help identify and address cognitive, physical, and emotional disabilities at a young age. Ensuring that child care agencies and programs are connected with early intervention and special education services is critically important because, for some children, a child care setting might be the first opportunity for a childhood disability to be identified. Once a child's disability has been identified, child care, early intervention, and preschool

programs can work together to ensure that the child receives high-quality care that supports his or her development as well as makes it possible for his or her parents to work and support the family. Appropriate child care often means the difference in a child's getting a good start in life and a parent's keeping a job and achieving economic self-sufficiency for the family.

Neas and Mezey offer the following recommendations for the reauthorizations of CCDBG and IDEA. They focus particularly on issues related to children with disabilities and do not represent all of the CCDBG and IDEA reauthorization recommendations of CLASP and Easter Seals:

#### Child Care and Development Block Grant

- Increase mandatory funding for CCDBG by \$11.25 billion over five years.
- Require states to provide assurances in their state plans that they are making efforts to improve access to and the quality of child care services for low-income children with disabilities.

#### Individuals with Disabilities Education Act

Part C—Early Intervention Program for Infants and Toddlers with Disabilities (which supports developmental services for infants and toddlers, up to age three, and their families):

- Amend the Individualized Family Services Plan (IFSP) to require a statement of the child care needs of the family.
- Amend the comprehensive system of personnel development under Part C to include child care providers and directors of programs that serve children with disabilities and to train Part C service providers to work in partnership with other caregivers in inclusive group settings.

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## The First Year of Data from the Workforce Investment Act

A ccording to a new CLASP program update, *The Workforce Investment Act: A First Look at Participation, Demographics, and Services* by Abbey Frank, Hedieh Rahmanou, and Steve Savner, federally funded worker training substantially decreased in the first year under the Workforce Investment Act (WIA) compared to the last year of data from the previous federal job training program. WIA expires in 2003 and is currently in the process of being reauthorized.

NUMBER OF ADULT PARTICIPANTS WHO RECEIVED TRAINING: JTPA, PROGRAM YEAR (PY) 1998 VS. WIA, PY 2000\*



\* JTPA number includes data from all 50 states, while 4 states (representing 15 percent of the funding) are not counted in the WIA data. If we reduce the JTPA number by 15 percent, it would be 138,739 participants.

Source: Frank, A., Rahmanou, H., & Savner, S. (2003, March). The Workforce Investment Act: A First Look at Participation, Demographics, and Services. CLASP Program Update: Workforce Investment Act, No. 1. Washington, DC: CLASP.

The Workforce Investment Act of 1998 replaced the Job Training Partnership Act (JTPA) and substantially altered federally funded job training and other employment-related services for adults, dislocated workers, and youth. WIA requires that each of over 600 local workforce areas develops a one-stop delivery system that makes a broad array of workforce services available to

both job seekers and employers. The Act also considerably changed the kinds of services and the sequence of services that are delivered to each of three targeted categories of participants: adults, dislocated workers, and youth. Most significantly, the Act established three tiers of service within the adult and dislocated worker program—core, intensive, and training. These services are provided sequentially, meaning that individuals must first receive core services to gain access to intensive services, and, similarly, individuals must receive both core and intensive services to then receive training services.

The first in a series of WIA program updates, this publication provides an initial review of WIA participation data from the first year of the program, July 2000-June 2001, which begins to describe the impact that WIA implementation has had on the country's workforce development system. The data are organized into four groups: total

continued on page 5

## SAVNER TESTIFIES ON WORKFORCE INVESTMENT ACT

CLASP Senior Staff Attorney Steve Savner testified before the House Committee on Education and the Workforce, Subcommittee on 21st Century Competitiveness, on March 11, 2003, on recommended changes to the Workforce Investment Act (WIA) during its reauthorization. Savner proposed that the House make additional funding available for WIA training services; improve reporting on participation, outcomes, and use of funds; and require that states bear the cost of gathering data about post-program employment and earnings for those providers wishing to obtain or maintain certification as eligible training providers. He also critiqued elements of the Administration's plan, such as the proposals to merge funding streams and to provide waiver authority.

■ To read Savner's testimony, visit: http://www.clasp.org/DMS/ Documents/1047658497.45/Savner\_Testimony031103.pdf

## New Analysis of TANF Participation in 2001

ne key set of issues in the reauthorization of the Temporary Assistance for Needy Families (TANF) block grant concerns participation rates. Generally, under federal law, states must meet a specified participation rate for families receiving TANF assistance each year in order to avoid a federal penalty. Only certain activities count toward participation rates, and a family must participate in one or more of the listed activities for a specified number of hours in order to count. Under current law, the required rate that a state must meet to avoid a penalty is adjusted downward each year based on a caseload reduction credit, reflecting the extent of the state's caseload decline since 1995 for reasons other than changes in eligibility rules.

During 2002, there were disputes about virtually every aspect of the participation rate structure: what rates should generally apply; whether rates should be adjusted based on caseload decline, employment exits, or other factors; what activities should count toward participation rates; and how many hours of activity should be required in order to count. The Administration put forward, and the House adopted, a proposal to raise TANF participation rates to 70 percent over five years, require families to be in countable

activities for 40 hours a week to be fully countable, and to restrict the activities that could count toward the first 24 hours a week of participation. For 2003, the Administration put forward the same proposal, and in February, the House approved H.R. 4, a TANF reauthorization bill very similar to the Administration's proposal.

The Administration/H.R. 4 approach has been criticized by many, including CLASP, on the basis that it would require radical changes in state programs, that it is not supported by research findings about effective welfare-work efforts, and that states would be compelled to curtail assistance to other low-income working families in order to meet costly new requirements.

A new analysis from CLASP, *TANF Participation in* 2001 by Mark Greenberg and Hedieh Rahmanou, focuses on one aspect of the discussion: what do available data tell us about the extent and nature of TANF participation in 2001 (the most recent year for which data are available), and how different is current TANF participation from what would be required under the Administration's approach?

continued on page 7

#### Workforce Investment Act continued from page 4

WIA population, adults, dislocated workers, and youth. The program update concludes with state-by-state tables that further synthesize the data.

An overview of the data show that:

- 234,778 participants completed either WIA intensive or training services.
- 85,081 adults were served through the WIA adult funding stream, and 41,933 (49 percent) of those completed some type of training.
- For the adult population, 163,223 individuals completed training under JTPA in program year 1998, whereas 41,933 adults completed training under WIA in program year 2000.

- 76,401 dislocated workers were served through the dislocated worker funding steam, and 42,426 (56 percent) of those completed some type of training.
- For dislocated workers, 149,356 individuals completed training under JTPA in program year 1998, whereas 42,426 dislocated workers completed training under WIA in program year 2000.
- 76,721 youth were served through the youth funding stream; 64,667 participated in the younger youth program, and 12,054 were in the older youth program. ■
- To read the full Program Update, visit http://www.clasp.org/ DMS/Documents/1049122782.2/WIA\_Update1.pdf or call (202) 906-8000 to order a copy.

## Truth and Consequences in Paternity Disestablishment

Recently, stories of "duped dads" going to court to disestablish paternity and discontinue child support payments have been making headlines. In two new documents—Truth and Consequences: Part I. Disestablishing the Paternity of Non-Marital Children and Truth and Consequences: Part II. Questioning the Paternity of Marital Children—CLASP Senior Staff Attorney Paula Roberts discusses the statutory and case law for paternity disestablishment of non-marital and marital children.

Roberts discusses how paternity disestablishment has created a dilemma for states, courts, parents, and children. At what point should the truth about genetic parentage outweigh the consequences of leaving a child fatherless? Is a child better off knowing his/her genetic heritage or maintaining a relationship with his/her father and his family that provides both emotional and financial support? Should it matter who brings the action or should the rules be the same for a man trying to disestablish paternity, a woman seeking to oust a father from a child's life, or a third party trying to assert his paternity of a child who already has a legal father?

There is scant federal guidance on any of these issues, leaving the problem largely in the hands of state legislatures and courts. In some states, there are detailed procedures for challenging paternity acknowledgments; in other states, there is little or no statutory guidance in this area.

About one-third of all children born in the United States each year are born to unmarried parents. In order to have a legally recognized relationship with their fathers, these children must have their paternity established. Paternity can be established voluntarily or a suit can be brought and genetic tests ordered. Sometimes a man accepts paternity of a child and then later finds out he is not the biological father and tries to legally disestablish paternity. In *Truth and Consequences: Part I. Disestablishing the Paternity of Non-Marital Children*, Roberts reviews the recent statutory and case law in this area and offers recommendations for bringing greater fairness and clarity to the process.

In the second part of the series, *Truth and Consequences:* Part II. Questioning the Paternity of Marital Children, Roberts discusses the approaches that courts and legislatures are now taking on the issue of paternity disestablishment when marital children are involved. It explores the pros and cons of different approaches and suggests a path that balances some of the legitimate concerns of all parties in this difficult area.

These two documents are part of a three-part series on legal issues surrounding paternity disestablishment. The final installment of this series will discuss child support obligations when paternity has been disestablished.

- To view the paper on disestablishing *non-marital* paternity, visit: http://www.clasp.org/DMS/Documents/1046817229.69/truth\_and\_consequences1.pdf
- To view the paper on disestablishing *marital* paternity, visit: http://www.clasp.org/DMS/Documents/1048260646.77/truth\_and\_consequences2.pdf

#### Head Start Data continued from page 1

the reported need, and many children required child care arrangements in addition to Head Start.

- Median Head Start family income rose to between \$9,000 and \$11,999 a year in 2001, and the proportion of families earning less than \$15,000 slightly declined. The federal poverty guideline for a family of three in 2001 was \$14,630.
- Head Start programs have made progress toward a legislative mandate to increase the proportion of teachers with at least an associate's degree to 50 percent by September 2003.
  - To read the full policy brief, visit: http://www.clasp.org/DMS/Documents/1047305635.76/Head\_Start\_brief1.pdf or call (202) 906-8000 to order a copy.

#### TANF Participation continued from page 5

Here are the key findings of their analysis:

- The national average participation rate in 2001 was 34.4 percent, with significant variation among states. A state's participation rate is not a measure of the share of families or adults involved in work-related activities, but rather reflects the percentage of families who were involved in one or more of a specified list of activities for a specified number of hours.
- Actual levels of participation were clearly higher, though due to limits in federal participation reporting, it is impossible to precisely state the share of TANF adults involved in work-related activities. Last year, states responding to a survey by the National Governors Association and the American Public Human Services Association reported that 61 percent of adults were engaged in work-related activities for some number of hours each week. And, in responding to a survey by the U.S. General Accounting Office, states reported 56 percent of adults were involved in work or work-related activities in fall 2001.
- The most common activity counting toward federal participation rates was unsubsidized employment.

- Participation in education and training remains low, but has increased modestly in recent years.
- Most states elect to make little or no use of work experience and community service programs, in which individuals work without being paid wages; participation in subsidized employment programs also remains low.
- It is impossible to determine the actual level of participation in job search and job readiness activities because of the manner in which states are asked to report information about job search/job readiness participation.
- Most states would need to make large changes in program design in order to meet the participation requirements under the Administration/H.R. 4 approach.
- To view the complete analysis, including detailed tables, visit: http://www.clasp.org/DMS/Documents/1048004065.37/2001\_TANF\_Participation.pdf
- To view the official TANF participation rate data upon which the CLASP analysis is based, visit: http://www.acf.dhhs.gov/programs/ofa/rates2001/index.htm

#### Children with Disabilities continued from page 3

Section 619—Preschool Program (which provides special education and related services to preschool-aged children with disabilities):

- Amend the Individualized Education Program (IEP) to require a seamless transition for preschool children who are transitioning from Part C. This would require an explanation of the components of the child's IFSP that should be carried over to the IEP and a justification as to why such services cannot be continued in the setting in which they are provided under the IFSP.
- Amend the comprehensive system of personnel development under Part B to include child care providers and directors of programs that serve children with disabilities, and to train Section 619 preschool service providers to work in partnership with other caregivers in inclusive group settings.

*Part D* (which supports professional development and technical assistance):

- Require states submitting a State Improvement Plan to include a description of how they will incorporate training for all early childhood professionals, including child care teachers and administrators, into their current programs; how such training will be coordinated with training supported by CCDBG; and how curricula will support training on providing services in inclusive group settings.
  - To read the full paper, visit: http://www.clasp.org/DMS/ Documents/1046108337.25/clasp\_ES.pdf

## Senator Grassley Will Be Guest on CLASP Audio Conference

Senator Charles Grassley (R-IA), Chair of the Senate Finance Committee, which has jurisdiction over the reauthorization of the Temporary Assistance for Needy Families (TANF) law, will be a guest on the next CLASP Audio Conference:

Reauthorization of Welfare and Related Programs, Friday, April 25, 12:30-1:30 pm (ET): Will the Republican-controlled Senate follow the House in passing stringent work requirements? Will Republican Senate moderates work with Democrats to ensure adequate increased funding for child care and for child support reforms? What will happen with "marriage promotion," the superwaiver, immigrants? In addition to Senator Grassley, two experts will offer analysis:

- Brookings Institution Senior Fellow Ron Haskins
- CLASP Policy Director Mark Greenberg

Now in its 10th year, the CLASP Audio Conference Series brings Members of Congress, Capitol Hill staff, federal and state policy experts, and practitioners right to your office or conference room. Many subscribers gather colleagues around a speaker phone and use the call as a catalyst for discussion. Every registrant also receives a list of web resources prior to each call.

■ For more information and to order, visit: www.claspstore.org.

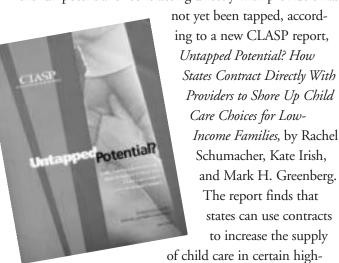
# **CLASP**update

Volume 16 Number 5 May 2003

CENTER FOR LAW AND SOCIAL POLICY

## **Untapped Potential?**

A lthough nearly half the states use contracts to create child care slots for low-income families, the full potential of contracting directly with providers has



need areas, to provide child care to special populations, and to improve the quality of child care program standards and enhance services.

Over the 1990s, states have used federal and state dollars to expand child care assistance for low-income families. Nevertheless, persistent gaps in child care supply continue in many communities, and supply problems are often reported for particular populations, such as infants and toddlers, children with special needs, school-age children, and families needing care during non-traditional hours. In addition, state expansion of child care funding has slowed recently, and most states now face major fiscal crises, which will put additional pressure on state child care spending.

These gaps in child care supply have come amidst an ongoing discussion about how to finance child care

assistance for low-income families. Much of the debate has centered on how vouchers for parents and contracts with providers each affect the supply of child care and the opportunities parents have to exercise choice from that supply. Prompted in part by a 1990 federal requirement, most states have moved to all- or majority-voucher systems for delivering child care assistance to low-income working families. However, contracts with providers remain an allowable use of federal funds. While access to vouchers is sometimes seen as synonymous with "choice," persistent gaps in supply raise questions about whether voucher-only systems can fully address the child care needs of low-income families.

Between 1998 and 2000, the percentage of children receiving child care subsidies through a contracted provider hovered between 10 and 12 percent, according to state reports to the federal government (see figure on page 6). However, these national data mask great variation

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## African American Leaders Support Affirmative Action at Town Hall

n March 28, 2003, a group of African American leaders gathered to defend affirmative action in an historic Town Hall meeting in Washington, D.C. The meeting assembled a group of influential African American leaders from academia, civil rights, law, media, and politics to discuss not only the important role affirmative action plays in America but also the need for long-term strategies to address the persistent discrimination and exclusion of people of color in this country.

The Town Hall was organized in response to lawsuits that seek to strike down affirmative action policies at the University of Michigan that allow for greater enrollment of African Americans and other people of color. The event was held at Howard Law School four days before the U.S. Supreme Court heard the affirmative action lawsuits. More than 500 people attended the standing-room-only Town Hall, and it was broadcast live nationally on C-SPAN Television and the Pacifica Radio Network.

"The Town Hall provided the kind of incisive and provocative dialogue that is so needed today given the

#### The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

#### **CLASP Update** is published monthly.

Editors: Gayle Bennett, John Hutchins Contributor: Camille Holmes



1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org current assault on affirmative action in particular, and civil rights and social support systems in general," said CLASP Senior Staff Attorney Camille Holmes, an organizer of the event.

Many of the panelists argued that affirmative action is a modest remedy for centuries of slavery and segregation. "Affirmative action is the most conservative, the most modest, the most minuscule response to a horrific history that we've had," said Harvard Law School Professor Charles Ogletree, the mentor and former teacher of several of the Town Hall organizers.

"We need affirmative action because there has been so much negative action," stated George Curry, National Newspaper Publishers Association Editor-in-Chief and former editor of *Emerge* magazine.

Panelists also focused on the implications of a negative decision from the Supreme Court. "If there is an adverse decision in the Michigan cases, what we will see is the resegregation of institutions of higher education," said Georgetown Fellow Robin Lenhardt, a former member of the University of Michigan litigation team, a former clerk to U.S. Supreme Court Justice Stephen Breyer, and a Town Hall organizer. "And we know this—it's not just a theoretical matter—from what happened in California and what happened in Texas. Institutions in these states saw an incredible, precipitous drop in the enrollment of students of color."

"Were the Court to strike the program down, it would essentially [be saying] that this program indeed represents a quota or an impermissible use of race, and that is truly not the case," said Leadership Conference on Civil Rights Executive Director Wade Henderson. "A quota is a rigid, fixed numerical outcome that doesn't take individual merit into account. Nothing could be further from the truth [in this case]."

continued on page 6

## Job Skills Matter for Welfare Success

In a new report and eight-page policy brief, *Built to*Last: Why Skills Matter for Long-Run Success in Welfare



Reform, Karin Martinson and CLASP
Senior Policy Analyst Julie Strawn
argue that basic skills and educational
credentials for workers are critical for
labor market success. The report and
brief, co-published by the National
Institute for Literacy and the
National Adult Education
Professional Development

Consortium, make the case that the current federal welfare law is too restrictive in its allowance of education and training activities and recommend that this be rectified when the welfare law is reauthorized this year.

Federal welfare funding, through the Temporary Assistance for Needy Families (TANF) block grant, gives states unprecedented flexibility to help low-income parents move into employment. While states are generally given broad authority to craft their own approaches for meeting the goals of the legislation, the law discourages states from allowing welfare recipients to participate in education and training programs. Specifically, the law limits the extent to which education activities count toward federal work participation requirements, effectively restricting full-time education and training to 12 months for recipients and setting a cap for such services at no more than 30 percent of TANF participants. Martinson and Strawn find that these TANF restrictions on education and training are at odds with the following recent research findings:

- Skills are strongly linked to success in the labor market. Basic skills and educational credentials matter generally for success in the labor market, and welfare recipients often have low skills that hinder their efforts to find and keep employment and earn enough to support their families.
- The most successful welfare-to-work programs include education and training as well as other services. Research unequivocally shows that the most successful welfare-to-work programs focus on

employment but make substantial use of education and training, as well as job search and other employment services. Focusing on just job search or basic education is not nearly as successful, especially over the long term.

■ Job training and postsecondary education can lead to higher earnings in the long run. Helping low-income parents increase their skills through job training and other postsecondary education pays off in the labor market. Even those with lower skills can benefit from job training, if adult basic education programs provide a substantial number of weekly instructional hours, close attention is paid to program quality, and basic education is linked to job training and to employment. Moving through basic education and job training can take a substantial amount of time—more than a year on average—yet pays off much more than basic education alone.

As Congress considers legislation in 2003 to reauthorize the TANF block grant, the decisions it makes concerning access to education and training are likely to have a profound impact on the long-term success of welfare reform. Martinson and Strawn recommend some important steps that can be taken to increase access to and successful participation in high-quality education and training:

- Ease some of the current restrictions on counting education and training participation toward federal work requirements.
- Allow sufficient time for welfare recipients to move through both adult basic education and job training to obtain occupational certificates.
- Make it easier to balance work, family, and school by keeping the overall required hours of participation at a reasonable level.
- Offer incentives to states to provide support services and work-study positions to low-income parents who are students.

continued on page 7

## Child Support and Paternity Disestablishment

In the third installment of her three-part series on paternity disestablishment, CLASP Senior Staff
Attorney Paula Roberts discusses the fiscal consequences—namely, discontinuation of child support and possible repayment of support already paid—to the child, the parents, and the state if paternity is disestablished. Truth and Consequences: Part III. Who Pays When Paternity Is Disestablished? discusses how courts and state legislatures are dealing with the effects of paternity disestablishment on past, present, and future child support obligations.

The establishment of paternity and a child support obligation can occur in a variety of contexts. Moreover, paternity and support issues are deeply intertwined. For this reason, an attempt to disestablish paternity is generally accompanied by an effort to end current and future support obligations. Thus, once the court has decided that disestablishment is appropriate under state law, it will likely address the disestablished father's obligation to pay current and future support. The court may be guided by state law on this subject, or it may use its procedural and equitable powers. In either case, relief from these support obligations is likely to be granted.

In her paper, Roberts discusses the following difficult situations related to child support obligations that can arise when paternity is disestablished:

• Arrears Forgiveness. There is little consensus about forgiveness of arrears accrued under a child support order. The majority of courts are uncomfortable with the notion of forgiving arrears, finding that this undermines respect for judgments, encourages dilatory conduct, and violates the federal Bradley Amendment, which requires states to enact laws under which orders of child support are not subject to retroactive modification. However, some courts and state legislatures are moving in a different direction. Out of a sense of fairness to disestablished fathers, they are allowing (or even requiring) arrears forgiveness. Whether this position will hold up in light of the Bradley

Amendment remains to be seen. In addition, there are troubling separation-of-powers issues when state legislatures act in this area. If a court has issued a judgment and/or a judgment is vested by virtue of the Bradley Amendment, it is not clear that a legislature can simply divest the child's right to the arrearages.

- Recoupment of Support Paid. A disestablished father has probably paid at least some support before the disestablishment. He has lived on diminished resources, and this negatively affects him and other children he may have fathered. He may wish to recoup these payments from the custodial parent to whom the support was paid, from the biological father, or from the state (if the child was receiving cash welfare benefits, the custodial parent has assigned the child support payments paid on the child's behalf to the state). There are problems inherent to each of these situations, which states and courts are now grappling with.
- Criminal Fraud Prosecution. Where it is clear that the mother has knowingly and deliberately misled the disestablished father, he may be able to bring an action for fraud or intentional infliction of emotional distress. Roberts notes examples that show that courts are open to these suits when the circumstances warrant. States might also punish particularly grievous conduct through general or specific perjury statutes.

The first two monographs in this series have discussed the conditions under which a mother, a father, or a third party might disestablish a child's paternity. The first monograph dealt with paternity disestablishment for *non-marital* children, and the second monograph dealt with the same issue in regards to *marital* children.

- To view the full paper, visit: http://www.clasp.org/DMS/ Documents/1048260646.77/truth\_and\_consequences3.pdf
- The other two papers in this series can be found at: http://www.clasp.org/Pubs/Pubs\_ChildSupport

## Welfare Caseloads Increase in Most States in Fourth Quarter

Thirty-seven (37) states and the District of Columbia reported welfare caseload increases between September and December 2002, according to new data collected by Elise Richer, Hedieh Rahmanou, and Mark Greenberg of CLASP. For the nation as a whole, the welfare caseload increased by 1.2 percent between September and December 2002—the second consecutive quarter showing a national increase. However, the national caseload has declined by about 2 percent for the year (December 2001-December 2002).

