ALASKA LEGISLATURE 1495

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

(b) AS 47.25.311(c), added by sec. 2 of this Act, and AS 47.27.015(c), added by sec. 7 of this Act, apply to refusals to accept, and separations from, suitable employment without good cause that occur on or after the effective dates of AS 47.25.311(c) and AS 47.27.015(c), respectively.

(c) AS 47.25.315, added by sec. 2 of this Act, and AS 47.27.027, added by sec. 7 of this Act, apply to minors who apply or reapply for assistance under AS 47.25.310 - 47.25.420 or AS 47.27.020, respectively, on or after the effective dates of AS 47.25.315 and AS 47.27.027, respectively.

* **Sec. 53.** AS 47.25.301, added by sec. 1 of this Act, and secs. 48, 51(a) and (b), and 52 of this Act take effect immediately under AS 01.10.070(c).

* **Sec. 54.** Sections 12, 41, 43, 47, and 51(c) and (d) of this Act take effect October 1, 1996.

* **Sec. 55.** Sections 7 - 11, 13 - 21, 23 - 40, and 46 of this Act take effect October 1, 1996, except that if the federal law providing for the aid to families with dependent children program has not been repealed by that date, those sections take effect on the first day after October 1, 1996, that the repeal of the federal aid to families with dependent children program is effective. The commissioner of health and social services shall notify the revisor of statutes and the lieutenant governor of the effective date of the repeal of the federal law providing for the aid to families with dependent children program.

* **Sec. 56.** AS 47.25.302 - 47.25.309, enacted by sec. 1 of this Act, secs. 2 - 6 of this Act, and sec. 44 of this Act take effect on the earlier of the following dates:

(1) the effective date for which the federal government approves and authorizes implementation of a state plan amendment effecting the change; or

(2) the effective date of a waiver received from the federal government that authorizes implementation of the provision.

* **Sec. 57.** Sections 22 and 49 of this Act take effect on the effective date of a provision of a federal law that requires the state to have procedures under which the state has authority to withhold or suspend, or to restrict the use of, driver's licenses or professional and occupational licenses of individuals owing overdue child support.

* **Sec. 58.** Section 42 of this Act takes effect two years after the effective date established under sec. ~~57~~ 53 of this Act.

* **Sec. 59.** The commissioner of health and social services shall notify the revisor of

statutes and the lieutenant governor of the effective date of

(1) the sections and parts of sections governed by sec. 56 of this Act and of whether the effective date was determined by a waiver approval or a determination that a waiver is not necessary; and

(2) sec. 22 of this Act.

* **Sec. 60.** Section 45 of this Act takes effect on the earlier of July 1, 2003, or the effective date established in sec. 55 of this Act.

Alaska State Legislature

Sen. Lyda Green, Chairman
Sen