CLASP has collected the new data on the Temporary Assistance for Needy Families (TANF) welfare caseloads through December 2002 from all 50 states and the District of Columbia. These are the most current and complete data available.

Although most states have seen caseload increases in each of the last two quarters, the story remains mixed over the past year. Between December 2001 and December 2002, 24 states had caseload increases and 26 had decreases (with one state reporting no change). Most states continue to report fluctuating caseloads on a month-to-month basis. However, seven states (Arizona, the District of Columbia,

Georgia, Idaho, Indiana, Tennessee, and Utah) reported a steady caseload increase for the past six months. No state has experienced a steady decline over the same six months.

"Welfare caseloads are still at or near historic lows, but rising caseloads increase the pressure for states trying to help poor families while still dealing with large budget deficits," said Elise Richer, CLASP Policy Analyst and lead author of the caseload analysis.

For most states, the December caseload figure was within 3 percent of the September figure. However, four states (Idaho, Montana, Arizona, and Mississippi) saw caseloads rise by more than 5 percent over the quarter, while one state (Alaska) saw its caseload decline by more than 5 percent.

Since the start of the recession in March 2001, 29 states have reported caseload increases, and 22 have reported decreases. However, the national caseload has fallen 3 percent since the start of the recession.

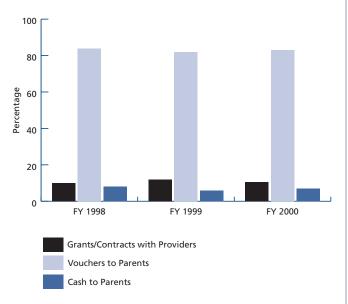
■ To view the new caseload data and CLASP's analysis, visit: http://www.clasp.org/Pubs/Pubs\_Welfare



#### SAVNER TO TAKE LEAVE OF ABSENCE

Beginning May 1, 2003, CLASP Senior Staff Attorney Steve Savner will take a leave of absence from CLASP to work as a Senior Fellow at the Center for Community Change in Washington, DC. He will be leading a project to develop new, innovative policy initiatives in a range of areas. The project will result in a number of written products, including an edited book, articles, and shorter pieces that will be broadly disseminated. He will return to his position at CLASP in March 2004.

### Percentage of CCDF-Funded Children Served by Contracts, Vouchers, and Cash Nationally in FY 1998-2000



Source: Child Care and Development Fund (CCDF) Data Tables and Charts, Child Care Bureau Web-site, http://www.acf.dhhs.gov/programs/cch/.

among states: 33 states reported no contract usage for FY 2000, while the remaining states reported 2-73 percent of children served through contracts.

In this first in-depth national study of contracting policies, CLASP interviewed child care state administrators in most of the 24 states that reported use of contracts for child care assistance to CLASP in 2002. *Untapped Potential?* offers a history of federal child care policy and a discussion of why voucher-only systems may not meet the needs of low-income families. Then it describes the results of the CLASP survey and makes recommendations for federal and state policymakers.

- To read and download the full report, visit: http://www.clasp. org/DMS/Documents/1049464392.49/untapped\_rpt.pdf
- To read and download an eight-page policy brief on the report, visit: http://www.clasp.org/Pubs/DMS/Documents/
  1049463746.59/untapped\_brf.pdf
- For printed copies of either document, call (202) 906-8000.

#### African American Leaders Support Affirmative Action at Town Hall continued from page 2

The panel of leaders was welcomed by Howard Law School Dean and former Mayor of Baltimore Kurt Schmoke, and the event was moderated by U.S. Congressman Artur Davis (D-AL).

Panelists included Professor Charles Ogletree,
Harvard Law School; Wade Henderson, Executive
Director, Leadership Conference on Civil Rights; Elaine
Jones, Director-Counsel, National Association for the
Advancement of Colored People (NAACP) Legal
Defense and Educational Fund, Inc.; George Curry,
syndicated columnist; Dr. Julianne Malveaux, syndicated
columnist; Dr. Beverly Daniel Tatum, President of
Spelman College; Theodore V. Wells, Amicus Counsel,
Co-Chair of the Litigation Department, Paul Weiss, NY;

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"Hip-Hop" grassroots activist Rosa Clemente; National Black Law Students Association President Mishonda Baldwin; Georgetown Law School Fellow, Robin Lenhardt, formerly part of the legal team defending the University of Michigan in the Gratz and Grutter cases; and Professor James Forman, Jr., Michigan Law School.

A broad array of organizations supported the event. Co-sponsors included the NAACP, the African-American Leadership Institute, the American Constitution Society (ACS), ACS Howard University Chapter, AFL-CIO, Americans for a Fair Chance, the Carter G. Woodson Association for the Study of African American Life and History, the Equal Justice Society, Howard Law School Clinical Program, and the National Urban League.

### Transitional Jobs Fact Sheet Series

Transitional jobs programs provide a paycheck and critical job training to welfare recipients who need the most assistance leaving welfare for work, as well as to others having difficulty succeeding in the workplace. A new series of fact sheets, developed by CLASP and the National Transitional Jobs Network, describe transitional jobs programs and highlight how current programs across the country are helping the hard-to-employ succeed in the workforce.

Transitional jobs are short-term, publicly subsidized jobs that combine real work, skill development, and support services to help participants find and keep unsubsidized jobs. Participants in such programs often face significant barriers, including low levels of education and little recent work experience.

While in the programs, workers in transitional jobs earn between \$5.15 and \$8 per hour and work between 20 to 35 hours per week for three months to a year. Between 39 and 82 percent of people who enroll complete the programs, and the majority of program graduates—81 to 94 percent—go on to find unsubsidized employment averaging \$7 to \$10 per hour to start.

The fact sheets, listed below, are perfect for audiences not familiar with transitional jobs:

- Transitional Jobs: Real Jobs, Real Wages, Real Success (4 pages)
- Transitional Jobs Programs Work (2 pages)
- Transitional Jobs Programs Break Through Barriers to Work (2 pages) ■



- To view these fact sheets, visit: http://www.clasp.org/Pubs/Pubs\_Job.
- To order printed copies, call (202) 906-8000.

#### Job Skills Matter for Welfare Success continued from page 3

 Encourage states to provide job retention and advancement services, and provide federal grants to build training program capacity in partnership with employers.

In addition, states and localities can use the flexibility in TANF to improve access to and the quality of employment-related basic education, English as a second language (ESL) classes, and job training services not only for welfare recipients but for other low-income workers as well. States and localities can take the following steps to increase education and training participation:

 Establish clear links between basic education, ESL, and job training.

- Maintain a close connection between education and training and employment.
- Provide intensive services and closely monitor progress.
- Establish training options for those with low skills. ■
- To view the 32-page full report, visit: http://www.clasp.org/ DMS/Documents/1051044516.05/BTL\_report.pdf
- To view the eight-page policy brief, visit: http://www.clasp.org/ Pubs/DMS/Documents/1051044227.54/BTL\_brief.pdf
- To order a printed copy of the report or policy brief, call (202) 906-8000.

## TANF Reauthorization Update

During a CLASP Audio Conference on April 25th, Senator Charles Grassley (R-IA), Chairman of the Senate Finance Committee, predicted that his committee would mark-up reauthorization legislation for the Temporary Assistance for Needy Families (TANF) program in the latter half of May. He said he hoped that the resulting legislation would reach the floor of the Senate for a vote by June or July.

For the latest news and analyses on TANF, check CLASP's website (www.clasp.org) often. Some of the recent items you will find there include:

Side-by-Side Comparisons of Provisions in Recent TANF Reauthorization Proposals. Developed as a

joint project with the Center on Budget and Policy Priorities, updated side-by-sides on child care, child welfare, and work provisions have been recently posted.

Built to Last: Why Skills Matter for Long-Run Success in Welfare Reform by Karin Martinson and Julie Strawn.

Welfare Caseloads Increase in Most States in Fourth Quarter by Elise Richer, Hedieh Rahmanou, and Mark Greenberg.

TANF Participation in 2001 by Mark Greenberg and Hedieh Rahmanou. ■

# **CIASP**update

Volume 16 Number 6 June 2003

CENTER FOR LAW AND SOCIAL POLICY

## Child Care for Low-Income Families Threatened

Federal and state child care assistance to low-income working families grew substantially between 1996 and



2001. During these years, federal and state spending on child care tripled, the number of children served more than doubled, and states invested in quality improvement initiatives. However, even during this period of growth and progress, the great majority of eligible children remained unserved. A new

CLASP policy brief, *Threatened Progress: U.S. in Danger of Losing Ground on Child Care for Low-Income Working Families*, argues that without increased funding, the child care situation for low-income families is only going to get worse.

#### Past and Current Situations

Between 1996 and 2001, the annual federal funding available through the Child Care and Development Block Grant (CCDBG) and its predecessor programs more than doubled, growing from approximately \$2.2 billion to \$4.6 billion. States also increased their use of federal Temporary Assistance for Needy Families (TANF) funds for child care from \$190 million in 1997 to \$3.8 billion in 2000, before decreasing it slightly in FY 2001. Overall, federal and state CCDBG and TANF child care expenditures more than tripled during these years. While state child care spending increased between 1996 and 2001, approximately three-quarters of the overall spending growth came from increased federal spending, a large portion of which was from TANF funds.

However, unspent TANF funds from prior years are dwindling or exhausted in many states. In both FY 2001 and FY 2002, states spent nearly \$2 billion more than they received from their annual TANF block grant allocations. Many states used these funds from prior years to increase funding for child care. Now that these reserves have declined, this source of child care funding is drying up.

Also, most states are no longer experiencing the cash assistance caseload decreases that freed up TANF funds for increased spending on child care. In fact, between September and December 2002, 38 states experienced TANF caseload increases.

And to top it all off, states are experiencing the worst fiscal crises since World War II. One way states are addressing these shortfalls is by cutting child care assistance. A new report from the U.S. General Accounting Office shows that, since January 2001, nearly half the states (23) have made policy changes that reduce the

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## Are Married Parents Really Better for Children?

Over the past four decades, the patterns of family structure have changed dramatically in the United States. An increase in the numbers and proportion of children born outside of marriage and a rise in divorce rates have contributed to a three-fold increase in the proportion of children growing up in single-parent families since 1960. These changes have generated considerable public concern and controversy, particularly about the effects of these changes on the well-being of children.

Research largely supports the notion that, on average, children do best when raised by two married, biological parents who have a low-conflict relationship, according to a new policy brief, *Are Married Parents Really Better for Children? What Research Says About the Effects of Family Structure on Child Well-Being* by CLASP Policy Analyst Mary Parke. Such research has been cited as justification for recent public policy initiatives to promote and strengthen marriages. However, Parke finds that discussions of this research are too often oversimplified, which leads to exaggeration by proponents of marriage promotion initiatives and to skepticism from critics.

The new policy brief, the third in a series on couples and marriage policy and research, provides a summary of the latest research in an effort to answer these questions:

The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

**CLASP Update** is published monthly.

Editors: Gayle Bennett, John Hutchins



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- How has family structure changed in the past several decades?
- Are children better off if they're raised by their married, biological parents?
- How do child outcomes vary among different family types?
- What really makes the difference for children—income or family structure?
- Does marriage itself make a difference, or is it the kind of people who marry and stay married?
- Does the quality of the relationship matter more than marital status?
- What is the relationship between marriage and poverty?

This review is also the first to bring together the research on how children fare with divorced, widowed, nevermarried, and cohabiting parents and in married stepfamilies and same-sex couple families—highlighting important subtleties among different family types.

In 1996, 71.5 million children under the age of 18 lived in the U.S. The large majority of these children were living with two parents, one-quarter lived with a single parent, and less than 4 percent lived with another relative or in foster care (see Figure on p. 7). Two-thirds of children were living with two married, biological parents, and less than 2 percent with two cohabiting, biological parents. Less than 7 percent lived within a step-family. Twenty percent of children lived with a single mother, 2 percent with a single father, and almost 3 percent lived in an informal step-family—that is, with a single parent and his or her partner.

Research indicates that children who grow up in families with both their biological parents in a low-conflict marriage are better off in a number of ways than children who grow up in single-, step-, or cohabiting-parent

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## Snapshot of the Head Start Program in 2002

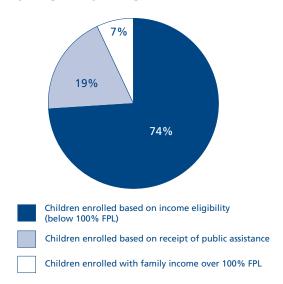
A s Congress begins deliberations on the reauthorization of Head Start, CLASP released a new analysis of 2002 program data, What's New in 2002? A Snapshot of Head Start Children, Families, Teachers, and Programs by Rachel Schumacher and Kate Irish. Head Start is a federal-to-local grant program for the provision of early childhood education, comprehensive services, and family support to poor preschool children and their families.

This policy brief describes the picture for Head Start children, families, teachers, and programs in the 2001-2002 program year, highlighting new data never gathered before. In March 2003, CLASP released an analysis of 2001 data, identifying key trends since the program was last reauthorized in 1998 (see the April 2003 issue of *CLASP Update*). The 2002 data confirm these trends, as well as provide new information about Head Start:

- The vast majority of Head Start children were in families with earnings at or below the federal poverty level (74 percent) or who were receiving public assistance (19 percent) at enrollment (see Figure). In 2002, the poverty guideline for a family of four was \$18,100.
- The great majority (68 percent) of Head Start families have working parents, with only about one-fifth in receipt of welfare cash assistance (21 percent) and with many children (45 percent) needing full-day, full-year child care.
- About half of the children (52 percent) identified as needing full-day, full-year care received such services through Head Start programs, while others also participated in other types of care arrangements.
- Most Head Start families (78 percent) do not include a parent with more than a high school education, and only a small proportion of families (11 percent) had one or both parents enrolled in an education or training program.
- Head Start helps children and families access a variety of support services through direct provision or referrals.
   In 2002, the family services most often received by

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## Head Start Children Enrolled by Type of Family Eligibility, Program Year 2002



Note: FPL = Federal Poverty Level

Source: Schumacher, R., and Irish, K. (2003). What's New in 2002? A Snapshot of Head Start Children, Families, and Programs. Washington, DC: CLASP

#### **NEW HEAD START ANALYSES**

As Head Start reauthorization heats up on Capitol Hill, CLASP analyzes the program based on the latest data. Recent publications include:

Preparing for Success: How Head Start Helps Children with Disabilities and Their Families by Jennifer Mezey (CLASP) and Katherine Beh Neas (Easter Seals).

Promoting the Health of Poor Preschool Children: What Do Federal Head Start Performance Standards Require? by Rachel Schumacher.

Family Support and Parent Involvement in Head Start: What Do Head Start Program Performance Standards Require? by Rachel Schumacher.

■ To read these papers, visit: http://www.clasp.org/Pubs/ Pubs\_ChildCare. For the latest information about Head Start requirements, data, and legislative proposals, visit the CLASP website often.

## Analysis of H.R. 4 Participation Requirements

A new analysis by the Congressional Research Service (CRS) concludes that if the participation requirements of H.R. 4 (the House TANF reauthorization bill) had been in effect in 2001, the national average participation rate would have been 32 percent. Under H.R. 4, in 2008, when the requirements are fully phased in, most states would be required to meet a 70 percent participation rate. A new document by CLASP Director of Policy Mark Greenberg, *Most States Far Short of Meeting H.R. 4 Participation Requirements*, summarizes the CRS approach and discusses policy implications.<sup>1</sup>

Under H.R. 4, a family would need to participate for at least 160 hours a month to fully count toward the rates (40 hours times 4 weeks), of which 24 hours each week would need to be in "direct work." For adults, direct work activities are defined as unsubsidized or subsidized employment, on-the-job training, or supervised work experience or community service. Parents under age 20 could count as satisfying the direct work requirement through participation in high school completion activities. For hours in excess of 24, the state could count any activity reasonably calculated to accomplish a TANF purpose.

Under current law, a state can receive a caseload reduction credit, calculated as a downward adjustment in its required participation rate, based on the number of percentage points by which the state's caseload has fallen since 1995 for reasons other than changes in eligibility rules. Under H.R. 4, there would still be a caseload reduction credit, but the base would change each year, so that in FY 2008, for example, a state would only receive credit for caseload declines that occurred between FY 2004 and 2007. In addition, each state whose caseload fell by at least 60 percent between 1995 and 2001 would qualify for a "superachiever" credit reflecting the amount by which caseload decline exceeded 60 percent. The value of this credit in FY 2008 could not exceed 20 percentage points (i.e., the state would need to meet at least a 50 percent rate without the superachiever credit).

All other states would need to meet a 70 percent rate, less any caseload reduction credit. Since it is not known whether or how much caseloads might decline between now and FY 2008, CRS uses two scenarios to determine whether states would have met the required rates. Under one scenario, each state's required rate in 2008 would be 70 percent unless lower due to the superachiever credit. Under a second scenario, each state would have enough caseload decline to face an adjusted participation rate in 2008 of 50 percent (i.e., this second scenario assumes that those states with no superachiever credits would have caseload declines of 20 percent between 2004 and 2007).

CRS estimates that the national participation rate in FY 2001, under H.R. 4's rules for required hours and countable activities, would have been 32 percent, a figure slightly below the 34 percent national rate attained in 2001 when calculated under current participation rate rules. Overall, CRS calculates that seven states (Wyoming, Montana, Washington, Idaho, Illinois, Iowa, and Maine) would have attained participation rates of 50 percent or greater had the H.R. 4 rules been in effect in 2001. In contrast, 22 states would have had participation rates below 30 percent. Notably, nine of these lower participation rate states would also be designated as "superachievers" because of their large caseload declines between 1995 and 2001.

When "superachiever" credits are taken into consideration, two states (Idaho and Wyoming) would have met required participation rates; two others (Montana and Illinois) were within 3 percentage points, and Wisconsin was 7 percentage points short of meeting its required rate. In contrast, 34 states would have had shortfalls of 30 percentage points or more, including 18 states with shortfalls of 40 percentage points or more. (Those 18 states are Georgia, Massachusetts, Pennsylvania, Delaware, Texas, Maryland, Rhode Island, D.C., Arkansas, Nebraska, Missouri, West Virginia, Oregon, Connecticut, Kentucky, South Carolina, Virginia, and North Carolina.)

continued on page 5

1 The CRS analysis is entitled TANF Work Participation Requirements Proposed in Welfare Reauthorization Legislation (April 21, 2003).

## New Teen Parent Fact Sheet

The Temporary Assistance for Needy Families (TANF) welfare program prohibits states from spending federal funds on assistance to an unmarried, custodial minor parent caring for a child 12 weeks of age or older, unless the minor parent has completed high school or its equivalent or participates in appropriate educational activities. A new six-page fact sheet from CLASP, *Reauthorization Issues: The Education/Training Requirement for TANF Teen Parents*, describes the education/training requirement for unmarried, custodial minor parents in the TANF program, summarizes relevant research, and offers recommendations for reauthorization.

This fact sheet is the latest in a series covering a variety of reproductive health issues that relate to the reauthorization of the 1996 welfare law. Other titles in the series include:

- Abstinence Education
- List of Key Provisions Related to Teens and to Family Formation
- The Minor Parent Living Arrangement Provision
- Out-of-Wedlock Bonus
- Teen Pregnancy Prevention: A Key Strategy in the Family Formation Debate
- Teen Pregnancy Prevention: Proven Programs
- To view the new fact sheet on the education/training requirement, visit: http://www.clasp.org/DMS/Documents/
  1052940241.38/teen\_ed\_req.pdf
- To view the other fact sheets in the series, visit: http://www.clasp.org/Pubs/Pubs\_Health

## Rethinking Child Support's Link to Medicaid

Any single-parent families have little or no private health care coverage. Many of these parents and children, however, are eligible for publicly subsidized coverage through their state's Medicaid program. In order to obtain coverage for themselves, custodial parents must usually assign to the state any rights they have to private health care coverage and cooperate with the state's child support enforcement agency in pursuing that coverage. If they fail to do so, their children can receive Medicaid benefits, but they cannot. A new paper from Senior Staff Attorney Paula Roberts,

Rethinking the Medicaid Child Support Cooperation Requirement, describes the Medicaid program and the child support assignment and cooperation requirements as well as the differences between the Medicaid program and State Children's Health Insurance Program (SCHIP) in this context. It concludes with the recommendation that the Medicaid child support cooperation requirement be abolished.

■ To view the full paper, visit: http://www.clasp.org/DMS/ Documents/1053444543.45/CS\_Medicaid.pdf

#### Analysis continued from page 4

Greenberg offers a set of suggestions for Congress as it considers changes to participation and work-related rules. He suggests that the principal goals should be to reward better employment outcomes and to measure participation in a way that lets states make their own judgments about effective activities to help families move into stable employment. At the same time, the focus should also be

on helping those with the most serious barriers enter sustainable employment and helping families in low-wage jobs make ends meet.

■ To view the full paper, visit: http://www.clasp.org/DMS/ Documents/1052947804.35/CRS\_participation.pdf

#### Child Care continued from page 1

availability of child care subsidies for low-income working families, and 11 states are proposing future policy changes that will decrease current levels of child care funding.

## Implications for CCDBG and TANF Reauthorization

Expanding access and promoting quality and school readiness will be impossible in the context of frozen or near frozen funding levels. The Bush Administration proposed flat funding for CCDBG, TANF, and the Social Services Block Grant in its FY 2004 budget, which, the Administration estimates, would result in a loss of subsidies for 200,000 children by FY 2007 due to inflationary increases alone. Last year, the Congressional Budget Office estimated that states would need \$4.5 to \$5 billion between FY 2003 and FY 2007 just to maintain their child care programs against inflation. And these figures likely underestimate the problem because they do not take into account either erosions in the availability of TANF funds or state budget cutbacks, which are already resulting in the child care program cuts discussed above. Furthermore, these estimates do not include increased costs associated with the restrictive work requirements included in the House TANF reauthorization bill (H.R. 4) (see "Analysis of H.R. 4 Participation Requirements" on p. 4).

■ To view the policy brief, visit: http://www.clasp.org/DMS/Documents/1054310396.55/CC\_brief2.pdf or call (202) 906-8024 to order a copy.

## FINANCING UNIVERSAL PRE-KINDERGARTEN

In recent years, states and localities have become increasingly interested in providing universal access to pre-Kindergarten (pre-K). A new CLASP report, Financing Universal Pre-Kindergarten: Possibilities and Technical Issues for States in Using Funds Under the Child Care and Development Fund and Temporary Assistance for Needy Families Block Grant by Mark Greenberg and Rachel Schumacher, discusses the two principal child care federal funding streams that under certain conditions may also be used for such an initiative: the Child Care and Development Fund and the Temporary Assistance for Needy Families block grant. This report summarizes what is clear and what is unclear about the extent to which each of the funding streams could be used in support of universal pre-K initiatives.

■ To view this report, visit: http://www.clasp.org/DMS/
Documents/1052171885.57/universal\_prek.pdf

#### Head Start continued from page 3

Head Start families were parent education (32 percent); health education (27 percent); and adult education, job training, and English as a Second Language training (23 percent).

The proportion of Head Start teachers who have at least an associate's degree in early childhood education or a related field grew to 51 percent in 2002, meeting a Congressional mandate that half of teachers reach this goal by September 2003. Head Start teacher salaries increase (though modestly) as teacher education levels increase.

The 2002 program data confirm that Head Start serves a diverse population of low-income children and families.

Most of these families are working poor, with minimum education levels. These children and families receive a variety of family support and comprehensive services through Head Start and through coordination with available services in their communities.

On May 22, Rep. Michael N. Castle (R-DE), chairman of the House Education and the Workforce Subcommittee on Education Reform, introduced a Head Start reauthorization bill. Check the CLASP website often for the latest analyses of reauthorization proposals.

■ To view the new policy brief, visit: http://www.clasp.org/DMS/ Documents/1053092277.32/HS\_brief2.pdf

#### Married Parents continued from page 2

households. Compared to children who are raised by their married parents, children in other family types are more likely to achieve lower levels of education, to become teen parents, and to experience health, behavior, and mental health problems. And children in singleand cohabiting-parent families are more likely to be poor.

"Both family income and family structure matter to the well-being of children," said Parke.
"Reduced income accounts for up to half of

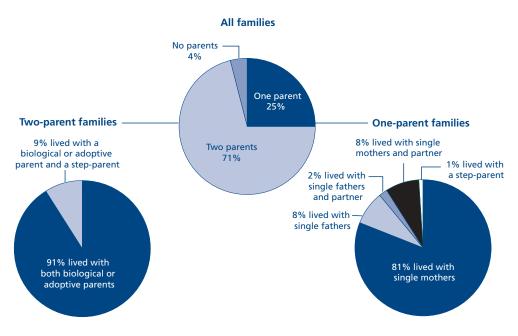
the increased risk for children not living with their married, biological parents. The rest is due to family disruption, including loss of contact with a non-custodial parent."

While the increased risks faced by children raised without both parents are certainly reason for concern, the majority of children in single-parent families grow up without serious problems, notes Parke. In addition, there continues to be debate about how much of the disadvantages to children are attributable to poverty versus family structure, as well as about whether it is marriage itself that makes a difference or the type of people who get married.

Understanding the effects of family structure on children is complicated because many children live in more than one type of family during the course of their childhoods. For instance, the majority of children in step-families have also lived in a single-parent family at some point.

Parke concludes that marriage may or may not make children better off in individual situations, depending on

### Family Living Arrangements for Children Under Age 18 (1996)



Source: U.S. Census Bureau, Survey of Income and Program Participation.

whether a marriage is "healthy" and stable. Marriage may also be a proxy for other parental characteristics that are associated with relationship stability and positive child outcomes. The legal basis and public support involved in the institution of marriage helps to create the most likely conditions for the development of factors that children need most to thrive—consistent, stable, loving attention from two parents who cooperate and who have sufficient resources and support from two extended families, two sets of friends, and society. Marriage is not a guarantee of these conditions, however, and these conditions exist in other family circumstances, but they are less likely to.

- To view the policy brief, visit: http://www.clasp.org/DMS/ Documents/1052841451.72/Marriage\_Brief3.pdf
- To view an annotated version with full references, visit: http://www.clasp.org/Pubs/DMS/Documents/1052841111.75/ marriage\_brief3\_annotated.pdf
- To view the first two policy briefs in the Couples and Marriage Series, visit: http://www.clasp.org/Pubs/Pubs\_Couples

## **CLASP Audio Conferences in June**

This session, Congress is scheduled to reauthorize a range of programs affecting low-income families. In June, the CLASP Audio Conference Series will focus on the reauthorizations of the Head Start program and the Community Services Block Grant (CSBG):

- June 6: Reauthorization of Head Start. The \$6.5 billion Head Start program reaches more than 900,000 children, mostly three- to five-year-olds from families at or below the poverty line. Will changes be made to better address the needs of working poor families? Will Early Head Start expand to serve more infants? Will an attempt be made to block grant the program?
- June 20: Reauthorization of the Community Services Block Grant. To "mobilize the resources of the community to eradicate causes of poverty and to move low-income persons to self-

sufficiency," CSBG provides about \$7 billion together with leveraged monies to fund a network of local agencies. What will happen with funding? Will any changes be made that affect the current performance standards and outcome-based management?

CLASP Audio Conferences are hour-long conference calls occurring on Fridays at 12:30 pm (ET) during which leading policymakers, program administrators, and other experts discuss the latest developments in policy for low-income families and their effects for states and communities. Many subscribers gather colleagues around a speaker phone and use the call as a catalyst for discussion. Every registrant also receives a list of web resources prior to each call.

To register or learn more, visit: www.claspstore.org.

# **CLASP**update

Volume 16 Number 7/8 July/August 2003

CENTER FOR LAW AND SOCIAL POLICY

## Leave No Youth Behind: New Report Urges Congress to Focus on Disconnected Youth

Too many young people are not on the path toward successful adulthood, and the U.S. has no coherent

policy to help these disconnected youth become productive members of society, according to a new report from CLASP, Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth, edited by Jodie Levin-Epstein and Mark H. Greenberg.

"Disconnected youth" are those young people aged 16-24 who are out of school and out of work for a sustained period and are without ready access to social and

family supports. Estimates of the number of youth who are disconnected or at risk of becoming disconnected range from nearly 3 million to more than 7 million.

Leave No Youth Behind focuses on six programs being considered by the 108th Congress for reauthorization: the Adult Education and Family Literacy Act, the Higher Education Act, the Individuals with Disabilities Education Act, the Runaway and Homeless Youth Act, the Temporary Assistance for Needy Families program, and the Workforce Investment Act. It offers detailed recommendations for Congress to address disconnected youth in each program.

The costs to society for failing to help at-risk and disconnected youth are substantial. For example, an Urban Institute study estimates about \$80 billion is lost in earnings for the 450,000 youth who drop out of high school each year. Uneducated and undereducated youth are less

likely to get jobs and more likely to remain poor. A high school dropout will earn 39 percent less over his or her lifetime than a person with an associate's degree

from a two-year college.

"Through this year's reauthorizations,
Congress has the chance to make immediate
decisions that could create new opportunities
for at-risk and disconnected youth," said
Alan Houseman, CLASP Executive Director
and author of the report's introduction. "To
remain strong, our nation must meet the challenge of helping at-risk and disconnected
youth overcome the hardships of their early

lives and the failed policies of public institutions and agencies."

The report concludes that the nation should commit itself to increase the proportion of young people who at age 25 (1) have a high school diploma and a postsecondary

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## Boom Times a Bust for Less-Educated Young Men

ost demographic groups saw their employment rates and incomes rise in the economic heyday of the late 1990s, especially less-educated women. However, on the whole, less-educated young men have bucked this trend. According to a new report from CLASP, this demographic group saw employment rates *drop* during this period of economic growth.

The report, *Boom Times a Bust: Declining Employment Among Less-Educated Young Men* by Elise Richer, Abbey Frank, Mark Greenberg, Steve Savner, and Vicki Turetsky, finds that, in 1999, men aged 18 to 24 with a high school diploma or less were less likely to be working than their counterparts in 1979, another economic peak. And when they were working, they were likely to be earning significantly less. During this 20-year time period employment rates have fallen by 5 percentage points for this group of young men, from 83 percent employed to 78 percent employed. When the authors look specifically at African American men in this group, the numbers are worse—the employment rate dropped 13 percentage points, from 66 to 53 percent.

The authors offer potential reasons for this decline, including:

#### The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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Editors: Gayle Bennett, John Hutchins

Contributor: Brooke Richie



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- Employers are looking for higher-skilled workers than in the past.
- Many manufacturing and other blue collar jobs have moved to the suburbs, while a large percentage of less-educated young men live in urban centers.



- High incarceration rates among these young men diminish employment.
- Many employers have negative perceptions about and discriminate against this group.
- Wage garnishment for child support might drive young fathers "underground" into informal employment.

Others have posited that the influx of less-educated women into the employment market has adversely affected the prospects of less-educated young men. Research on this point, however, is conflicting.

"This decline in employment rates during economic boom times is counterintuitive," said Elise Richer, CLASP Senior Policy Analyst and lead author of the report. "With the economy now stagnant, this trend isn't apt to improve without programs and policies aimed at helping this group of young men."

The authors conclude the report with public policy recommendations, which include: expanding the Earned Income Tax Credit, increasing the minimum wage, setting realistic child support orders, creating public jobs for youths, developing quality job training programs, and improving pre- and post-release employment assistance for prisoners.

■ To read the new CLASP report, Boom Times a Bust: Declining Employment Among Less-Educated Young Men, visit: www.clasp.org/Pubs/Pubs\_New. For a printed copy, call (202) 906-8000.

## Still Headed in the Wrong Direction

Tarly in the morning of July 25, 2003, the House of Representatives passed the School Readiness Act of 2003, which would reauthorize the Head Start program, by a one-vote margin, 217 to 216. Head Start is a federalto-local grant program providing early childhood education and comprehensive services, including health, nutrition, parental involvement, social, and other services, to low-income preschool children and their families. According to its sponsors, the main goals of H.R. 2210 are to close the school readiness gap between young lowincome children and other children upon entering school and to promote collaboration and alignment at the state level between Head Start and other early childhood education programs. A new CLASP analysis, Still Headed in the Wrong Direction: Why the House Head Start Bill (H.R. 2210) Is Unlikely to Make the Program Better, by Rachel Schumacher and Jennifer Mezey, argues that, while these goals are important, they are unlikely to be achieved under H.R. 2210.

H.R. 2210 contains two titles. Title I would make a set of changes generally applicable to Head Start programs around the country. Title II would give states the option to apply for Head Start funds to use for early childhood activities; up to eight states would be allowed to govern Head Start funds in the next five years.

According to Schumacher and Mezey, several of the bill's provisions are positive, including the emphasis on teacher credentialing and the enhanced collaboration requirements. However, the bill also raises a set of serious concerns:

The bill establishes a set of significant new goals for Head Start programs without providing the funding that would be needed to meet the goals. In fact, H.R. 2210 would call for specific levels of Head Start funding through FY 2008 that would not be sufficient to even address inflation in some years.

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#### FIRST DETAILED ANALYSIS ON EARLY HEAD START PROGRAM DATA

CLASP recently released a new policy brief, Serving America's Youngest: A Snapshot of Early Head Start Children, Families, Teachers, and Programs in 2002, by Kate Irish, Rachel Schumacher, and Joan Lombardi, that offers the first detailed examination of 2002 Early Head Start national program data.

The Early Head Start program serves primarily low-income children from birth through age three and pregnant women, while the Head Start program primarily serves 3- to 5-year-olds. Like Head Start, Early Head Start provides early education, including health and developmental screenings and treatment, family support and parental involvement, nutrition, and social services, as well as educational services as established in the federal Head Start Program Performance Standards. Over the course of the 2002 program year, 60,663 young children and 7,669 pregnant women were served through Early Head Start, making up 7 percent of the total Head Start population.

The brief describes the unique features of the Early Head Start program and places them in the context of the overall Head Start program. Some of the main findings are:

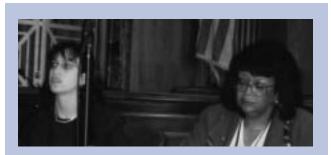
- Most Early Head Start families (62 percent) have working parents, with just over one-quarter in receipt of welfare cash assistance (28 percent).
- About half of the children (55 percent) had full-day and/or full-year child care needs, and the majority of these children (72 percent) had these child care needs met through Early Head Start programs.
- Of Early Head Start children who were screened for medical conditions and determined to need follow up treatment, the vast majority (93 percent) received treatment for such conditions as asthma, anemia, and hearing difficulties.
- To read the new CLASP policy brief, visit: http://www.clasp. org/DMS/Documents/1056552655.59/HS\_brief3.pdf. To view other CLASP publications on Head Start, visit: www.clasp. org/Pubs/Pubs\_ChildCare.

## Working Families Likely to Lose Child Care Assistance

In the battle for increased child care funding taking place around the reauthorization of the Temporary Assistance for Needy Families (TANF) legislation, many have argued that additional child care funding is needed if work requirements increase. A new report from the Center on Budget and Policy Priorities (CBPP) and CLASP makes the case that, even if the work requirements remain unchanged, hundreds of thousands of children in working families stand to lose access to child care assistance if federal child care funding does not increase.

The report, New Child Care Resources Are Needed to Prevent the Loss of Child Care Assistance for Hundreds of Thousands of Children in Working Families by Sharon Parrott (CBPP) and Jennifer Mezey (CLASP), estimates the number of child care slots that would be funded over the next five years with mandatory child care block grant funding, TANF funds, and state matching and maintenance of effort funds. (Because TANF reauthorization legislation will not set discretionary child care funding levels, that funding—and the loss in child care slots if that funding is frozen—is not considered in this analysis.) The analysis found:

 An estimated 222,000 children will lose access to child care assistance by 2006, rising to 361,000 children by 2008, if Congress does not increase child care funding



Jennifer Mezey (left), CLASP Senior Staff Attorney, speaks on the impact of welfare policies on children and adolescents at a June Capitol Hill briefing, sponsored by the American Academy of Pediatrics, the Association of Maternal and Child Health Programs, and the Society of Adolescent Medicine. Renee Jenkins, MD (right), of the American Academy of Pediatrics, also presented.

- above current levels, even in the absence of any new costs associated with work requirements.
- States would need an additional \$5.7 billion between 2004 and 2008 to forestall this loss of child care slots in each of those years.

There are two main causes for this projected loss in child care slots for working families. First, under current law mandatory child care block grant funding and the associated level of required state spending would remain frozen. Yet, the cost of providing child care rises over time as the wages of child care workers and the cost of space and other materials increase. Second, overall TANF spending is projected by CBO to fall significantly as reserves from prior years are exhausted. As this occurs, states will have less TANF funding to devote to child care, resulting in a loss of slots for working families.

Since states continue—for good policy reasons—to give priority for child care slots to TANF recipients and recent TANF leavers, working families, who in many cases need child care assistance to stay off TANF, have borne the brunt of recent state cutbacks. A General Accounting Office study found that over just the last two years, 12 states newly instituted waiting lists or stopped accepting applications from all or most low-income working families. And, according to the Children's Defense Fund, in December 2002, child care waiting lists or closed enrollment policies were in place in all or part of more than 20 states, including Arizona, Kentucky, Montana, Pennsylvania, and Tennessee.

Despite the attention that has been paid to TANF work requirements in the context of the TANF reauthorization debate, the authors conclude that the lack of child care assistance serves as a far larger impediment to employment for many low-income families than do the size and structure of TANF work participation rates.

■ To read the full report, visit: http://www.clasp.org/DMS/ Documents/1058295869.52/7-15-03tanf.pdf.

### CLASP Recommendations on WIA Reauthorization

The Workforce Investment Act of 1998 (WIA) substantially altered the federally funded system for job training and other employment-related services, many of which are used by low-income workers. Federal policy for these services is set out in Title I of WIA, which requires that each of nearly 600 local workforce areas develop and administer a one-stop delivery system with a broad array of employment and training services available to job seekers and employers. In addition, Congress folded into WIA the existing Adult Education and Family Literacy Act (AEFLA), as Title II of the law. AEFLA, or WIA Title II, is a federal program to assist undereducated or limited English proficient adults or out-of-school youth in improving their skills.

WIA will expire on September 30, 2003. On May 8, 2003, the House passed a reauthorization bill (H.R. 1261). The Senate is currently working on its reauthorization bill. *WIA Reauthorization Recommendations*, by Nisha Patel and Julie Strawn, provides recommendations for both Title I and II and a discussion of the rationale for each recommendation. The recommendations for Title I are:

- 1. Eliminate sequential eligibility.
- 2. Promote greater access to training.
- 3. Improve adjustment of performance measures.
- 4. Require that performance measures take into account job quality and better capture earnings changes.
- 5. Address the needs of those with limited English skills.
- Encourage programs to combine adult education,
   English as a Second Language (ESL), and job training services.

- 7. Promote informed consumer choice by creating a process for fixing problems with the provider certification system.
- 8. Clarify how WIA should take into account federal student aid received.

Patel's and Strawn's recommendations for Title II are:

- 1. Improve effectiveness of services by focusing funds on high-quality programs.
- 2. Address the needs of those with limited English skills.
- 3. Encourage programs to combine adult education, ESL, and job training services.
- Strengthen links to postsecondary education and job training.
- To read the rationale behind each recommendation, visit: http://www.clasp.org/DMS/Documents/1057258510.44/ WIA\_Recomm.pdf.

### WIA SIDE-BY-SIDE

For more information on the Workforce Investment Act (WIA) reauthorization proposals, download *Side-by-Side Comparison of Title I Provisions in Recent WIA Reauthorization Proposals* by Nisha Patel and Mark Greenberg. This document provides a side-by-side comparison of provisions in the current WIA law, an 8-page reauthorization plan released by the Bush Administration in February 2003, and the reauthorization bill (H.R. 1261) passed by the House of Representatives on May 8, 2003.

http://www.clasp.org/DMS/Documents/1056564883.68/ WIA\_sbs.pdf

### **New from CLASP**

CLASP has recently posted a variety of new documents related to education and training policy and to child support policy on its website:

### **Education and Training**

- Preliminary Recommendations on Higher Education Act Reauthorization by Julie Strawn and Victoria Whistler.
- Why HEA? Skills and Opportunity by Julie Strawn.
- Expanding Employment Prospects for Adults with Limited English Skills by Elise Richer.
- Comments on the Revised DOL Recipient LEP Guidance by Hitomi Kubo.

 Whose Job Is It? Creating Opportunities for Advancement by Nan Poppe, Julie Strawn, and Karin Martinson.

### **Child Support**

- *Child Support Trends* by Vicki Turetsky.
- New Child Support Regulations by Paula Roberts.
- Failure to Thrive: The Continuing Poor Health of Medical Child Support by Paula Roberts.
- To view these publications, visit www.clasp.org.

### Head Start continued from page 3

- The bill reduces the proportion of federal funds committed to training and technical assistance, a key part
  of any strategy to improving program quality.
- The bill would allow religious discrimination in hiring by faith-based providers receiving Head Start funds.
- The bill would give eight states the option to receive Head Start funds in the form of a block grant without full application of the current Head Start Performance Standards, adequate accountability, or sufficient coordination requirements.

The authors argue that Congress should instead adopt provisions that will build on and improve the existing Head Start program, including:

 Encouraging collaboration and long-term strategic state-level planning among Head Start, education, and child care programs to deliver services that help children succeed in school while meeting the work support needs of parents, and providing additional funding to help with these state planning activities;

- Improving the quality of Head Start programs through funded professional development programs for Head Start and other early childhood teachers; and
- Expanding funding for Head Start and Early Head Start so that the above goals will be addressed while also expanding comprehensive services to more children from birth to age five.

In the Senate, the Committee on Health, Education, Labor, and Pensions held a hearing on Head Start on July 22nd, and is expected to further take up Head Start reauthorization after the August Congressional recess. Already, different takes on how best to reauthorize Head Start have been filed in the Senate, including proposals by Sen. Lamar Alexander (R-TN), Sen. Tom Harkin (D-IA), and Senators Christopher Dodd (D-CT) and Edward Kennedy (D-MA).

■ To view the analysis of the House bill, visit http://www.clasp. org/DMS/Documents/1059071277.64/still\_wrong.pdf.

## TANF Reauthorization Update

The Senate Finance Committee failed to take action on the reauthorization of the Temporary Assistance for Needy Families (TANF) program before the August Congressional recess. The House of Representatives passed a reauthorization measure (H.R. 4) in February, largely on a party-line vote. The Senate Finance Committee is expected to take up TANF after Labor Day.

For the latest on TANF reauthorization, visit the CLASP website (www.clasp.org). Recently posted documents include:

- Welfare Caseloads in 27 States Decline in First Quarter of 2003: Most States Show Only Small Caseload Fluctuations by Elise Richer, Hedieh Rahmanou, and Mark Greenberg
- How States Used TANF and MOE Funds in FY 2002:
   The Picture from Federal Reporting by Mark Greenberg and Elise Richer
- New Child Care Resources Are Needed to Prevent the Loss of Child Care Assistance for Hundreds of Thousands of

- Children in Working Families by Sharon Parrott (Center on Budget and Policy Priorities) and Jennifer Mezey (CLASP) (see p. 4)
- GAO Finds State Child Care Assistance Limits
   Disproportionately Impact Low-Income, Working, Non-TANF Families and Children by Jennifer Mezey
- Marriage-Related Provisions in Recent Welfare Reauthorization Proposals: A Summary by Mary Parke
- Side-by-Side Comparisons of Recent TANF Reauthorization Proposals (including work, child care, and child welfare provisions)
- Welfare, Women, and Health: The Role of Temporary Assistance for Needy Families by Jodie Levin-Epstein
- Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth by Jodie Levin-Epstein and Mark H. Greenberg, Editors (includes a chapter on TANF, see p. 1) ■

### Leave No Youth Behind continued from page 1

degree or credential, (2) are employed in jobs with career advancement possibilities, and (3) are not engaged in adverse risk-taking behaviors. In addition, the report urges Congress to:

- Articulate a clear goal for the nation's youth to help establish both that youth are an important population and what programmatic success means.
- Establish a common definition of disconnected youth and require all relevant programs to report on the extent to which disconnected youth are served.
- Establish "youth find" mechanisms in all appropriate programs to identify those who are school dropouts and hard-to-employ and to assist them in accessing programs that can improve their prospects.
- Improve coordination by encouraging or requiring state and local entities to better coordinate and blend

funding streams to ensure adequate funding for more proven programs that effectively serve disconnected youth.

Create transition provisions where they do not currently exist to ensure that, before a youth leaves a program and at key risk points, there are effective plans for further education, training, or employment in place.

Authors of individual chapters in *Leave No Youth Behind* include Cynthia G. Brown, Andy Hartman, Jodie Levin-Epstein, Jennifer Mezey, Nisha Patel, Bob Reeg, Steve Savner, and Tom Wolanin.

■ To download the entire report, Leave No Youth Behind:

Opportunities for Congress to Reach Disconnected Youth,

visit: http://www.clasp.org/DMS/Documents/1057083505.88/

Disconnected\_Youth.pdf. For a printed copy, call (202) 906-8000

## Linda Harris Joins CLASP

In July, Linda Harris joined CLASP as a Senior Policy Analyst, heading up a new project on federal policy affecting disconnected youth. Harris brings to CLASP over 25 years of experience in the youth development and workforce development arena.

For 15 years, she served as Director of the Baltimore City Mayor's Office of Employment Development and as Administrator for the Baltimore City Private Industry Council. Under her leadership, Baltimore achieved a national reputation for system building and innovation in workforce development. Baltimore was recognized for its comprehensive youth delivery system; for its successful welfare employment interventions; for Employ Baltimore, its intermediary for business services; and for its one-stop system, which served as a "learning laboratory" for the nation.

Harris attracted over \$70 million in discretionary and demonstration funds to Baltimore and blended job training, CDBG, TANF, housing, health department, and state general funds to maintain an integrated, supportive adult and youth delivery system. She spent the past few years providing technical assistance and coaching to local areas on the start-up of Youth Opportunity and Young Offender grants.

She has served on the Governor's Employment and Training Council, the Mayor's Human Services Cabinet, the Governor's Advisory Council on Family Preservation, the Board of Trustees of the Conference of Mayors' Workforce Development Council, the National Association of Workforce Development Professionals' Board, and the Baltimore Empowerment Zone Board.

## **CIASP**update

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CENTER FOR LAW AND SOCIAL POLICY

## The Language of Opportunity

The nation is not doing enough to help employers integrate immigrants into the workforce despite projections that immigrants—many of whom have limited

English skills—will account for *all* of the net growth in the 25- to 54-year-old workforce over the next two decades. According to the 2000 Census, eight million working-age adults—5 percent of all adults—do not speak English well or at all. Yet current English language and job training services meet only a small fraction of the need. A new report from the Center for Law and Social Policy (CLASP) discusses how states and localities can train this growing and cru-

cial part of the workforce and suggests changes to federal policy that will help this population and, consequently, the U.S. economy.

The report, *The Language of Opportunity: Expanding Employment for Adults with Limited English Skills* by Heide Spruck Wrigley, Elise Richer, Karin Martinson, Hitomi Kubo, and Julie Strawn, finds that current resources for language and job training services are dwarfed by the need. In addition, few programs focus on providing the nexus of language, cultural, and specific job skills that is key to helping low-income adults with limited English skills increase their wages—and to helping our nation's economy grow.

"Even states not known as destinations for immigrants are seeing substantial increases in immigrant populations," said Elise Richer, an author of the report and Senior Policy Analyst at CLASP. "We ignore this population to the detriment of our nation's growth and prosperity."

The appendix of the report highlights programs in seven

states (California, Illinois, Minnesota, Missouri, Texas, Washington, and Wisconsin) that are providing a combination of language skills and job training to limited English adults. These programs are on the forefront of meeting immigrant worker language and training needs. Their success helped shape the recommendations for program design and public policy in the report.

These recommendations include:

- creating programs that combine language services with job skills training;
- adapting existing education and training programs to the needs of limited English speakers; and

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## Meeting Great Expectations

In the past decade, expectations have been raised about early care and education programs in an effort to ensure that young children are ready for school. However, child care policy and child care funding are often left out of this discussion. A new CLASP report, *Meeting Great Expectations: Integrating Early Education Program Standards in Child Care* by Rachel Schumacher, Kate Irish, and Joan Lombardi, examines seven states that have used three strategies to integrate program standards into child care by directly tying standards to funding: the delivery of state pre-kindergarten (Georgia, New Jersey, and New York) and Head Start (Ohio, Oklahoma, and Oregon) in child care settings and the use of contracts that include required standards with child care providers (California).

Raising expectations for children's readiness without raising the quality of programs will do little to meet national education goals or to help children grow and learn, according to the report. The best early childhood programs maintain strong program standards—that is, they ensure the conditions in which children are more likely to learn. However, most recent Administration and Congressional policy has focused more on setting high outcome standards, which focus instead on what children are

The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org expected to learn. Much less attention has been paid to improving the standards for the type, intensity, and quality of early childhood programs or to helping programs and teachers meet such outcome goals. In fact, no minimum federal guidelines exist for quality in child care; instead, states each



set their own basic licensing regulations to protect the health and safety of children.

In order to achieve improved child outcomes, policymakers must invest in improved program standards in child care. The seven states profiled in the report require participating child care providers to meet early education program standards that routinely exceed those required by state child care licensing rules. They are also providing additional monitoring, technical assistance, and fiscal resources to help participating programs meet these standards. The study also found:

- Smaller group sizes and better staff-child ratios are required of child care programs participating in the early education initiatives than those required in state child care licensing regulations.
- Significantly higher minimum teacher education qualifications for the early education programs than the state child care licensing rules, with the early education programs requiring at least an associate's degree or Child Development Associate credential, compared to minimum licensing requirements as low as just a high school degree.
- Specific requirements for curriculum in early education programs, but not in any of the state child care licensing regulations.
- Federal Head Start Performance Standards, which call for a specific scope and intensity of comprehensive services, are required in the early education programs

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## Welfare Dollars No Longer Increasing Source of Child Care Funding

Temporary Assistance for Needy Families (TANF) funding remains an important source of funding for state child care programs; however, it is no longer an *increasing* source of funding in many states. A new CLASP paper further finds that TANF might soon become a declining source of child care funding, in light of dwindling or exhausted reserves of prior year TANF funds and increases in cash assistance caseloads in many states.

In Welfare Dollars No Longer an Increasing Source of Child Care Funding: Use of Funds in FY 2002 Unchanged from FY 2001, Down from FY 2000, authors Jennifer Mezey and Brooke Richie look at new data from the U.S. Department of Health and Human Services (DHHS), which indicate that state use of TANF for child care essentially remained flat from FY 2001 through FY 2002. According to DHHS, states used approximately \$3.5 billion of federal TANF funds for child care in FY 2002, essentially the same amount as was used in FY 2001 and down from a high of \$3.96 billion in FY 2000.

States dramatically expanded their use of TANF for child care between FY 1997 and FY 2000, thus contributing significantly to the overall increase in child care funding. The number of states using TANF for child care increased from 12 to 48 during these years. The overall amount of TANF funds used by these states increased from \$249 million in FY 1997 to \$3.96 billion in FY 2000. During this same period, total child care spending increased from approximately \$4 billion to \$9 billion; about three-quarters of this funding increase was due to increased spending of federal child care funds, and the majority of that increase was attributable to TANF dollars. States used these funds to serve more children, create pre-kindergarten and afterschool programs, increase provider payment rates, and fund quality investments.

Although FY 2002 is the most recent year for which official data are available, there are indications that state use of

TANF for child care may stay flat or decrease in FY 2003 and into FY 2004. First, prior year TANF reserves are dwindling and in danger of soon being exhausted. States have been using these reserves to fund child care programs and other work supports. Second, unprecedented state fiscal crises are causing states to shift TANF funding away from child care to meet other funding needs. Third, the dramatic TANF caseload declines seen between FY 1997 and FY 2000 have slowed or been reversed in many states in recent years.

## Implications for TANF and Child Care Reauthorization

The dramatic expansion of child care funding has been a critical part of state efforts to promote work and child well-being since 1996. While welfare caseloads fell by half, child care caseloads doubled. The ability of states to provide child care outside of the welfare system was essential to helping families enter and sustain employment. If states can no longer maintain even current levels of child care assistance, families will suffer and states will be less able to promote employment. Given the impact of state funding decisions on non-TANF families, some low-income families could find that the only way to get child care assistance is to go on welfare.

Current levels of TANF funding alone, without significant expansions of the Child Care and Development Fund, will force states to cut off child care assistance to children who are currently receiving it. CLASP and the Center on Budget and Policy Priorities estimate that, in the absence of additional child care funding, more than 360,000 children will lose child care assistance by FY 2008. These losses will come on top of losses from current state budget cutbacks.

■ To read the full paper, visit: http://www.clasp.org/DMS/Documents/1060618205.42/2002\_TANF\_CC.pdf.

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## 120 Groups Offer Ideas for Improving Access to TANF for Teen Parents

Pearly 120 national, state, and local organizations have endorsed a set of specific recommendations to strengthen the Temporary Assistance for Needy Families (TANF) program for teen parents and their children. Improving Access to TANF for Teen Parents: Recommendations for Reauthorization, which was developed by CLASP's Christine Grisham and Jodie Levin-Epstein, describes the welfare rules created for minor parents by the 1996 TANF legislation and explains the unintended consequences that have resulted from these provisions.

Teen parents may receive their own TANF assistance grants if they meet certain eligibility criteria. Like their older counterparts, teen parents must agree to adhere to certain rules. In addition, the TANF statute has two rules that apply only to minor parents (typically, those under 18 years of age): (1) the minor parent education/training rule prohibits states from awarding TANF cash grants to minor parents unless they are participating in education or training activities, and (2) the minor parent living arrangement rule prohibits states from awarding TANF cash grants to minor parents unless they are living with a parent, legal guardian, or another adult relative, or in a living arrangement approved by the state.

The recommendations address some of the barriers teen parents are experiencing in accessing and remaining in the TANF program, including:

- Complex Rules—In some communities, income-eligible teen parents are not getting the help they need to comply with program rules, and, in some instances, they are even being shut out from receiving applications. These unintended consequences appear largely due to caseworker and teen parent misinterpretation of the minor parent rules.
- Restricted Living Arrangement Requirements—The minor parent living arrangement rule has discouraged some minor parents who are unable to live with parents, guardians, or other adult relatives from applying

for TANF assistance for fear of being confined to or returned to unsafe homes. Also, some states have not acted vigorously enough to provide alternative living arrangements.

- Educational Limitations—The TANF law limits how many recipients states can have participate in vocational education and still be considered participating in work activities. As a result, adults and teen parents compete for a limited number of vocational education slots. In addition, teen parents ought to be able to participate in postsecondary education if such participation is deemed appropriate for their situation.
- Premature Time Clock—The 60-month lifetime limit on TANF assistance takes effect for teen parents who are participating in education and training activities upon turning age 19, even when these parents are still completing the education required of them when they entered TANF as minors. These older teens are forced to choose between completing their education/training or exiting TANF prematurely (and thus losing cash assistance to care for their children) to avoid commencement of the lifetime limit on TANF assistance.
- Disproportionate Sanctioning—In some states, teen parents appear to be disproportionately sanctioned compared to TANF families overall.

Improving Access to TANF for Teen Parents: Recommendations for Reauthorization was sent to the Senate Finance Committee members. The Finance Committee is expected to work on a reauthorization bill in the fall.

- To view the recommendations, visit: http://www.clasp.org/ DMS/Documents/1060174403.92/Teen Parent\_Recs.pdf.
- To read a related publication, *Teen Parents and Temporary Assistance for Needy Families: A Summary of Recent Congressional Action* by Christine Grisham and Jodie Levin-Epstein, visit: http://www.clasp.org/DMS/Documents/1060261485.99/Teen\_Leg\_Summ.pdf.

## Repealing the Family Cap in Illinois

### An Interview with Wendy Pollack

bout 20 states have "child exclusion" policies as part **A**of their welfare programs. Also known as "family cap," these policies exclude from a family's cash assistance grant the traditional incremental increase in aid that occurs when a welfare recipient has a baby. Virtually all of the states that operate child exclusion policies initiated them before the welfare law, Temporary Assistance for Needy Families (TANF), was enacted in 1996 (Minnesota, however, recently enacted such a policy). States that operate a family cap do so even though the federal TANF law is silent on the subject. In a number of states, there have been attempts to eliminate the child exclusion policy (for instance, Arizona's Governor vetoed a bill in 2001 that would have eliminated the state's family cap). This year, the Illinois legislature passed a measure to eliminate its child exclusion provision. CLASP Deputy Director Jodie Levin-Epstein recently interviewed Wendy Pollack, Senior Attorney at the National Poverty Law Center in Chicago, about this development.

**Jodie Levin-Epstein:** Wendy, when and why did Illinois adopt a family cap policy?

Wendy Pollack: Illinois started this experiment in 1995 to deter women from adopting what proponents for the rule called a "welfare lifestyle." Research findings, however, indicate that the policy does not deter childbearing; they do show that families whose benefits are reduced through such policies have much harder lives, more medical needs, greater barriers to work, and poorer outcomes for children.

**JLE:** When does the new law that eliminates the family cap go into effect?

**WP:** The provision in the bill (HB 3023) gradually repeals the family cap policy, which eliminated the increase of cash assistance for a family that has a baby while receiving TANF. For example, a family of three (two parents and one child) living in the Chicago area receives a monthly TANF payment of \$396. If the parents have a new baby

while receiving TANF cash assistance, under the family cap rule, that family will not receive the payment amount for a family of four (\$435/month) and remains at the three-person household payment level.

Under the approved bill, the family cap will not apply to any family as a result of the birth of a child on or after January 1, 2004. For families whose payment level is currently affected by the policy, the Illinois Department of Human Services has the authority, subject to appropriations, to cease applying the family cap to children born before January 1, 2004. The sooner funds can be found for this purpose, the sooner the family cap can end for all affected children and their families. In any event, the family cap will cease to be in effect in Illinois not later than July 1, 2007.

**JLE:** Wendy, could you explain more about how the issue of "cost savings" was addressed?

WP: Like most states, Illinois is experiencing a serious budget crisis. We knew that the repeal of the family cap would add to the expense side of the budget in the short run. That is why we recommended a phasing out of the family cap and not an immediate total elimination of the policy. We were able to get the Governor to agree to end the policy for children born on or after January 1, 2004, and he factored this into his proposed budget last March. The \$360,000 increase is buried in a welfare budget line that is decreasing by tens of millions of dollars mostly due to caseload decline. Total elimination of the family cap is set for July 1, 2007. Phasing out the family cap will give Illinois the time and flexibility necessary to build the cost into subsequent budgets.

On the cost savings side, we simply showed state legislators and the Governor the available research that showed poorer child outcomes for "sanctioned" families. We also pointed to Illinois' own experience that it is the children who pay the price for this policy with greater medical

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### Meeting Great Expectations continued from page 2

modeled after Head Start, while the pre-kindergarten programs require some comprehensive standards but to a lesser extent. The state child care licensing regulations do not require any comprehensive services.

Child care providers participating in the early education programs have additional monitoring processes for program content and standards, over and above the monitoring for state child care licensing regulations.

Perhaps the greatest barrier to integrating high program standards in child care is financial. States are experiencing the worst budget crises since World War II—with 46 states reporting revenues below forecasted levels as of January 2002. States are being forced to cut child care and early education programs—including the ones profiled in this report. The national economy and state budget woes mean that investments needed to improve

program standards and the early learning environments for children may suffer, as many states are struggling to maintain basic services. However, research indicates that it will be more costly in the long run if we don't take better advantage of the "opportunity time" that children spend in child care to prepare them for the great expectations we have for them in school. The report calls for building on the promise of these state initiatives and investing in a system that better integrates the care and education of young children, including those in families with need for full-day, full-year services.

- To view the 60-page report, visit: http://www.clasp.org/DMS/ Documents/1061231790.62/meeting\_rpt.pdf.
- To view the 8-page policy brief, visit: http://www.clasp.org/ Pubs/DMS/Documents/1061231579.27/meeting\_brief.pdf.

#### **IMPROVING THE FOSTER CARE SYSTEM**

The Pew Commission on Children in Foster Care, established in May 2003 to develop recommendations to improve outcomes for children in the foster care system, has sought input from policy experts and others related to federal financing and court oversight of child welfare cases. In August, Rutledge Hutson, CLASP Senior Staff Attorney, submitted two memos to the Commission:

- Input on Improving Federal Child Welfare Financing Mechanisms encourages the Commission to begin its work by considering a set of questions about the fundamental purposes and goals of the child welfare system. It also makes recommendations about immediate steps Congress can take, while the Commission deliberates about a broader vision, that will begin to strengthen the child welfare system's ability to meet the needs of maltreated children.
- Input on Improving Court Oversight of Child Welfare Cases offers three suggestions to the Commission: (1) designate

specially trained judges to hear child welfare cases; (2) ensure that everyone involved in the child welfare cases has an opportunity to be heard; and (3) provide comprehensive training to judges, lawyers, guardians ad litem, court-appointed special advocates, and related court personnel—not only about the legal issues involved in child welfare cases, but also about child development, family dynamics, substance abuse, mental health, and domestic violence.

In addition, in June, Hutson submitted comments to the federal Children's Bureau addressing improvements to the Adoption and Foster Care Analysis and Reporting System (AFCARS).

 To view these documents, visit http://www.clasp.org/Pubs/Pubs\_ChildWelfare.

### Family Cap continued from page 5

needs and poorer outcomes, for which the state must pick up the tab, albeit from different line items (e.g., Medicaid, education) and future budgets.

**JLE:** Wendy, other state legislators, child advocates, or state administrators with family caps might want to eliminate their policy. Any final hints to offer from the Illinois experience?

**WP:** First, the National Center on Poverty Law advocated against family cap from the beginning and advocated for its repeal for years. So this is not something that happened overnight. In prior years, when it was clear that outright repeal was not in the offing, we advocated for modifications that would reduce the severity of the penalty on children. For example, we argued that child support collected on behalf of a capped child should be passed on to the family and that that income should be disregarded from the family's budget. We also called for the distribution of vouchers to meet the needs of capped children. These approaches were not successful, unfortunately.

Second, the Center did not work alone. A coalition of welfare advocates met prior to the opening of the 2003 Illinois General Assembly session to discuss what statutory changes we wanted, and the repeal of the family cap was high on everyone's list. We then partnered with sympathetic legislators, met with the Governor's staff, and then negotiated the terms of the repeal with the state welfare agency and the Governor's office. In truth, the political change in Illinois (a Democratic Governor for the first time in almost 30 years and the Democratic party control of both the Senate and House) made all the difference. The Governor's staff couldn't believe that the family cap

was Illinois law, and the new welfare agency director was opposed to the family cap in principle. Yes, elections matter.

Once we had buy-in from the administration, we then had to sell it to the state legislators. This was no easy task, either because of philosophical reasons and/or fiscal reasons. But we worked hard, were able to broaden our coalition to include groups like the Catholic Conference, and were able to convince most legislators that repeal was the right thing to do—that the time limit, work mandates, and positive incentives make a "welfare lifestyle" impossible anyhow, so there is no reason for the cap even if it deters childbearing, which it doesn't. We exposed the family cap for what it is—pure punishment. The bill passed both the Senate and the House, and the Governor signed it into law as Public Act 93-0598 on August 26, 2003.

### **NEW CHILD SUPPORT GUIDANCE**

In the last few months, the federal Office of Child Support Enforcement has issued a number of important Action Transmittals (ATs) and Policy Information Questions (PIQs), covering a range of child support issues. Recent Federal Guidance on Important Child Support Program Issues by Paula Roberts summarizes these ATs and PIQs, which clarify policies related to adjustment of child support orders, paternity disestablishment, recoupment of child support overpayments, payments in foreign currency, and private health care coverage for dependents.

 To read this report, visit: http://www.clasp.org/DMS/ Documents/1060953795.87/ATs\_%20PIQs\_0803.pdf.

#### Language of Opportunity continued from page 1

- providing bilingual career advising services and altering federal and state job training, education, and lowincome programs to better serve immigrant populations.
- To read the new CLASP report or 8-page policy brief, both titled *The Language of Opportunity: Expanding Employment for Adults with Limited English Skills*, visit: http://www.clasp.org/Pubs/Pubs\_Job, or call (202) 906-8000 to order copies.

#### WILL FEDERAL TAX CUTS HARM AMERICA'S CHILDREN?

A new report from the Every Child Matters Education Fund— Will Federal Tax Cuts Harm America's Children?—describes the implications for children and families of recent tax cuts that would pull trillions of dollars in revenue from the federal budget over the next decade. The report concludes that, given the historic and central role that the federal government has played in funding health and social services, the federal tax cuts assuredly will harm America's children.

In addition to trillions in lost tax revenues, the FY 2004 budget resolution adopted by Congress also cuts domestic discretionary spending by \$167.7 billion over 10 years. The report agues that the combined effect of budget and tax cuts, plus debt service on the budget deficits that will result from the tax cuts, will shrink real federal funding for Head Start, afterschool programs, child health care, child abuse treatment, and numerous other programs.

The Every Child Matters Education Fund is a 501(C)(3) non-profit, non-partisan organization. Its mission it is "to make children a national political priority and to promote the adoption of smart policies for children and families, including stopping child abuse, helping working families with child care, expanding preschool education and afterschool programs, and ensuring that children get good health care." The Every Child Matters Education Fund is working to increase the visibility and importance of children's issues in the Presidential selection process, particularly in early Presidential primary states. Headquartered in Washington, DC, the office also has field offices in Des Moines, lowa, and Concord, New Hampshire.

 To learn more about the Every Child Matters Education Fund, visit: www.everychildmatters.org.

# **CLASP**update

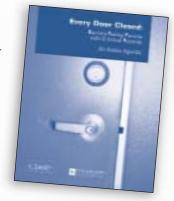
Volume 16 Number 10 October 2003

CENTER FOR LAW AND SOCIAL POLICY

## New Fact Sheets Offer Solutions for Ex-Offender Parents and Their Families

E ach year, approximately 400,000 mothers and fathers finish serving prison or jail sentences and return home eager to rebuild their families and their lives. As

these parents struggle to make a fresh start, they encounter many legal barriers that will make it very difficult for them to successfully care for their children, find work, get safe housing, go to school, access public benefits, or even, for immigrants, stay



in the same country as their children. A new set of eight, two-page fact sheets—*Every Door Closed: Barriers Facing Parents with Criminal Records. An Action Agenda*—details the scope of the challenges these families face and offers solutions for federal, state, and local policymakers.

The problem is daunting:

- More than 10 million children have ex-offender parents. Most ex-offender parents are non-violent offenders.
- Increasing numbers of parents—especially mothers
   —have been incarcerated. Women are the fastest growing subgroup of the prison population.
- African-American and Hispanic families are disproportionately affected. Twelve percent of African-American men, 4 percent of Hispanic men, and 1.6

percent of white men in their twenties and early thirties are in prison or jail.

 Ex-offender parents need assistance to rebuild their lives. Fewer than one-third of men and only half of women in state prison have finished high school.

Developed by CLASP and Community Legal Services, Inc., the new fact sheets cover ex-offenders' problems with obtaining jobs, housing, financial aid for higher education, and public benefits, in addition to their struggles with child support obligations, maintaining contact with their children while incarcerated, and keeping immigrant families together.

"Ex-offender parents have paid their debts to society and are eager to rebuild their lives and families," said Vicki Turetsky, Senior Staff Attorney at CLASP. "Unfortunately, they are unfairly being denied access to the very tools—jobs, housing, and basic services—they'll need to

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## TANF Reauthorization Update

n Wednesday, September 10, 2003, the Senate Finance Committee approved a Temporary Assistance for Needy Families (TANF) welfare reauthorization bill, entitled Personal Responsibility and Individual Development for Everyone (PRIDE). At press time, the Senate leadership had not scheduled a time to bring the bill to the floor for debate and a vote. The House of Representatives passed a reauthorization measure (H.R. 4) in February. In the meantime, the President has signed a continuing resolution to extend the current welfare law, which expired September 30, for an additional six months.

For the latest on TANF reauthorization, visit the CLASP website (www.clasp.org). Recently posted documents include:

• Key Provisions in TANF Reauthorization Bills Passed by the Senate Finance Committee and the House. This sideby-side comparison, a joint project between CLASP and the Center on Budget and Policy Priorities (CBPP), summarizes provisions in current law, H.R. 4, and the recent Senate Finance bill.

The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

**CLASP Update** is published monthly.

Editors: Gayle Bennett, John Hutchins
Contributor: Jodie Levin-Epstein

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CENTER FOR LAW AND SOCIAL POLICY

1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org

- Making the Case for Increasing Federal Child Care Funding: A Fact Sheet by Jennifer Mezey.
- Senate Finance Committee "Marks Up" Welfare Bill: What It Means for Youth and Teen Parents by Jodie Levin-Epstein and Christine Grisham.
- Welfare Dollars No Longer an Increasing Source of Child Care Funding: Use of Funds in FY 2002 Unchanged from FY 2001, Down from FY 2000 by Jennifer Mezey and Brooke Richie.
- Welfare Caseloads in 27 States Decline in First Quarter of 2003: Most States Show Only Small Caseload Fluctuations by Elise Richer, Hedieh Rahmanou, and Mark Greenberg.
- New Child Care Resources Are Needed to Prevent the Loss of Child Care Assistance for Hundreds of Thousands of Children in Working Families by Sharon Parrott and Jennifer Mezey (a joint publication of CLASP and CBPP).
- How States Used TANF and MOE Funds in FY 2002: The Picture from Federal Reporting by Mark Greenberg and Elise Richer.
- Marriage-Related Provisions in Recent Welfare Reauthorization Proposals: A Summary by Mary Parke.
- Threatened Progress: U.S. in Danger of Losing Ground on Child Care for Low-Income Working Families by Jennifer Mezey.
- Welfare, Women, and Health: The Role of Temporary Assistance for Needy Families by Jodie Levin-Epstein.
- Most States Far Short of Meeting H.R. 4 Participation Requirements by Mark Greenberg.
- TANF Participation in 2001 by Mark Greenberg and Hedieh Rahmanou.
- Child Care Funding: The Story Since 1996, the Challenges in Reauthorization by Mark Greenberg, Jennifer Mezey, and Rachel Schumacher.

## All in One Stop?

Inder the Workforce Investment Act (WIA) of 1998, all local workforce areas in the U.S. (there are currently over 600) are required to develop a "one-stop" delivery system that makes an array of federally funded



employment programs available at one location. The onestop system is designed to make the workforce development system more user-friendly for both job seekers and employers, and, over time, to serve people looking for help find-

ing an initial job, a better job, and/or accessing services to improve their skills. The system is also designed to serve employers seeking qualified workers or funding to train prospective or incumbent workers.

Between December 2002 and March 2003, CLASP surveyed 33 one-stops from across the country on the accessibility to seven public work support programs: the Earned Income Tax Credit, subsidized child care, child support, food stamps, publicly funded health insurance, transportation assistance, and cash assistance. A new report and policy brief, *All in One Stop? The Accessibility of Work Support Programs at One-Stop Centers* by Elise Richer, Hitomi Kubo, and Abbey Frank, discuss the major findings of the survey and common barriers to providing better access to work support programs.

The authors divided the one-stops surveyed into three categories—high, medium, and low—which describe the level of access to work supports they offer. They determined whether a given one-stop would be considered to provide high, medium, or low access based on the provision of information about work supports, the type of referrals made, the availability of on-site application, and the inaccessibility of work supports. They judged a work support to be

inaccessible via the one-stop when the interview indicated that, at best, only written information or a passive referral would be available to those customers who asked. At worst, a work support is inaccessible because nothing is done to facilitate a customer accessing the program.

The survey found the following:

- Work supports affiliated with TANF are less likely to be discussed. Sites are more likely to provide information in written form only (through flyers and brochures, with no oral follow-up) for the three work supports most closely associated with TANF, or least likely to be perceived as linked to employment: food stamps, publicly funded health insurance, and cash assistance. About one-third of all sites indicated that they provide only written information for these programs.
- One-stops with high access to work support programs tend to have close relationships with TANF agency staff. These close relationships with the TANF agency do not guarantee that a one-stop center will provide easy access to numerous work supports, but, without them, easy access appears unlikely.
- Eligible customers can easily access transportation assistance at one-stops, when it is available. Of the 30 one-stops surveyed, 24 allow on-site application for transportation assistance—by far the highest number of one-stops allowing on-site application. However, in 10 of the 24 one-stops accepting on-site applications for transportation assistance, only a targeted population could apply—often TANF recipients, WIA dislocated workers, or WIA intensive services clients.
- TANF agency staff usually handle cash assistance, health insurance, and food stamp applications.

  About one-quarter of the sites accept applications for cash assistance, health insurance, and food stamps onsite, while two-thirds provide outside referrals. Even when applications are accepted on-site, however, it is usually other agency staff (such as TANF agency staff) who handle the application process with the customers.

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## The Current State of Legal Aid

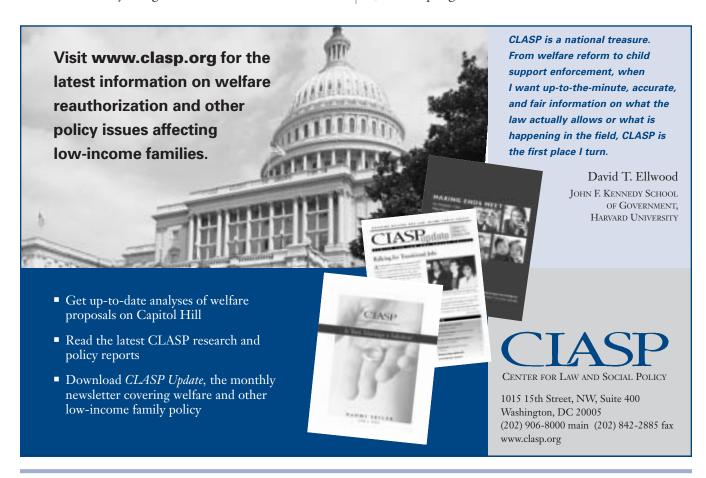
Change and transformation. Changes are occurring in both the system funded by the Legal Services Corporation (LSC) and the "system" funded exclusively by non-LSC sources. Innovations are appearing in how providers intake clients and deliver legal assistance, in increased involvement of legal aid providers in addressing the problems of self-help participants in the judicial system, and in creative use of the Internet to provide legal information and coordinate advocacy. Funding is expanding for the overall legal aid system, with the bulk of the additional funds coming from state government and private sources. Moreover, relatively fundamental changes are occurring in the overall delivery system as states continues to create comprehensive, integrated, statewide systems of delivery.

A new paper, *Civil Legal Aid in the United States: An Overview of the Program in 2003* by Alan W. Houseman, provides an overview of the current U.S. civil legal aid system; a brief history of legal aid in the United States; the

future of the legal aid system, including the evolution of state justice communities, the increased use of the Internet and hotlines in service delivery, and pro se developments; future funding sources; efforts to improve service quality; and other developments affecting civil legal aid.

### **Coming Soon!**

CLASP will soon be publishing a brief history of legal aid by Alan W. Houseman and Linda Perle titled Securing Equal Justice for All: A Brief History of Civil Legal Assistance in the United States. The publication will cover legal aid in the United States from its privately funded beginnings, through its achievement of federal funding, to its expansion and growth into a national program operating throughout the nation. It also will describe some of the political battles that have been fought around the legal services program and the restrictions that have come with government funding. Watch the CLASP website (www.clasp.org) for details.



## Making the Case for Child Care

Child care assistance is an essential part of any strategy to help families leave or avoid welfare, maintain

employment, and become self-sufficient, according to a new CLASP fact sheet, Making the Case for Increasing Federal Child Care Funding, by Jennifer Mezey. Families who receive child care subsidies are more likely to work and to stay off

Only one out of seven children who are eligible for child care assistance under federal rules receives it.

welfare than those families who do not receive this help. Without quality child care, children are less safe and families are less secure. However, only one out of seven children who are eligible for child care assistance under federal rules receives it.

Substantial additional resources are needed to provide child care assistance to eligible low-income families to help them work and know that their children are in safe places that promote healthy child development. Mezey's analysis provides the facts behind the following arguments:

- Temporary Assistance for Needy Families (TANF) legislation that is not accompanied by an adequate increase in child care funding will cause low-income children to lose child care assistance.
- Many low-income families not on welfare are barely making it and need child care assistance.
- Even without new welfare work requirements, states already lack adequate child care resources.
- As a result of declining TANF reserves, along with historic state fiscal crises, many states are cutting programs for low-income families, including child care. ■
- To download the five-page fact sheet, visit: http://www.clasp. org/Pubs/Pubs\_ChildCare.

### All in One Stop? continued from page 3

- One-stop centers rarely handle child support applications on-site, and often provide no access what-soever. Child support stuck out as a work support with little connection to the one-stop centers surveyed. Only two sites allow on-site application for child support, the lowest number of any of the work supports.
- Outside agency staff typically handle subsidized child care applications. About one-third of all the one-stops interviewed allow on-site application, while 18 sites provide a referral to an outside agency.
- The EITC is often inaccessible. The EITC frequently does not have much of a place in one-stop centers, as applying for the EITC is done in conjunction with filing one's tax return. However, seven one-stops provide help with applications on-site, some going so far as to be certified as a Volunteer Income Tax Assistance site.

Although federal legislation does not mandate that one-stop centers provide access to the seven work support programs examined, the centers do appear to be in a prime position to help the unemployed and underemployed access services that could help them obtain and retain employment, as well as support their families. The authors conclude from the survey findings that there is great variety among one-stop centers in all aspects of operation, including resources and program accessibility. One-stop centers interested in assisting customers access work support programs need to work hard at coordinating closely with local agencies and need to have staff available who can inform customers about—and assist customers with—the application processes.

■ To view the report or eight-page policy brief, visit: http://www.clasp.org/Pubs/Pubs\_Job.

### Youth and Teen Parents in TANF

The Senate Finance Committee's welfare reauthorization bill, called PRIDE (Personal Responsibility and Individual Development for Everyone), reauthorizes the Temporary Assistance for Needy Families (TANF) program as well as a number of other programs (e.g., the abstinence-unless-married education program). A new paper from CLASP, Senate Finance Committee "Marks Up" Welfare Bill: What It Means for Youth and Teen Parents by Jodie Levin-Epstein and Christine Grisham, offers a brief explanation of the Finance Committee action on provisions related to teen parents and youth.

The paper covers state plans and teen pregnancy prevention, family self-sufficiency plans and TANF youth, transitional compliance and minor teen parent rules, living arrangements for minor parents, removal of teen parents from the vocational education and training cap, work hours and requirements on families, abstinence education, and data reporting and teen parents. For each provision, the authors describe current law, summarize Committee action, and then comment on any changes.

To view this paper, visit: http://www.clasp.org/Pubs/ Pubs Health.

#### Ex-Offender Parents and Their Families continued from page 1

reintegrate successfully into society, support their families, and avoid getting into trouble again."

The fact sheets are based on the groundbreaking 2002 report, *Every Door Closed: Barriers Facing Parents With Criminal Records* by Amy E. Hirsch, Sharon M. Dietrich,

Rue Landau, Peter D. Schneider, Irv Ackelsberg, Judith Bernstein-Baker, and Joseph Hohenstein, also published by CLASP and Community Legal Services, Inc. More than 2,000 copies of the *Every Door Closed* report and 4,000 copies of its executive summary have been distributed nationwide.

### THE NEW EVERY DOOR CLOSED FACTSHEETS

Developed by the Center for Law and Social Policy (CLASP) and Community Legal Services, Inc., the new fact sheets, which are available in an attractive folder, cover these topics:

- **Every Door Closed: Facts About Parents With Criminal Records**
- Barred From Jobs: Ex-Offenders Thwarted in Attempts to Earn a Living
- One Strike and You're Out: Low-Income Families Barred from Housing Because of Criminal Records
- "I Need to Get Educated": Lift the Ban on Financial Aid for Higher Education
- A Critical Bridge to Success: Making Public Benefits Accessible to Parents with Criminal Records
- Driven Underground: Ex-Offenders Struggle with Child Support Obligations
- Keeping Families Connected: Helping Incarcerated Parents Stay Involved with Their Children
- Divided Families: Immigration Consequences of Contact with the Criminal Justice System
- To download the fact sheets, visit: http://www.clasp.org/Pubs/Pubs\_Legal.
- For printed copies of the fact sheets in a folder, call (202) 906-8000.

### Resources

## Child Protective Services Systems and Reform Efforts

The U.S. Department of Health and Human Services, Administration for Children and Families, released a study, *National Study of Child Protective Services Systems and Reform Efforts*, on state child protection services (CPS) agencies. The study focuses on state and local CPS mandates and policies; CPS agency functions and practices that are conducted to meet those mandates and policies; and innovative reform efforts. The scope of the report includes a review of the written policies in all 50 states and the District of Columbia and a survey of 300 randomly selected counties. Reports from the study are available at http://aspe.hhs.gov/hsp/ CPS-status03/index.htm.

## Community-Based Strategies for Helping Informal Child Care Providers

The Families and Work Institute has issued a new report, Sparking Connections: Community-Based Strategies for Helping Family, Friends, and Neighbor Caregivers Meet the Needs of Employees, Their Children, and Employers. The report addresses the importance of informal providers and the challenge of assuring quality. It also identifies promising strategies and model initiatives. The report can be ordered at www.familiesandwork.org.

### **Tribal TANF**

Operating TANF: Opportunities and Challenges for Tribes and Tribal Consortia discusses the experiences of 10 tribes with the Temporary Assistance for Needy Families (TANF) program and examines the benefits, as well as challenges and lessons, from the experiences. It notes that tribes have adopted strategies to prepare participants for employment; to improve education, job skills, and work experience; and to address barriers to employment. Significant challenges remain, however, particularly the lack of unsubsidized employment on reservations and

concern about time limits being reached before enough jobs become available in Indian Country. The report is available at www.mathematica-mpr.com/PDFs/redirect.asp?strSite=opertanf.pdf.

### Cultural Competence in the Workplace

A new website, www.aecf.org/initiatives/competence, launched as part of the Annie E. Casey Foundation's Jobs Initiative, offers solutions for employers, job seekers, and workforce development practitioners seeking to increase cultural competence in the workplace. Cultural competence in workforce development means understanding and integrating the web of behaviors, attitudes, and policies that foster an effective work climate in cross-cultural situations. The site features an extensive library of literature, tools and resources, and links to workforce development and diversity organizations.

## Medicaid Spending Growth and Cost Containment

A new report by the Kaiser Commission on Medicaid and the Uninsured, States Respond to Fiscal Pressure: State Medicaid Spending Growth and Cost Containment in Fiscal Years 2003 and 2004, details the results of a survey of Medicaid spending and cost containment measures in all 50 states and the District of Columbia. The survey found that the average Medicaid spending growth rate was 9.3 percent in FY 2003, which is significantly less than the FY 2002 growth rate of 12.8 percent. This is the first year since 1996 that the growth rate has declined. The survey also found that every state has implemented at least one cost containment measure in the past year and that every state plans to enact additional cost containment activities in FY 2004. The report presents survey findings on factors contributing to increased Medicaid spending, common cost containment measures, and the impact of federal fiscal relief on Medicaid programs. The report is available at www.kff.org/content/2003/20030922/.

## NEW LOOK FOR CLASP HOMEPAGE

In an effort to better highlight the issues CLASP covers, CLASP has redesigned its homepage. By going to www.clasp.org, users can now immediately see CLASP's policy areas (with further description of these areas appearing when the user "mouses over" the links), the three most recently posted publications, upcoming audio conferences, and the most recent press releases.



# **CLASP**update

Volume 16 Number 11 November 2003

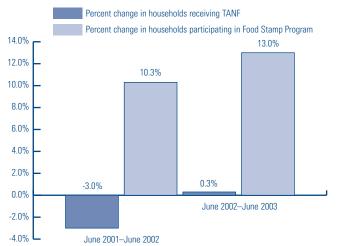
CENTER FOR LAW AND SOCIAL POLICY

## Welfare Caseloads Remain Relatively Flat in Second Quarter

Whelfare caseloads remained essentially flat in the U.S. between March and June 2003, according to new data collected by Hedieh Rahmanou, Elise Richer, and Mark Greenberg. In the second quarter of 2003, 22 states reported welfare caseload increases and 28 reported decreases, but the changes in most states were small; for 40 states, the June 2003 caseload was within 3 percent of the March caseload.

CLASP collected this new data on the Temporary Assistance for Needy Families (TANF) caseloads through June 2003 from 49 states and the District of Columbia (figures from Maine are not available, due to the state's

### Annual Percentage Change in TANF and Food Stamp Caseloads, 2001–2003



The June 2003 TANF figure excludes Maine. Food stamp data include Guam, Puerto Rico, and the Virgin Islands. Food and Nutrition Service, United States Department of Agriculture. Available at: http://www.fns.usda.gov/pd/fsmonthly.htm.

transition to a new computer system). These are the most current and complete data available.

Without data from Maine, it is not possible to tabulate a figure for the national welfare caseload. However, the caseload total for the other 49 states and the District of Columbia decreased 0.1 percent between March and June. Over the past year (June 2002–June 2003), the overall caseload (excluding Maine) rose by 0.3 percent. The national welfare caseload has declined each year since 1997. However, the rate of decline has steadily slowed, and now the national caseload appears essentially flat.

Most states continue to report fluctuating caseloads on a month-to-month basis. However, four states (Arizona, Colorado, Kansas, and Tennessee) reported a steady caseload increase for the past six months (January–June 2003). Three states—Arkansas, Rhode Island, and South Carolina—experienced a steady decline over the same six months.

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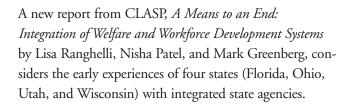
INSIDE

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## New Report on TANF-WIA Integration

During the last decade, before and after implementation of the Temporary Assistance for Needy
Families (TANF) block grant, state welfare agencies
became increasingly focused on linking low-income families with employment. At the same time, there were less

publicized but still dramatic changes in the ways in which states sought to deliver employment and training services for unemployed and underemployed adults. In implementing the Workforce Investment Act of 1998 (WIA), states created "onestop centers" and focused on addressing the fragmentation and duplication that has often plagued state employment and training programs. The goal was to develop a universal system of employment services for workers and employers.



The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

**CLASP Update** is published monthly.

Editors: Gayle Bennett, John Hutchins



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www.clasp.org

Florida has placed workforce services for all individuals, including TANF participants, under the jurisdiction of a single entity, but has kept all other TANF services separate. Utah, Wisconsin, and Ohio have consolidated their TANF and workforce agencies into single state agencies. The new report describes their organizational structures,

discusses what their systems look like to individuals in need of services, and considers lessons that might be learned from their early experiences.

In looking at the early experiences of integrated states, the report authors found it difficult to distinguish the effects of integration from the effects of other systems changes. These four states took advantage of the federal overhauls of TANF and WIA to rethink and redesign their

service delivery systems. While this was in some ways a logical opportunity to explore integration, it also created some challenges. As a result, it becomes hard to assess the positive and negative outcomes associated with integration, distinct from the outcomes associated with implementation of the new federal welfare and workforce development laws. With this caveat, the research has yielded some valuable observations about the promises and pitfalls of integration.

Overall, key findings from the report include:

- States and localities have developed promising examples
  of integration that offer individuals an array of services
  based on their needs rather than categorical eligibility.
  Collocated services coordinated by cross-trained workers can provide individuals and employers with
  increased benefits.
- Potential benefits of integration include: more and better employment-related services for TANF participants; broader access to supportive services (food stamps, Medicaid, child care) for workers and job seekers; more flexible use of funding to provide skills training; and greater responsiveness to employer needs.

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## Securing Equal Justice for All: A Brief History of Legal Aid

Depending on how the political winds have blown, support for legal services in the United States has waxed and waned. Regardless of politics, however, legal aid programs have a long history of effective representation of low-income persons and have achieved many significant results for the low-income community from the courts, administrative agencies, and legislative bodies. With the addition of federal funding more than 38 years ago, legal assistance programs have expanded access to legal representation throughout the country and have provided relief to millions of low-income and vulnerable persons.

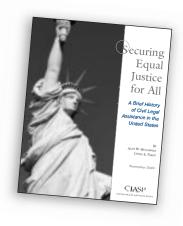
In a new CLASP publication, Securing Equal Justice for All: A Brief History of Civil Legal Assistance in the United States, authors Alan Houseman and Linda Perle discuss legal aid in the U.S. from its privately funded beginnings, through its achievement of federal funding, to its expansion and growth into a national program operating throughout the United States. The report also describes some of the political battles that have been fought around the legal services program and the restrictions that have come with government funding. It concludes with some brief thoughts about the future.

Prior to the 1960s, most programs operated in isolation from their counterparts in other jurisdictions. With no national program or commonly accepted standards or models, the legal aid world was very heterogeneous.

In 1964, Congress passed the Economic Opportunity Act, the beginning of President Johnson's War on Poverty. The Act established the Office of Economic Opportunity (OEO), which administered the Administration's antipoverty programs. For the first time, Congress made federal money available for legal services for the poor.

By 1968, 260 OEO legal services programs were operating in every state except North Dakota, where the governor had vetoed the grants. The legal services budget grew

slowly but steadily from the initial \$25 million in 1966 to \$71.5 million in 1972. Perhaps most important, legal



services lawyers were able to fundamentally change the way that public and private entities dealt with the poor. According to the report, legal services representation helped alter the court system by simplifying court procedures and rules so that they could be understood by, and made more accessible to, low-income people with limited education. As a result of legal services representation, welfare and public housing bureaucracies, social service agencies, schools, and hospitals began to act in accordance with established rules and to treat poor people more equitably and in a manner more sensitive to their needs.

By the early 1970s, the organized bar, the Nixon Administration, the Congress, and the legal services community agreed that a private, nonprofit corporation, separate from the federal government, should receive funds appropriated by Congress and distribute them to local legal services programs. After much legislative wrangling and a Presidential veto, in 1974, the Legal Services Corporation (LSC) Act was passed. The LSC Act created a private, nonprofit corporation controlled by an independent, bipartisan Board, appointed by the President and confirmed by the Senate.

According to Houseman and Perle, the second half of the 1970s marked the heyday of growth for the legal services program. Local legal services programs sought to provide services to poor people in every county in the country.

However, the election of President Ronald Reagan in 1980 ended the years of expansion and growth of political independence for LSC and its grantees. The Reagan Administration was openly hostile to the legal services

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## Welfare Reform in Philadelphia

A new report from MDRC, Welfare Reform in Philadelphia: Implementation, Effects, and Experiences of Poor Families and Neighborhoods, examines the specific ways in which welfare reform unfolded in Philadelphia. The study uses field research, state records, surveys and ethnographic interviews of welfare recipients, and indicators of social and economic trends to assess the federal welfare program's—Temporary Assistance for Needy Families (TANF)—implementation and effects. Because of the strong economy and ample funding for services in the late 1990s, the study captures welfare reform in the best of times but focuses on the poorest families and neighborhoods.

The report finds that, in Philadelphia, between 1992 and 2000, welfare receipt declined and employment increased. TANF seems to have encouraged long-term recipients to leave the rolls faster, to have increased employment (but mostly unstable employment) among recipients, and to have raised the likelihood that some families would return quickly to welfare. Because positive trends in welfare receipt and employment began prior to TANF, it is clear that the economy and other factors also played important roles in these outcomes. In addition, MDRC found:

- Over time, more worked and fewer received welfare, while household incomes increased. These changes were not necessarily a result of welfare reform alone; the gains may also be a reflection of the strong economy and of women and children growing older.
- Despite their increased average income, virtually all the women were poor or near poor in 2000, and many encountered barriers that might have kept them from working steadily. In addition, improvements in employment and income were concentrated among high school graduates.
- Between 1992 and 2000, social conditions in the city's poorest neighborhoods generally improved. For example, crime rates declined; housing values increased; and more pregnant mothers received adequate prenatal care.

Despite these improvements, the number of neighborhoods with high concentrations of welfare recipients declined only slightly over time, and Philadelphia's welfare caseload remains concentrated in neighborhoods with some of the worst social and economic conditions in the city.

The report concludes with observations of the data and recommendations for policymakers. Within the parameters set by the 1996 welfare reform, MDRC makes the following key observations and recommendations about Philadelphia's experience so far with welfare reform:

- A stricter welfare-to-work program might have generated larger and more sustained effects on employment and welfare use.
- The nation's growing economy has played a central role in reducing caseloads and increasing employment.
   The importance of economic factors should not be overlooked.
- Fixed funding under the TANF block grant, combined with reduced caseloads, helped expand services in Philadelphia. This makes a case for maintaining the current size and structure of the block grant.
- Policymakers should strive to develop simple policies that can be easily explained and understood.
- Expanded earned income disregard policies can provide economic support to families who combine work and welfare, without putting them at risk of hitting welfare time limits.
- Many welfare recipients in Philadelphia took low-wage jobs without fringe benefits, increasing the importance of such benefits as the Earned Income Credit, food stamps, and Medicaid. More education and outreach might be needed to ensure that families are aware of these programs and receive benefits for which they qualify.
- Helping former welfare recipients stabilize their employment and gain access to better jobs may require

continued on page 5

#### Welfare Reform in Philadelphia continued from page 4

- specialized skill-building programs designed for working parents.
- Conditions in Philadelphia's poorest neighborhoods improved overall during the 1990s, but many neighborhoods remain highly distressed. Revitalizing these communities will likely require investments well beyond what the welfare system can provide—as well as the involvement of other public and private sector partners.

This report is one of a series from MDRC's Project on Devolution and Urban Change, focusing on a wide range of family, program, and neighborhood outcomes in large urban counties. Other counties being profiled are Cuyahoga (Cleveland), Los Angeles, and Miami-Dade.

■ To read the full report, visit: http://www.mdrc.org/publications/ 352/overview.html.

#### Welfare Caseloads continued from page 1

## Contrast Between TANF and Food Stamp Caseloads

The new analysis from CLASP notes the sharp contrast between flattening welfare caseloads and rising food stamp caseloads between 2001 and 2003. Between June 2001 and June 2002, food stamp receipt went up by 10.3 percent, while TANF caseloads fell by 3 percent. Between June 2002 and June 2003, the number of families receiving food stamps increased 13 percent, while the TANF caseload increased 0.3 percent (see figure on page 1).

"Although it might be expected that caseloads for the two programs would move in tandem during an economic downturn, it appears that the Food Stamp Program has been far more responsive to increased economic need than the TANF program," noted Elise Richer, CLASP Senior Policy Analyst and co-author of the caseload analysis.

### **Additional Findings**

In reviewing the new caseload data, CLASP also finds:

- In the last quarter, 22 states reported caseload increases. From March 2003 to June 2003, 22 states reported caseload increases, while 28 reported decreases. Both the average increase and decrease were 2.1 percent. Over the same period last year (March 2002 to June 2002), nine states experienced caseload increases.
- Over the year, from June 2002 to June 2003, TANF caseloads increased in 31 states. The average increase over this period was 7.4 percent. In comparison, dur-

ing the prior year, from June 2001 to June 2002, 24 states reported increases, averaging 6.9 percent.

- Four states experienced caseload growth of at least 15 percent in the past year. Idaho's caseload grew by 29 percent, Arizona's by 21 percent, Colorado's by 16 percent, and Mississippi's by 16 percent between June 2002 and June 2003.
- Two states experienced caseload declines of at least 15 percent in the past year. Between June 2002 and June 2003, Illinois reported a caseload decline of 19 percent and Nevada reported a decline of 23 percent.
- Twenty-eight states have experienced an overall caseload increase since the recession began. Between the "official" start of the recession in March 2001 and June 2003, 28 states have experienced a caseload increase. On average, these states have seen their caseloads increase 16.2 percent during this time period. The states experiencing the largest increases over this period are Arizona (49.7 percent), Nevada (40.6 percent), Idaho (34.2 percent), Colorado (33.6 percent), Mississippi (33.3 percent), Indiana (29.9 percent), and Montana (26.7 percent). For the 22 states experiencing caseload declines during the recession, the average decrease has been 12.5 percent, with the largest declines in Illinois (43.0 percent), New York (35.4 percent), Wyoming (30.3 percent), and Hawaii (26.1 percent). ■
- To read the analysis and view state-by-state caseload figures, visit: http://www.clasp.org/Pubs/Pubs\_Welfare\_Policy.

#### New Report on TANF-WIA Integration continued from page 2

- However, integration is not a panacea. Integrated systems have their own pitfalls and can carry over negative elements from the programs that were merged. Areas of concern include weak assessment and case management for individuals with multiple barriers and a perceived welfare stigma in the one-stop environment.
- Moreover, there are many challenges to integration, which require a substantial investment of time, additional costs, staff retraining, buy-in from local workforce boards, and retooling of information systems to overcome. Federal barriers include limited resources, conflicting program missions, and different program requirements.
- Steps can be taken to support further innovation in welfare-workforce integration. Increased resources,

common federal requirements, and the development of better performance measures would facilitate future integration efforts.

While further integration efforts may be warranted, the report emphasizes that integration should be a means to a set of ends, rather than an end in itself. Ultimately, the goal should not simply be to reorganize or streamline government, but to improve the accessibility and effectiveness of workforce development services for all workers and businesses.

■ To read the 60-page report or the 8-page policy brief, visit: http://www.clasp.org/Pubs/Pubs\_Job. To order printed copies, call (202) 906-8000.

### Securing Equal Justice for All continued from page 3

program. In response to pressure from the White House, Congress reduced funding for LSC by 25 percent, slashing the appropriation from \$321 million in FY 1981 to \$241 million in FY 1982. The cut represented an enormous blow to legal services providers nationwide. Programs were forced to close offices, lay off staff, and reduce the level of services dramatically.

LSC survived the Reagan Administration, and, in the early 1990s, LSC funding began to increase again as the first Bush and the Clinton Administrations were more supportive of federally funded legal services. This reprieve from attack, however, would be brief, note Houseman and Perle.

With the 1994 Congressional elections, the LSC suffered a dramatic reversal of political fortune. Conservatives included the elimination of LSC in the infamous "Contract for America." The leadership of the new Congress committed itself to the elimination of LSC and ending federal funding for legal services. While they did not succeed, they did dramatically cut funding for LSC and impose many new restrictions on representation.

The legal services field has adapted to these changes, however. New legal services delivery systems have begun emerging in many states. These include both LSC-funded programs, operating within the constraints of Congressionally imposed restrictions, as well as separate legal services providers that operate unencumbered by the LSC restrictions. States have begun to create comprehensive, integrated systems of civil legal assistance. They are also looking for funding outside the federal government, though LSC funding is still the largest source of funding.

Houseman and Perle note that the overarching goal for the civil legal assistance program has always been and will continue to be equal justice for all. While the United States has a long way to go to reach that goal, it is continuing on a path toward the creation of a civil justice system that will make that dream a reality for the nation's low-income community.

To read the full 54-page report, visit: http://www.clasp.org/ Pubs/Pubs\_Legal. To order a printed copy or to inquire about bulk orders, call (202) 906-8000.

### **New Resources**

### Website on Low-Income Policies

The National Center for Children in Poverty has launched the Let's Invest in Families Today (LIFT) website, which provides a research tool for examining policies affecting low-income families. The LIFT website features cross-state and cross-policy comparisons on a range of programs, including TANF, the Food Stamp Program, Section 8 Housing, the Earned Income Tax Credit, Unemployment Insurance, and the Child Care and Development Fund. Information is also available on population and income statistics and economic conditions.

www.lift.nccp.org/index.html

## Medicaid Spending Issues and the State Fiscal Crisis

The Kaiser Commission on Medicaid and the Uninsured released Serving Low-Income Families Through Premium Assistance: A Look at Recent State Activity. This issue paper examines: (1) new federal policies associated with using Medicaid and/or State Children's Health Insurance Program funds to promote private insurance options; (2) ways that states have responded to these new policies to pursue private insurance options during the first 18 months since the Bush Administration's Health Insurance Flexibility and Accountability initiative was launched; and (3) key questions that policymakers and others should consider as they think about premium assistance programs.

www.kff.org/content/2003/4143/4143.pdf

### Keeping Fathers Engaged

Understanding Fathering: The Early Head Start Study of Fathers of Newborns, by Cheri A. Vogel, Kimberly Boller, Jennifer Faerber, Jacqueline D. Shannon, and Catherine S. Tamis-LeMonda, examines factors affecting fathers' continuing support of—and engagement in relationships with—their very young children. It addresses who the fathers are, what level of involvement they have with their children and families, and how this involvement changes over time. Using a sample of men whose children were involved in Early Head Start or other comprehensive community-based programs, the

researchers conclude that fathers were present in their children's lives, involved with them in multiple ways, and had nurturing and supportive interactions. Although fathers faced many stressors, including depression, they also had many supports.

www.mathematica-mpr.com/PDFs/redirect.asp?strSite=
ehsnewborns.pdf

### Marriage Patterns of TANF Recipients

Marriage Patterns of TANF Recipients: Evidence from New Jersey, by Robert G. Wood, Anu Rangarajan, and John Deke, is based on four rounds of annual follow-up surveys with an early group of New Jersey TANF recipients. The study found that marriage is relatively rare for TANF recipients, with only about one in 10 married and living with a spouse four to five years after entering the program. However, those women recipients who do marry fare better economically, primarily because their husbands typically worked and made substantial contributions to family income. However, the marital breakup rate was more than double the rate for marriages nationally, suggesting that the economic benefits of marriage may be short-lived.

www.mathematica-mpr.com/pdfs/redirect.asp?strSite= tanfmarriage.pdf

### The Role of Informal Child Care

MDRC released a new policy brief, Welfare Reform, Work, and Child Care: The Role of Informal Care in the Lives of Low-Income Women and Children. It examines the ways in which low-income parents rely on informal child care arrangements in their efforts to balance the dual demands of working and raising a family. The brief documents the dearth of child care options for parents in low-wage jobs—particularly single mothers—who face especially tight financial and time constraints. The research finds that they often have to rely on unregulated or minimally regulated informal care. The policy brief points to child care policy directions that can promote the well-being of children while helping low-income parents sustain employment.

www.mdrc.org/publications/353/policybrief.html

### For Data Lovers

State-by-State WIA Program Participation Data, PY 2000 and PY 2001 by Abbey Frank and Hedieh Rahmanou. States were required to begin implementation of the Workforce Investment Act (WIA) by July 2000 and have been continuously developing their programs since that time. At the completion of the program year (July–June), states are required to submit data to the Department of Labor on those participants that exited the WIA program during the year. These tables, available at www.clasp.org/Pubs/Pubs\_Welfare\_Policy, provide state-by-state data on program participation for various groups of individuals.

Analysis of Fiscal Year 2002 TANF and MOE Spending by States by Hedieh Rahmanou. The U.S. Department of Health and Human Services has published data concerning use of federal TANF and state maintenance of effort (MOE) funds in FY 2002. A set of state-by-state charts, available at www.clasp.org/Pubs/Pubs\_Job, shows how each state used its TANF and MOE funds in FY 2002.

## **CLASP**update

Volume 16 Number 12 December 2003

CENTER FOR LAW AND SOCIAL POLICY

## Coming Together for Children with Disabilities

Tamilies with children with disabilities have difficulty finding high-quality, appropriate child care for their children—and this is particularly true for low-income families. A new study from CLASP and Easter Seals, Coming Together for Children with Disabilities: State Collaboration to Support Quality, Inclusive Child Care by Jennifer Mezey, Katherine Beh Neas, and Kate Irish, examines policies to provide special education and early intervention services to low-income children with disabilities in child care programs. It discusses the challenges lowincome families face in attempting to access quality child care for children with disabilities; explains the importance of collaboration between programs; presents the findings of a CLASP-Easter Seals survey of state program administrators; and suggests policy recommendations for federal and state governments.

States use funding from many different programs to provide child care, special education, early intervention, and supportive services to children with disabilities and their families; these programs include the Individuals with Disabilities Education Act (IDEA), the Child Care and Development Fund (CCDF) block grant, Temporary Assistance for Needy Families (TANF), Medicaid, the Maternal and Child Health Program, Head Start, and various state and local programs. The new study focuses on the two early childhood programs funded through IDEA (Part C for infants and toddlers and their families and Section 619 for pre-schoolers) and CCDF.

IDEA- and CCDF-funded programs have different eligibility requirements, have different but overlapping target populations, and are often administered by different agencies. This can lead to a lack of coordination, resulting in difficulties for families trying to find



appropriate services. Both IDEA and CCDF agencies are attempting to address this lack of coordination through collaborative efforts to share resources.

### The Results of the Survey

CLASP and Easter Seals sent surveys to CCDF, Part C, and Section 619 administrators in every state and received responses from at least one agency in 39 states, with 62 total responses. An analysis of the survey results leads to the following conclusions:

All of the responding agencies reported some level of collaboration:

 In most states, the same agency does not administer all three programs, but collaboration occurs within and among agencies.

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## Child Support, Fatherhood, and Marriage Provisions in TANF Reauthorization Bills

n February 13, 2003, the U.S. House of Representatives passed H.R. 4, the Temporary Assistance for Needy Families (TANF) reauthorization bill. On September 10, 2003, the Senate Finance Committee approved its version of H.R. 4. Both Senate Finance Committee and House versions include a number of important child support provisions. In addition, both versions would authorize new spending for marriage and fatherhood initiatives and increase spending for access and visitation grants. In *Summary of Child Support*, Fatherhood, and Marriage Provisions in House and Senate Versions of H.R. 4, CLASP Senior Staff Attorney Vicki Turetsky describes these provisions.

### **Child Support Distribution Provisions**

• Pre-assistance assignment of child support to the state. Currently, when families apply for TANF cash assistance, they are required to sign over to the state their rights to child support owed while receiving TANF and child support owed before receiving TANF to help reimburse the state and federal governments for the cost of their welfare benefits. Effective FY 2008, the Finance bill would limit the assignment of child

The Center for Law and Social Policy (CLASP), a

national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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- support to the state to only the TANF assistance period, eliminating the requirement that TANF families assign their pre-assistance support rights. States could elect to implement this provision early. In addition, the Finance bill would give states the option to keep or eliminate older pre-assistance assignments. The House bill retains the requirement in current law that families assign their pre-assistance support rights to the state.
- TANF pass-through. The Finance bill would require the federal government to waive its share of retained collections to the extent that a state passes through support to TANF families and disregards that support in determining TANF benefits. The federal share may only be waived for families receiving TANF assistance for less than five years, and the amount passed through may not be more than \$400 per month for a family with one child and \$600 for a family with two children. Under the House bill, the federal government would waive its share of a pass-through increase up to the greater of a \$50 increase of an already existing state pass-through or a \$100 pass-through.
- Distribution to former TANF families. Currently, the federal tax offset procedure is available to withhold overdue support owed to minor or disabled children from tax refunds due to delinquent obligors. Under current rules, once families have left assistance, states keep tax offset collections, and families keep other collections. The Finance bill would give states the option to eliminate the special treatment of child support collected through the federal tax offset program. Tax offset collections would be paid first to former TANF families, but states would retain their assignment rights. The House bill would give states the option to pay all collected support to former TANF families and extinguish state assignment rights.

continued on page 3

#### TANF Reauthorization Provisions continued from page 2

 Financing options. Under the Finance bill, but not the House bill, states could count expanded distribution of child support to families toward state TANF Maintenance of Effort (MOE) requirements.

The paper also discusses other child support provisions in the Senate Finance and House bills, including an annual fee of \$25 for families who have never received TANF assistance and receive more than \$500 in collected support during the year, interception of gambling winnings, and use of tax offsets for adult children.

### **Fatherhood Provisions**

Both the Senate Finance Committee bill and the House bill would authorize funding for new fatherhood demonstration programs and media campaigns. However, this authority is subject to further appropriation, and the programs have been left unfunded in the legislation.

The Senate Finance Committee bill would authorize \$75 million per year for fatherhood programs. The bill would earmark \$50 million of this amount for demonstration projects, including \$20 million for 10 state projects and \$30 million for other projects to promote responsible fatherhood through defined activities. In addition, the amount includes a \$20 million annual block grant for states to conduct responsible fatherhood media campaigns and a \$5 million annual grant to develop a national clearinghouse and national media campaign. The House bill would authorize \$20 million annually for national and multi-state demonstration projects and competitive grants to public and nonprofit community-based organizations.

### **Marriage Provisions**

The Senate Finance Committee and House bills would provide significant new funding for marriage promotion activities. The marriage funds, unlike the fatherhood funds, are provided for in the legislation. The Finance bill appropriates up to \$1 billion in federal funds over five years for marriage promotion and research, while the House bill appropriates up to \$1.5 billion.

The Finance bill includes two funds: (1) a \$100 million annual fund for state competitive grants to develop and implement programs to promote and support healthy, married, two-parent families and to encourage responsible fatherhood; and (2) a \$100 million research fund, of which 80 percent is earmarked for marriage promotion activities, including public advertising campaigns; high school education programs; marriage skills programs, including job and career enhancement for non-married expectant and recent parents; pre-marital education; and divorce reduction.

The House bill includes \$200 million per year for competitive grants for similar marriage promotion activities and \$100 million per year for research, which must be used primarily for marriage activities.

■ To view this document, visit: http://www.clasp.org/DMS/ Documents/1069700601.56/Summ\_CS\_HR4.pdf.

## EXPLANATION OF NEW CHILD SUPPORT REGULATIONS

A new paper, New Regulations on Obtaining Health Care
Coverage from Non-custodial Parents Who Are Federal
Employees by CLASP Senior Staff Attorney Paula Roberts,
sheds light on a recent rule concerning the enforcement of
health care coverage of dependent children by parents who
are federal employees. While decision-makers could order
non-custodial parents who were federal employees to provide health care coverage for their children, there was no
way to enforce the orders unless such employees voluntarily
complied. A law was passed to ensure enforcement of health
care orders to federal employees; however, a number of questions about its proper implementation that have kept it from
being as effective as it could be. This paper outlines some
areas of concern on which public comment might be helpful.

■ To view this document, visit: http://www.clasp.org/DMS/ Documents/1069693237.35/Fed\_Med\_Support.pdf.

### **CLASP Announces 2004 Audio Conference Series**

## The Squeeze: Helping Low-Income Families in an Era of Dwindling Resources

assive federal tax cuts, a sour economy, and two wars in the last two years have left the government coffers bare. The federal budget deficit topped \$400 billion for fiscal year 2003, and budget experts project \$5 trillion in federal budget deficits in the coming decade. States are grappling with the worst budget crisis since World War II, with states having to close a collective \$100 billion deficit in fiscal years 2003 and 2004.

Where does that leave programs that serve low-income families? In a word . . . squeezed.

What will happen in 2004? To stay up-to-date on the latest developments in Washington and their effects on low-income families and children in your state, register now for CLASP's 2004 Audio Conference Series, *The Squeeze: Helping Low-Income Families in an Era of Dwindling Resources*.

■ For more information and to register, visit www.claspstore.org.

## Friday, February 6, 2004 An Interview with Assistant Secretary Wade Horn

As Assistant Secretary for Children and Families at the U.S. Department of Health and Human Services, Wade Horn oversees many programs for low-income families and children, including Temporary Assistance for Needy Families,



foster care, adoption assistance, family preservation and support, Head Start, child care, child support enforcement, runaway and homeless youth, and mental retardation and developmental disabilities. Horn will discuss the Bush Administration's past efforts and future priorities for these programs. What will 2004 hold for low-income families and children?

## Friday, March 5, 2004 Welfare Reform in 2004: Where Are We? What's Next?

At press time, the Temporary Assistance for Needy Families (TANF) welfare program was operating under a continuing resolution. This session will offer listeners the latest info on the status of the TANF program. What have seven years of experience taught us about what works? How are state fiscal crises, policy uncertainty from Washington, and stagnant welfare caseloads affecting state policy?







MARK GREENBERG



SHERI STEISEL

## Friday, April 2, 2004 The Fiscal Squeeze: What Does Tax Policy Have to Do With It?

It seems like a recipe for disaster: huge federal tax cuts for the wealthy, increased federal spending for war and national security, new unfunded mandates for states (especially in education), and states left holding the bag. How does tax policy drive social policy? What is the interaction between the federal government and states regarding revenue and spending? Can we get out of the current fiscal straits?

- John Corlett, Senior Fellow and Director of Public Policy and Advocacy, Federation for Community Planning, Cleveland, Ohio
- Bob Greenstein, Executive Director, Center on Budget and Policy Priorities







BOB GREENSTEIN



### Scheduled for Fridays, 12:30–1:30 pm (Eastern Time)

### Friday, May 7, 2004 Financing Child Welfare: What Policies Best Protect Children?

The child welfare system functions as the "safety net" for the "safety net"—the source of assistance for the most troubled

families. Yet, in many states, child welfare agencies are in crisis. How can reforming child welfare financing help create policies that better protect children? Will expected recommendations

from the new Pew Commission on Children in Foster Care make a difference? What CASSIE STATUTO BEVAN will happen on Capitol Hill?



NICK GWYN

- Cassie Statuto Bevan, Senior Policy Advisor, Office of Rep. Tom DeLay, House Majority Leader
- Nick Gwyn, Minority Staff Director, Human Resources Subcommittee, House Committee on Ways and Means
- Rutledge Hutson, CLASP Senior Staff Attorney

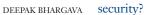


RUTLEDGE HUTSON

### Friday, June 4, 2004 A New **Progressive Agenda: Innovative Ideas for Work and Immigration Policy**

During the past 25 years, real wages for many workers have fallen, and wage and income inequality has grown. Over the next several decades, this wage gap is likely to grow, and many workers will lack the skills and education required to

> earn a living wage. In addition, six million undocumented immigrants in America today face discrimination in the workplace and in accessing public benefits. What new ideas in labor market, workforce development, and immigration policy can catch fire in an era of federal budget deficits, state fiscal crises, and a federal focus on national



- Deepak Bhargava, Executive Director, Center for Community Change
- Steve Savner, CLASP Senior Staff Attorney



Friday, July 9, 2004 Disconnected Youth:

Too many young people aged 16-24 are disconnected (or are at risk of being disconnected) from the worlds of school and work—estimates range from nearly 3 million to more than 7 million. What



LINDA HARRIS

can be done to "reconnect" youth to school, putting them back on the path toward successful adulthood? Guest host Linda Harris, CLASP Senior Policy Analyst, interviews three experts about innovative new programs that appear to make a difference.

- Rob Ivry, Senior Vice President, MDRC
- Nan Poppe, President, Extended Learning Campus, Portland Community College
- Jack Wuest, Executive Director, Alternative Schools Network, Chicago









ROB IVRY

NAN POPPE

JACK WUEST

### **LEVIN-EPSTEIN ON FELLOWSHIP**

In February 2004, CLASP Deputy Director Jodie Levin-Epstein will begin a six-month lan Axford (New Zealand) Fellowship in Public Policy to explore how New Zealand and U.S. social policies promote a balance

between work and family, particularly for single parents (including those receiving welfare). In her absence, CLASP's John **Hutchins and Linda Harris will host the 2004 CLASP Audio Conference Series. Levin-Epstein** will return to CLASP in July 2004.



### Coming Together for Children with Disabilities continued from page 1

- The most common form of collaboration states report is joint training on child development and on the inclusion of children with disabilities in child care programs. Thirty-four of the responding states reported that their CCDF agency and at least one of their IDEA agencies collaborate to provide at least one type of joint training. Thirty-one states have provided collaborative technical assistance to providers.
- States also reported conducting collaborative planning. Twenty-seven states reported that they have engaged in joint strategic planning. Twenty-two states reported that their CCDF agencies have consulted with the Section 619 and/or Part C agencies in the development of biennial CCDF state plans.
- Some states, including Hawaii, Minnesota, and North Carolina, have comprehensive coordinated initiatives aimed at improving the quality of child care provided to children with disabilities.

Many states perceived no barriers to collaboration, while others identified a few specific issues, including difficulty in cross-agency collaboration, disconnected state and local collaborative efforts, and state or federal legal requirements.

### Recommendations

Congress is currently considering the reauthorization of both CCDF and IDEA. The House and the Senate Health, Education, Labor, and Pensions (HELP) Committee have passed legislation reauthorizing CCDF and IDEA. The Senate Finance Committee has also passed a bill reauthorizing the Temporary Assistance for Needy Families (TANF) program and setting mandatory child care funding levels for the next five years. The CCDF, TANF, and IDEA bills have not been considered by the Senate as a whole. The CLASP-Easter Seals report offers the following recommendations for reauthorization:

 More funding is needed for CCDF and the IDEA early childhood programs. Collaboration alone cannot make up for insufficient funding levels.

- The Senate CCDF reauthorization legislation is more supportive of collaboration than the House bill; the Senate bill includes an explicit requirement that CCDF and IDEA early childhood programs describe how they will collaborate.
- The data provisions in the Senate CCDF reauthorization legislation would allow for better tracking of unmet need by requiring the collection of data on infants, toddlers, and preschoolers receiving IDEA-funded services.
- The Senate IDEA reauthorization legislation supports collaboration by requiring that the state agency responsible for child care partner with the state education agency to develop professional development plans.

Since it is unclear whether CCDF or IDEA will be reauthorized during this fiscal year, CLASP and Easter Seals recommend actions that the U.S. Department of Health and Human Services (DHHS) and U.S. Department of Education (DOE) could take in the absence of statutory changes to improve collaboration between CCDF and IDEA programs:

- DHHS and DOE should collaborate further on technical assistance about using IDEA and CCDF funds together, promoting inclusive child care, and meeting legal requirements around accommodation of children with disabilities.
- DHHS and DOE should ask states to report on state activities to increase the skill and expertise of early education and care staff to meet the needs of young children with disabilities in child care programs; DHHS and DOE should then disseminate this information to other states and the public.
- DOE must improve its efforts to enforce IDEA's early childhood programs to ensure that all eligible children are appropriately identified and served.

The report also offers recommendations for state and local policymakers.

continued on page 7

## TANF Bills Would *Not* Free Up Funds for Child Care

Members of the Bush Administration and others have asserted that enacting pending Temporary Assistance for Needy Families (TANF) legislation would free up \$2 billion for states to use for child care. The Administration is seemingly referring to the fact that, under current law, unobligated TANF carryover funds (i.e., funds from prior years) can only be spent for "assistance," while under the bills passed by the House and approved by the Senate Finance Committee, unobligated carryover funds could be used for any allowable TANF expenditure.

A recent analysis by CLASP's Mark Greenberg and Jennifer Mezey argues that letting states use unobligated carryover funds for any allowable TANF expenditure would provide needed administrative simplification, but it would not result in \$2 billion becoming newly available for child care or other purposes. They offer two reasons:

 For many states, unspent TANF balances are being held in reserve to meet future contingencies or will be needed to sustain current service levels. In most states, reserves are likely to be depleted within a few years

- unless states make significant cuts in current levels of services. These reserve funds are not available for expanding child care services.
- As a practical matter, the vast majority of states can already effectively use reserve funds for child care by rearranging how current and carryover funds are spent. The change in law will make the process of using the funds simpler, but doesn't change the amount of resources available to states.

Making it easier for states to exhaust their reserves is no substitute for increasing federal child care funding, argue Greenberg and Mezey. Without additional federal child care funds, children will lose their child care subsidies and families will be less able to obtain and maintain employment.

■ To download the full analysis, House and Senate TANF
Reauthorization Bills Would Not Free Up Large Sums for Child
Care, visit: http://www.clasp.org/Pubs/Pubs\_Welfare\_Policy.

### Coming Together for Children with Disabilities continued from page 6

### Conclusion

The CLASP-Easter Seals survey found that state CCDF and IDEA programs are collaborating at both the state and local levels in an effort to provide quality, inclusive child care services for children with disabilities. While state respondents identified barriers to collaboration at both the federal and state levels, these barriers have not precluded collaborative efforts in the surveyed states.

However, in the current fiscal climate, great unmet need remains for quality child care that can support the healthy development of children of all abilities, as well as the work of their parents. States face tremendous challenges in just maintaining current levels of accessibility and quality of child care, special education, and early intervention services—let alone expanding services or creating new collaborative activities. This survey indicates that, while progress is being made to bring together child care and IDEA services, more needs to be done to build on these efforts. Additional resources will be needed to close the gaps that exist.

■ To download the report or the policy brief, visit: http://www.clasp.org/Pubs/Pubs\_ChildCare. For printed copies, call (202) 906-8000.

## Diversity in the Workplace

Through its Race, Ethnicity, and Cultural Competence in Workforce Development project, the Joint Center for Political and Economic Studies has recently released three publications. *Building Cultural Competence* aims to assist job-readiness program staffers who place low-skilled, entry-level, or disadvantaged workers in new jobs. *Investing in Success* is a supervisor's guide for supporting and retaining new workforce entrants in today's multicultural workforce. *Fresh Start: An On-the-Job Survival Guide* is both a manual and workbook designed to help employ-

ees better understand and handle problems of bias and prejudice that often arise in a diverse workforce. These publications were completed under a grant from the Annie E. Casey Foundation, as a part of their Jobs Initiative effort.

For more information on these publications or to order copies, visit www.jointcenter.org.



# **CIASP**update

Volume 16 Number 2 February 2003

CENTER FOR LAW AND SOCIAL POLICY

# A Vision for Eliminating Poverty and Family Violence in Colorado

The Department of Human Services in El Paso County, Colorado, developed a bold vision to eliminate poverty and family violence, and in the process completely redesigned how the staff in the child welfare and Temporary Assistance for Needy Families (TANF) programs worked with each other. A new report by CLASP Senior Staff Attorney Rutledge Hutson, A Vision for Eliminating Poverty and Family Violence: Transforming Child Welfare and TANF in El Paso County, Colorado, tells the story of how El Paso County integrated activities of the two agencies and chronicles its successes and challenges.

El Paso County's vision grew out of the recognition that many of the families involved with the child welfare system are also involved with the cash assistance program. Historically, less than 3 percent of children who received welfare benefits moved into foster care; however, approximately 60 percent of children in foster care came from families who had been receiving cash assistance. Similarly, 70 to 90 percent of the children who receive child welfare services while remaining with their families belong to families receiving cash assistance. In addition, even when families are not involved with both agencies, they often face similar challenges that can interfere with employment and parenting, such as substance abuse, mental health disorders, domestic violence, and poverty. Thus, it was logical to look at how the two agencies within the Department could work together to more holistically and effectively address the needs of vulnerable children and families.

When El Paso County considered how to bring the work of the two agencies together, it decided to change its whole way of doing business—not simply to make a few reforms here and there. The Department sought to integrate its child welfare and TANF agencies so that they would provide seamless, family-centered services—regardless of how the families came to the

attention of the Department. In

El Paso County, cultural change was undertaken on both the TANF and child welfare sides of the Department, and collaboration within each agency was pursued. However, as those *intra*-agency collaborations developed, it became clear that *inter*-agency collaboration was also needed, and the Department took advantage of those opportunities to build cross-agency collaboration.

Many lessons can be drawn from El Paso County's experience and applied by others seeking similar transformation:

 Developing and communicating a powerful vision—eliminating poverty and family violence—

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# Evaluating the Safety "Net"

The Internet has simplified access to information on topics too many to enumerate. In *The Safety "Net": Online Access to Benefits for Working Families*, CLASP Policy Analyst Elise Richer examines whether these technological improvements adequately allow people to access a variety of publicly funded work supports via the web.

Between August and October 2002, CLASP examined state-sponsored websites in all 50 states and the District of Columbia to determine how many states provide Internet access to work supports and to what degree such programs are electronically accessible. Specifically, CLASP looked at access to cash assistance, child care, food stamps, health insurance, public or subsidized housing, and child support. These work supports can help parents retain jobs and better provide for their families, thus reducing turnover for businesses and encouraging long-term employment among workers. Unfortunately, families who are eligible for these programs often do not know they are eligible, do not know how to apply, or cannot easily apply due to administrative complexity. There is growing agreement that advances in use of the Internet could improve access to and participation in these programs.

Richer found that almost every state at least provides information on the Internet about offered programs. Most

The Center for Law and Social Policy (CLASP), a national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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1015 15th Street, NW, Suite 400 Washington, DC 20005 202.906.8000 main 202.842.2885 fax www.clasp.org states provide something further, such as an eligibility calculator or a downloadable application, particularly for public health insurance programs, but very few sites allow users to apply for a program online. In other words, there is tremendous variety in what states are doing with the Internet and work supports programs, and there is significant potential for states to do much more with the Internet to improve the accessibility of work supports.

The most common problems in online accessibility found by the survey related to the challenge of organizing websites according to users' needs—particularly making locating information online easy and presenting information consistently. The following "To avoid" and "To do" lists aim to help states reach the goal of easy online accessibility of all work supports:

### Things to avoid:

- Requiring sophisticated techniques and knowledge of the Internet to find work supports websites.
- Requiring users to know either the exact name of a program or which agency administers a program to find the website for a particular work support.
- Placing information and tools at the end of a long chain of "clicks" after the initial link.
- Overly complex eligibility tools.
- Multiple, unlinked sites on the same program, with different levels of information and services.

### Things to do:

- Co-locating information and tools about different work supports in one website, regardless of the agency responsible.
- Creating multiple pathways to the same information and tools.
- Ensuring consistent information or links to similar information are provided across different websites.
- Keeping information and applications up-to-date.

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# Unemployment Insurance Update

n January 8, 2003, President George Bush signed into law an extension of unemployment benefits. The \$7.2 billion bill provides 13 additional weeks of federally funded unemployment insurance for those who have already exhausted state benefits. The most recent national jobless rate was at an eight-year high of 6 percent in December, unchanged from the previous month. In addition, the bill affects the approximately 800,000 people who had not yet received all of their 13 weeks of federal unemployment insurance when the program ended December 28, 2002, because Congress could not agree on a bill before adjourning for the year.

The basic unemployment insurance program is run by the states, although it is overseen by the U.S. Department of Labor. States, through employer payroll taxes, provide most of the funding and pay for the actual benefits provided to workers; the federal government pays only for the administrative costs of running the program. The basic state-funded program typically provides up to 26 weeks of benefits to unemployed workers and replaces on average 38 percent of their previous wages, according to the Center on Budget and Policy Priorities. In addition, during and just after recessions, when jobs are scarce and many people are out of work for long periods of time, the federal government has historically provided funding for additional weeks of benefits in all states. The most recent federal program is called Temporary Emergency Unemployment Compensation (TEUC).

The unemployment bill that just went into effect extends the TEUC program, first created in March 2002 as part of economic stimulus legislation, until May 31, 2003. Those whose benefits were interrupted by the December 28 termination of the initial TEUC program will now receive the remainder of their benefits. However, those who have already used all 13 weeks of federal unemployment benefits are not eligible to receive an additional 13 weeks of payments. The Center on Budget and Policy Priorities estimates that one million unemployed workers have exhausted all state and federal benefits.

Unlike the previous federal unemployment legislation, those who qualify for unemployment benefits before May 31 will be able to collect their full 13 weeks of benefits and will not be cut off on May 31 if they have not yet reached 13 weeks.

■ For more information on unemployment insurance, visit: http://www.cbpp.org/uiseries.htm.

## RE-EMPLOYMENT ACCOUNTS PROPOSED IN BUSH STIMULUS PLAN

In a related move to address unemployment, President
Bush included in his \$674 billion economic stimulus plan
\$3.6 billion over two years for states to create personal reemployment accounts (PRA) for workers who are identified as
"somewhat or very likely to exhaust" unemployment benefits.
PRAs would provide a maximum of \$3,000 for jobless workers
to use for training, child care, or transportation to help in
looking for a job. The account could also serve as a bonus for
jobless workers who find employment within 13 weeks. Sixty
percent of the \$3,000 not already used would go to the worker
upon starting the job, and the remaining 40 percent would be
awarded after six months on the job. Under Bush's proposal,
states would have considerable flexibility in designing the
account program, including choosing additional eligibility
criteria for PRA receipt.

Several groups that work on workforce development and unemployment issues, such as the National Employment Law Project and the Workforce Alliance, have issued statements expressing reservations about this approach to reemployment. The main criticism is that the money would be better spent in giving unemployment benefits to the more than one million people who have exhausted state and federal unemployment aid and/or providing additional funding to training programs at state and local one-stop employment centers created under the Workforce Investment Act of 1998.

## Editorial Writers and Columnists Speak Out on Welfare

In December, CLASP released data showing rising welfare caseloads in most states and a slight national caseload increase in the third quarter of 2002 (see the January issue of *CLASP Update*). President Bush held a press conference in January to encourage Congress to enact his welfare reform agenda. In response, editorial writers and columnists from papers across the nation have shared their opinions about welfare reauthorization. Many of these writers disagree with Bush's plan to increase work participation requirements for recipients, and they question the wisdom of limiting state flexibility and of freezing federal child care funding in the face of the dismal budget situations that states face.

The following is a sampling from these editorials and columns:

- "The study [CLASP's caseload data for the third quarter of 2002] most definitely shows that the era of easy welfare reform is over and that politicians and policymakers might usefully show a bit of humility about their successes....[I]n this economy where are the welfare poor supposed to find jobs? And where will states find the money to finance work programs if the jobs aren't there?" E.J. Dionne, Washington Post, January 3, 2003
- "The [welfare] system's managers out in the states sense a swing of the pendulum back toward less help for the poor in the forthcoming deficit scramble, in which other, stronger constituencies have the advantage in vying for government shelter in hard times." New York Times, January 22, 2003
- "An estimated 50,000 low-income Californians said goodbye to welfare as the new year started, but they weren't toasting new jobs. Now, as deadlines set in during a flat economy and double-digit government deficits, Congress needs to address changing circumstances by making the law more flexible—not less, as the Bush administration proposes." Los Angeles Times, January 6, 2003
- "Congress ought to make sure that some form of ongoing aid is available to families who exhaust their bene-

- fits despite making genuine efforts in a tough economy." *Minneapolis Star Tribune*, January 6, 2003
- "Hard work is a virtue. But Bush's 40-hour push is bad policy....If Bush really wants to increase work, he should spend much more on child care—especially since economically wounded states are cutting funding for these programs." *Boston Globe*, January 16, 2003
- "It's empowering for poor families to become self-sufficient, but simply getting a job by a government deadline isn't enough. Reliable, quality child care is essential to the success of all working parents, but those barely making ends meet are especially vulnerable if their arrangements fall through." *Tallahassee Democrat*, January 3, 2003
- "Superwaivers would make the deal-cutting and maneuvering that emerged in welfare reform a preferred mode of policymaking. America is better off with public debate and open votes." Robin H. Rogers-Dillion, Newsday, January 15, 2003
- "States now spend less than 40 percent of the funds on welfare checks. Adopting the Bush recommendation would require states to spend more on each welfare case. And to pay for the program, states would have to shift funds now spent on providing services to working families. Unfortunately, these are the very services the states created to help families become, as the president wanted, self-sufficient." Margy Waller, Newsday, January 20, 2003
- "This is not the time for the federal government to skimp on welfare programs, or to burden states with additional expenses. If Bush truly wants to help people become and remain independent, protect children and strengthen families, he will soften his approach." San Jose Mercury News, January 17, 2003
- "As Congress takes up welfare reform this session, it should revamp the program to ensure that it provides the safety net that will adequately prepare people to be self-reliant once they leave public assistance. That will mean better training to equip them with living-wage

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# Sign Up Now for Upcoming CLASP Audio Conferences CLASP 2003 Audio Conference Series Starts Strong

The CLASP 2003 Audio Conference Series started off strong with its first call on January 24, "State & Federal Budgets: Implications for Low-Income Programs." Virtually every state has a budget deficit, and governors are facing difficult decisions in attempting to balance their budgets. In addition, the federal surplus has vanished and the days of deficit spending are back. Bob Greenstein of the Center on Budget and Policy Priorities, Bill Hoagland of the Office of Senate Majority Leader Bill Frist (R-TN), and Frank Shafroth from the National Governors Association participated in a lively discussion about what this budget situation means for low-income programs on both the federal and state levels.

Three interesting and thought-provoking audio conferences are scheduled for February and March. What is the latest on the reauthorizations of the Workforce Investment Act (WIA) and the Individuals with Disabilities and Education Act (IDEA)? What are some preliminary discussions on Capitol Hill? What are advocates saying? What are some potential repercussions for states? Find out the answers to these questions and more during these CLASP Audio Conferences:

- February 14: Reauthorization of WIA, Part I: Focus on Adults. The number of low-income adults receiving job training has declined dramatically in recent years—from 150,000 under the Job Training Partnership Act to 50,000 under WIA. Will WIA reauthorization address the thorny issues—for instance, that funding of mandated "one-stops" has diverted funds from training?
- February 21: Reauthorization of WIA, Part II:
   Focus on Youth. About \$1.25 billion in WIA funding flows to local workforce areas and through competitive

- grants to provide low-income youth (up to age 22) with workforce services. At least 30 percent of the funds must be spent on out-of-school youth. What's likely to change in reauthorization?
- March 21: Reauthorization of IDEA. What are the prospects for IDEA, which funds direct special education and early intervention services for children ages 0 through 21, as well as special education infrastructure development through research, personnel and parent training, and technical assistance?

CLASP Audio Conferences are hour-long conference calls held on Fridays at 12:30 pm (ET) that focus on the latest developments in policy for low-income families and their effects on states and communities. Many subscribers gather colleagues around a speaker phone and use the call as a catalyst for discussion. Every registrant also receives a list of web resources prior to each call.



Now in its 10th year, the CLASP Audio Conference Series brings Members of Congress, Capitol Hill staff, federal and state policy experts, and practitioners right to your office or conference room. The Series is hosted by CLASP Deputy Director Jodie Levin-Epstein. Great discounts are available for registrants who order the whole 13-call series (live or on tape) and for on-line credit card orders. Orders can be made for individual conferences as well.

■ For more information and to order, visit: www.claspstore.org.

## CLASP Deputy Director Receives Ian Axford Fellowship

CLASP Deputy Director Jodie Levin-Epstein has been awarded an Ian Axford Fellowship to explore how New Zealand and U.S. social policies promote a balance between work and family, particularly for single parents (34 percent of all New Zealand families; 31 percent of all U.S. families), including those receiving welfare. Her fellowship will take place in New Zealand for six months starting in February 2004.

Through this fellowship, Levin-Epstein plans to learn more about a range of New Zealand initiatives aimed at improving work-family balance, including those promoted by employers. She also expects to explore the newly established individualized case management system for welfare mothers; she will focus on examining whether and to what extent family concerns are weighed in determining work requirements. "I look forward to being able to compare and contrast work-family policies in the United States with those in New Zealand. I anticipate returning to CLASP armed with lessons learned from a nation struggling with many of the same issues we confront," said Levin-Epstein.

Ian Axford Fellowships in Public Policy are given to outstanding mid-career American professionals to study, travel, and gain practical experience in public policy in New

Zealand, including first-hand knowledge of economic, social, and political reforms and management of the government sector. Up to two fellowships per year are awarded to U.S. citizens for three to six months of study in New Zealand.

In the past, other CLASP staff members have worked on international social policy issues. Policy Director Mark Greenberg received an Atlantic Fellowship at the Department of Political and Social Studies, University of York, U.K., during parts of 1997 and 1998. Greenberg also is a member of the Board of Directors of the European Centre for Social Welfare Policy and Research, a United Nations-affiliated research institute based in Vienna. In addition, Senior Staff Attorney Steve Savner has provided technical support to non-profits and government officials in the United Kingdom concerning the design and delivery of transitional jobs programs for hardto-employ adults, and Senior Policy Analyst Julie Strawn advised the U.K. government's welfare reform task force on employment and training programs for low-income adults. Since 1996, Executive Director Alan Houseman has participated in the Vermont-Karelia Rule of Law Project working in the state of Karelia in Russia to set up, provide technical assistance for, and evaluate a civil legal aid program serving low-income persons.

#### Safety "Net" continued from page 2

- Providing information in languages used by the state's population.
- Providing the most sophisticated level of service that is programmatically and financially feasible, while keeping jargon and acronyms to a minimum.
- Allowing the submission of scanned documents and forms instead of requiring mailed photocopies.
- Informing employers and community organizations of the availability of the websites as a way for working families to access work supports.

The paper concludes that there are significant opportunities for states to do more to help people access benefits online, both across all benefits and for specific benefits. Richer found that health care (in particular S-CHIP) is the area where states have done the most work, by providing easily accessible information and tools to use the program. She suggests that these achievements be regarded as a model for what states could do for all the work supports.

■ To read the full 19-page report, including links to sites serving as examples, visit: http://www.clasp.org/DMS/Documents/ 1042058139.16/website\_work\_supports.htm.

#### Vision continued from page 1

was critical to transforming the Department of Human Services and its service delivery. The vision served as a motivator for change and a guide to dealing with challenges along the road.

- Successfully encouraging staff members to make the vision their own was essential. The leadership of the Department defined the overall vision, and then engaged the entire community, from clients and staff to community providers, County Commissioners, and others, in carrying out the vision. This approach gave everyone ownership of and investment in the success of the initiatives.
- Building inter- and intra-agency relationships was critical to helping overcome resistance to change. Although many changes were implemented in a short period of time, an initial, intensive process of bringing people together to brainstorm and develop ideas about needed change helped lay the groundwork for seeing others as partners, rather than competitors or adversaries.
- The willingness and ability of the Department's Director and Deputy Director to delegate authority also appears to have been critical to gaining broad acceptance of the new approach and overcoming resistance. Essential to the delegation of authority was the Director's and Deputy Director's willingness to back up staff members, even when a project didn't turn out as hoped.
- The El Paso approach is both top-down (in terms of setting out the original vision) and bottom-up (in terms of allowing staff to experiment and be creative about how to implement that vision). Change is

- unlikely to happen without commitment from both directions.
- Families are crucial team members and participate in decisions about their well-being. The fact that parents and other family members were present and participating as team members seems to have made staff more comfortable with the information-sharing necessary to make the initiative a success. Actively engaging families in decision-making also made it possible to provide services in more family- and community-based settings.
- The flexibility of TANF funding made possible much of El Paso County's approach. TANF funds can be used to provide the prevention and early intervention services that were critical to integrating El Paso County's TANF and child welfare agencies. However, El Paso County's experience suggests that the key is looking for opportunities within whatever funding structure exists and carefully reviewing existing law and regulations to determine how innovative approaches may be undertaken within the boundaries of the law.
- It was essential that no single player feel overwhelmed by the change, but it was equally important to simultaneously move numerous parts of the Department towards the ultimate goal. Each initiative or program must believe that the changes faced are manageable. On the other hand, not having change occurring everywhere could stifle momentum for change anywhere.
  - To read the full report, visit: http://www.clasp.org/DMS/Documents/1043875845.58/El\_Paso\_report.pdf; to read the 8-page policy brief, visit: http://www.clasp.org/DMS/Documents/1043875759.17/El\_Paso\_Brief.pdf. To order copies of either publication, call (202) 906-8000.

#### Speak Out on Welfare continued from page 4

skills that will withstand the fluctuations of an uncertain economy. Equally important are services such as quality child care while the recipient is working or going to school." *Roanoke Times*, January 2, 2003

 "Bush is pushing the wrong agenda. Increasing work expectations in a faltering economy is like playing a sick joke on the poor. A marriage initiative is just an attempt to tie ideological strings to public assistance. Less money for children who need quality child care is unconscionable." *Des Moines Register*, January 17, 2003

## **New Resources**

### Latest on Food Stamp Usage:

As the economic slowdown continued and more states improved access to food stamps, participation in the Food Stamp Program increased by 332,724 persons between September and October 2002, reaching 20,115,941 persons total, according to the Food Research and Action Center's analysis of preliminary data from USDA. The October 2002 level of Food Stamp Program participation represented a rise of more than 1.8 million persons compared to the October 2001 level, and of more than 3 million persons compared to October 2000. It was still nearly 700,000 persons lower than the level five years earlier, in October 1997.

For more information, visit: http://www.frac.org/html/news/fsp/02sept.html.

## **Workforce Development Conference:**

The Enterprise Foundation is holding its 4th annual Ready, Work, Grow national workforce conference at the Marriott Baltimore Waterfront hotel in Baltimore, Maryland, from March 19-21, 2003. Join more than 750 workforce professionals from across the nation to help people overcome barriers and build careers.

For more information and to register, visit: http://www.enterprisefoundation.org.

# CLASPupdate

Volume 16 Number 3 March 2003

CENTER FOR LAW AND SOCIAL POLICY

# Analysis of Child Care Provisions in Administration's Budget and House TANF Bill

As Congress begins debates on the reauthorization of the Temporary Assistance for Needy Families (TANF) and Child Care and Development Block Grant (CCDBG) legislation, the adequacy of proposed child care funding levels is once again a contentious issue. CLASP has recently released three brief papers on this topic. One analyzes the Bush Administration's fiscal year (FY) 2004 budget proposal for child care funding and the other two look at child care provisions in the House of Representatives' TANF reauthorization bill (H.R. 4), passed on February 13, 2003.

# The Administration's Budget for Child Care Funding

Bush Administration Projects that the Number of Children Receiving Child Care Subsidies Will Fall by 200,000

During the Next Five Years: Actual Loss in Child Care Subsidies Likely Would Be Far Greater by Sharon Parrott (Center on Budget and Policy Priorities) and Jennifer Mezey (CLASP) highlights that, under the Administration's child care block grant funding proposals, the number of children who will receive child care subsidies is projected to fall by 200,000, from 2.5 million children currently to 2.3 million children by 2007. This decline is the result of the Administration's proposal to freeze various sources of federal child care funding over the next five years. Because the cost of providing child care increases as inflation rises, freezing child care funding causes the number of children who can be served each year to decline.

Currently, due to funding limitations, only *one in every* seven children who are eligible for child care assistance

under federal rules actually receives that help. In addition, the number of children under the age of five in the United States is projected to *increase* by 3 percent over the same period that the number of low-income children who could be served by child care programs is projected to fall by 200,000.

Furthermore, the 200,000 figure is likely to *understate* by a substantial amount the decline that would occur in the number of children who receive child care subsidies under the Administration's proposed budget, because the Administration's projections are based on overly optimistic assumptions about the level of both state resources and federal TANF resources that states will devote to child care over the next five years.

## Lack of Child Care Funding in House Welfare Bill

The House Welfare Bill (H.R. 4) Does Not Provide Enough Child Care Funding to Meet Work Requirements Without Forcing States to Restrict Access to Subsidies for Other Low-

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## Welfare Reauthorization Update

n February 13, 2003, the House of Representatives passed Temporary Assistance for Needy Families (TANF) reauthorization legislation (H.R. 4) on a largely party-line vote of 230-192. The bill, introduced by Rep. Deborah Pryce (R-OH), is virtually the same bill as the one the House passed in 2002 (H.R. 4737). Last year, the full Senate did not vote on a bill approved by the Senate Finance Committee, and thus TANF reauthorization was continued into the current Congressional session. Major provisions of H.R. 4 include:

- Increases number of hours TANF participants must be engaged in activities in order to count toward participation rates from 30 hours (20 hours for single mothers with a child under age six) to 40 hours. An individual would need to be in one of a limited number of "direct work" activities for at least 24 hours a week, with states having broader discretion to define what counts toward the remaining 16 hours, subject to federal regulations. (See article on page 4 for an analysis of this provision.)
- Raises the percentage of recipients required to participate in work or job preparation activities from 50 percent to 70 percent by 2008.

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national, nonprofit organization founded in 1968, conducts research, legal and policy analysis, technical assistance, and advocacy on issues related to economic security for low-income families with children.

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- Decreases ability to count vocational education as a primary activity from one year to three months in a two-year period.
- Includes \$1.2 billion in federal TANF funds for marriage promotion activities; up to \$600 million in TANF funds could also be used as state match.
- Increases mandatory child care funding by \$1 billion over five years. (See article on page 1 for a discussion of child care funding.)
- Allows states to apply for "superwaivers," which would allow the Executive Branch to waive nearly all federal laws and rules associated with a number of low-income programs, including the Food Stamp Program, Child Care and Development Block Grant, most Workforce Investment Act programs, and TANF.
- Maintains current restrictions on access to benefits and services for legal immigrants.

On the Senate side, Senator Jim Talent (R-MO) has introduced a bill (S. 5) that is similar to the House-passed bill. The Senate Finance Committee, which has jurisdiction over TANF reauthorization, is expected to begin hearings in the Spring.

For the latest news and analyses on Capitol Hill developments related to TANF reauthorization, check CLASP's website (www.clasp.org) often. Recently posted documents include:

- Addressing Child Care Challenges for Children with Disabilities: Proposals for CCDBG and IDEA Reauthorizations
- Increasing the Ability to Transfer TANF to CCDF in House Welfare Bill (H.R. 4) Is Still Not the Answer to Unmet Child Care Needs
- Work Participation and Child Care Funding Issues in TANF Reauthorization 2003

# Head Start Appears in Nation's Editorial Pages

The Administration has made several announcements and proposals to change the Head Start program, which is up for reauthorization in 2003. In January, the Administration announced a uniform assessment plan for Head Start four-year-olds, which would be implemented by the Fall of 2003. In February, President Bush released a proposal that would allow states to govern Head Start funds that currently flow directly from the federal to local levels. States could have this authority if they develop a federally approved state preschool plan to coordinate Head Start with other early childhood programs. However, few details have been released on how the state block grants would be implemented and what program standards and teacher qualifications would apply. And, this proposal is likely to be only one of many different approaches to emerge from Congress this year.

Columnists and editorial writers from papers across the country have weighed in on the President's proposed changes to Head Start, many expressing skepticism about the benefit of these proposed alterations. Following are some excerpts from a few such editorials:

- "[T]here have been discussions about funding Head Start through block grants to the states. As a former governor, I believe in the commitment of states to do the right thing by their citizens. Not every state, however, has demonstrated the same commitment to early childhood as Ohio. Therefore, the idea of block grants for Head Start gives me pause." Senator George Voinovich (R-OH), *Dayton Daily News*, February 12, 2003
- "Only three out of five eligible children are enrolled in Head Start because the program can't afford to accept more. Just 3 percent of eligible children are enrolled in Early Head Start for toddlers. Yet the new Bush budget calls for only a cost-of-living increase for Head Start the smallest increase in years—while requiring the program to use part of its budget for implementing the misguided standardized testing." Joan Ryan, St. Paul Pioneer Press, February 17, 2003

- "Bush also wants Head Start to focus more on literacy. He calls for moving the program out of the Department of Health and Human Services and into the Department of Education.... But part of what makes Head Start work is that it addresses many needs, including social services and parenting. Giving children educational and social capital—such as nutritious food and good health care—helps them become good students." Boston Globe, February 17, 2003
- "The fear is many dollar-starved states will create diluted standards and accountability. They will make a political splash by covering more children with fewer dollars, but at the expense of reduced quality and lifelong impact." *Philadelphia Inquirer*, February 16, 2003
- "The White House has proposed a tiny increase for Head Start, the equivalent of the rate of inflation. Sending a nominally funded program into the budget chaos that exists at the state level is worrisome." Seattle Times, February, 16, 2003
- "Pennsylvania has never put state money into preschool. Expecting it to maintain Head Start's record of success with few federal standards to guide it would be a gamble with long odds." *Allentown* (PA) *Morning Call*, February 19, 2003
- "The administration's rationale [for making Head Start a block grant program] is that the states will have more flexibility in deciding what services poor children need by the time they begin school. But the initiative comes at a time when states are facing the most serious revenue problems in decades, and the concern is that many states may try to use Head Start funds to absorb other education-related expenses." Gainesville (FL) Sun, February 24, 2003
- "While the Bush administration plan would put an emphasis on early literacy, it would come at the expense of the health and social services that are such a large part of the program now." Springfield (MA) Union News and Sunday Republican, February 16, 2003

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## Forty-Hour Requirement Would Hinder State Welfare Efforts

The Administration's Temporary Assistance for Needy Families (TANF) reauthorization proposal and the House reauthorization bill, H.R. 4, would require individuals receiving cash assistance to participate in certain federally defined activities for at least 40 hours a week in order to fully count toward program participation rates. Supporters of this approach argue that a structured 40-hour week is more likely to result in families entering full-time jobs, and that since other families work 40 hours a week, so should welfare recipients. In a CLASP analysis, Imposing a 40-Hour Requirement Would Hurt State Welfare Reform Efforts, Mark Greenberg and Hedieh Rahmanou argue that the 40-hour requirement would make it harder for states to run effective employment programs; would force states to misallocate limited TANF and child care dollars; ignores the fact that some parents are caring for ill or disabled family members; and does not acknowledge that the average work-week is less than 40 hours for mothers with school-age and younger children. Greenberg and

Rahmanou give the following 10 reasons why the 40-hour proposal is faulty:

- 1. The goal for state welfare reform efforts hasn't been to generate 40 hours of activities; it has been to get people into jobs. States have been free to impose 40-hour participation requirements under TANF, but have not typically elected to do so. Rather, states have chosen to focus on requiring job search activities; expanding child care, health care, and transportation assistance; using time limits and sanctions; and structuring a wide range of program activities that were aimed at getting people into jobs, not just generating hours of program participation.
- 2. There is no evidence that a 40-hour requirement is a better way to get people into jobs. The welfarework research consistently finds that the most effective programs provide a mixed menu of activities, combin-

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## **Audio Conference Preview**

The CLASP Audio Conference Series continues to keep you up-to-date on the reauthorization debates about important family policy legislation occurring in 108th Congress. Next on the Audio Conference agenda for March and April are discussions of the Individuals with Disabilities and Education Act (IDEA) reauthorization and the overdue reauthorization of the federal welfare program, Temporary Assistance for Needy Families.

- March 21: Reauthorization of IDEA. What are the prospects for IDEA, which funds direct special education and early intervention services for children ages 0 through 21, as well as special education infrastructure development through research, personnel and parent training, and technical assistance?
- April 25: Reauthorization of Welfare and Related Programs. Will the Republican-controlled Senate secure the more stringent work requirements that passed the House? Will Republican Senate moderates

work with Democrats to ensure adequate increased funding for child care and for child support reforms? What will happen with "marriage promotion," the superwaiver, immigrants? Scheduled guests for this Audio Conference include Senate Finance Chairman Charles Grassley (R-IA), Brookings Institute Senior Fellow Ron Haskins, and CLASP Policy Director Mark Greenberg.

CLASP Audio Conferences are hour-long conference calls held on Fridays at 12:30 pm (ET) that focus on the latest developments in policy for low-income families and their effects on states and communities. Many subscribers gather colleagues around a speaker phone and use the call as a catalyst for discussion. Every registrant also receives a list of web resources prior to each call.

■ For more information and to order, visit: www.claspstore.org.

## HHS Releases Most Recent Welfare Caseload Data

In February, the U.S. Department of Health and Human Services (HHS) released its official statistics for national welfare caseloads for fiscal year (FY) 2002 (October 2001-September 2002). HHS data show that over the past fiscal year, the caseload for the nation (all states and the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands) fell by 3.9 percent. In addition, during this same time period, caseloads in 25 states and territories rose and in 29 fell. More recently, between July and September 2002, HHS data show that caseloads rose in 43 states, and the national caseload increased by 0.9 percent.

Of the 25 states and territories that saw caseload increases in FY 2002, Nevada had the largest increase (25.3 percent), followed by Montana (9.7 percent), Colorado (8.2 percent), Alaska (7.6 percent), and Indiana (6.5 percent). The top five decreases in caseload for the fiscal year were New York (20 percent), Virgin Islands (8.5 percent), Hawaii (8.0 percent), Connecticut (7.7 percent), and Illinois (7.6 percent).

For the fourth quarter of FY 2002 (July to September 2002), HHS data show that Mississippi (9.9 percent) had the greatest caseload increase, followed by Wyoming (6.4 percent), South Carolina (4.8 percent), Arizona (4.7 per-

cent), and Idaho (4.5 percent). The Virgin Islands' caseload decreased by the sharpest amount (9.4 percent), followed by Nevada (5.4 percent), Maine (4.8 percent), Alaska (3.4 percent), and Rhode Island (2.4 percent).

The trends apparent from the HHS-reported statistics are very similar to those previously reported by the Center for Law and Social Policy (CLASP), based on CLASP's collection and compilation of state-reported data. In an analysis issued December 31, 2002, CLASP reported that, based on preliminary state-reported data, the caseload for the 50 states and the District of Columbia fell by 3.3 percent between September 2001 and September 2002, and that over the year caseloads rose in 25 states. Similarly, the HHS data (not including Guam, Puerto Rico, and the Virgin Islands) indicate that from September 2001 to September 2002, caseloads rose in 24 states and fell in 27. CLASP also reported that, between July and September 2002, caseloads rose in 39 states, and that the caseload for the 50 states and DC rose by 0.9 percent. ■

- To view the HHS-collected caseload data, visit: http://www.acf.dhhs.gov/news/stats/newstat2.shtml
- To view the CLASP-collected caseload data, visit: http://www.clasp.org/Pubs/DMS/Documents/1041604796.15/ caseload\_2002\_03\_excel.pdf

#### Head Start Editorials continued from page 3

However, some editorial writers and columnists have expressed support for the Administration's proposed changes to Head Start:

- "Head Start reform flows naturally from the president's No Child Left Behind education initiative, which will implement reading and math testing and accountability standards in grades three through eight. The legislation essentially holds governors accountable for ensuring that all children are reading at or above grade level by the third grade. To this end, the Bush administration argues, states need to be more involved at the pre-school level with children who are most at risk." Washington Times, February 16, 2003
- The Bush administration may get a lot of flak for suggesting it, but there is much to be said for making Head Start more of a real head start in school for children .... The idea is not to teach Cervantes to toddlers. Nor should there be LEAP tests to graduate to pre-K. Rather, as advocates of the education slant for Head Start propose, there should be a place for 'structured learning,' such as shapes, sounds, sizes and colors—the sort of things that too many children of the poor don't get at home." Baton Rouge (LA) Advocate, February 17, 2003

#### Analysis of Child Care Provisions continued from page 1

Income Families by Jennifer Mezey also discusses a lack of child care funding, but within the context of the House reauthorization bill. Mezey argues that the bill does not provide enough child care funding for states to meet proposed TANF work requirements without terminating services for children who are currently receiving child care assistance. Last year, the Congressional Budget Office (CBO) estimated that it would cost states an additional \$8.4-\$11 billion over five years to meet the House legislation's work requirements—with child care costs accounting for \$3.8-\$4.8 billion. CBO also estimated an additional five-year cost of \$4.5-\$5 billion above the amount needed to meet work requirements for states to maintain their current level of services against inflation.

The House legislation increases federal mandatory child care funding by \$1 billion over five years, with a required associated increase in state spending of approximately \$785 million. The legislation also would increase the *authorization* levels for discretionary child care funding. However, Congress would still have to appropriate funding for this increase, which seems very unlikely in the current budget climate.

Thus, the House bill's child care funding increase does not come close to meeting either the cost of keeping pace with inflation or the bill's new work requirements. Furthermore, all of the new mandatory federal funding requires increased state spending to draw it down. State groups claim that current economic conditions might make it difficult to increase state spending to access all of these funds, particularly in the early years of implementation. Given all of these facts, states will likely have to terminate services to low-income children who are not receiving cash assistance in order to fund the costs of the proposed work requirements.

### Transferring Money Is Not the Answer

Increasing the Ability to Transfer TANF to CCDF in House Welfare Bill (H.R. 4) Is Still Not the Answer to Unmet Child Care Needs by Rachel Schumacher argues that the ability to transfer TANF funds to CCDBG does not replace the need for more overall child care funding. Under the new House bill, states can increase the amount

of TANF funds they could transfer to CCDBG from 30 to 50 percent. This expanded transfer authority will not be useful in addressing the unmet need for child care assistance among many eligible working families or the potential demand for child care that would result from increased work requirements for the following reasons:

- States are not currently limited in the amount of TANF funds they can redirect to child care; they can spend TANF directly on child care without any limitation. Therefore, increasing transferability does not make more child care funds available to states.
- It is unlikely that states will have more TANF funds freed up for child care use over the next five years under this plan because the TANF funding level will be frozen, TANF caseloads are rising in most states, and a significant amount of additional TANF funding would be necessary to pay for the non-child care costs of the proposed welfare work provisions.
- State use of TANF for child care slowed between FY 2000 and FY 2001, indicating that states may already have reached the limit for the amount of TANF that may be easily redirected to child care purposes. ■
- To view each of these publications, visit: http://www.clasp.org/Pubs/Pubs\_Reauth

## COMING SOON! HEAD START POLICY BRIEF

In March, CLASP will release its first Head Start policy brief, A Snapshot of Head Start Children, Families, Teachers, and Programs, 1997 and 2001, by Rachel Schumacher and Tanya Rakpraja. The federal Head Start program is scheduled for Congressional reauthorization in 2003. This brief summarizes what the program and the children and families it serves look like today and how they have changed since the last reauthorization in 1998.

The brief will be profiled in the next issue of *CLASP Update* and posted on the CLASP website, www.clasp.org.

#### Forty-Hour Requirement continued from page 4

- ing job search, training, and other work-related activities, but these programs do not typically combine multiple activities for the same individual at the same time.
- 3. A 40-hour requirement would force states to shift from helping people get jobs to tracking and managing hours of participation. In FY 2001, of the 1.4 million adults receiving assistance, about 362,000 were employed, for an average of 29 hours a week. The first priority for states is to work with the families who aren't working, rather than to create new activity requirements for people who are already employed.
- 4. A 40-hour activities requirement will not assure that states actively engage families with the most serious employment barriers; to the contrary, it may increase the likelihood that those families are terminated from assistance. If states face higher participation rates and need 40-hour participants, then any individual who has difficulty consistently participating at a 40-hour level will become a "drag" on the state's ability to meet participation rates, and there will be an increased risk that such families are sanctioned and terminated from assistance rather than provided needed assistance to move toward employment.
- 5. A 40-hour activities requirement would lead to needless costs without corresponding benefits. States would see increased work and child care costs from generating additional hours of participation to meet the proposed rates—even if the additional hours were contributing nothing to improve employment prospects. Without sufficient funds, states would need to cut child care and other programs helping other low-income working families in order to pay for the costs of meeting the higher participation requirements.
- 6. The Congressional Budget Office has estimated that a 40-hour requirement would cost \$2.6 billion more than a 24-hour requirement over five years.
- 7. The best use of additional child care funding is to expand help to working families and improve child

- care quality, not to increase welfare participation requirements to 40 hours. Some people have suggested that increasing the participation requirements to 40 hours would be appropriate so long as Congress adds enough child care money to pay for the additional costs. However, currently only about one in seven eligible low-income children receives federal child care assistance; about half of the states do not pay child care reimbursements sufficient to provide access to a broad range of child care providers; provider turnover rates are high while training for providers is often minimal at best; and states across the country are facing reductions in child care services due to budget crises.
- 8. Some TANF parents are not able to work 40 hours a week outside the home due to children's health problems. Nationally, 56 percent of mothers and other female caregivers of infants with special needs and of toddlers in early intervention services (e.g., infants and toddlers with developmental delays, hearing loss, visual impairments, or other disabilities) are not employed. Several studies show that a substantial share of families receiving welfare contains children with special health needs.
- The Administration's proposal and H.R. 4 do not require or encourage states to provide for sick or personal leave for participants.
- 10. Most mothers with young and pre-adolescent children do not work 40 hours a week outside the home. In 2001, 43 percent of mothers with children under 6 were working full-time (defined as 35 hours or more each week), 18 percent were working part-time, and 39 percent were either unemployed or not in the labor force. Of mothers with children under age 13, 50 percent were working full-time, 18 percent worked part-time, and 32 percent were unemployed or not in the labor force.
- To read the full report, visit: http://www.clasp.org/DMS/ Documents/1045077554.68/40\_hours.pdf

## **New Resources**

### **Legal Services Grants:**

The American Bar Association (ABA) Center on Children and the Law is welcoming short proposals for mini-grants of \$1,000, which the ABA will award to promote stronger working relationships between civil legal services providers and government child protective services. With the grants, organizations will be expected to convene meetings to develop relationships and plan collaborations to benefit atrisk children and families. During those planning meetings, the partners will be expected to outline the parameters of their relationship—decide whether to focus on a particular type of legal service or to forge relationships with a number of providers covering a range of issues—and discuss other difficult issues, like confidentiality.

Grant applications are due by March 31, 2003.

For more information, visit: www.abanet.org/child or contact
 Leigh Goodmark at GoodmarL@staff.abanet.org or (202) 662-1758.

## Transistional Jobs Report:

A new report from Mathematica Policy Research, Inc., Georgia GoodWorks!: Transitional Work and Intensive Support for TANF Recipients Nearing the Time Limit by Michelle K. Derr, LaDonna Pavetti, and Angelina KewalRamani, describes the administrative framework and key components of a statewide transitional employment program for hard-to-employ welfare recipients nearing the time limit. The report notes that program success requires program administrators and staff to think "outside the box" and concludes that clients with complex needs can find unsubsidized employment with the right amount and types of support.

 For more information, visit: www.mathematica-mpr.com/PDFs/ redirect.asp?strSite=goodworks.pdf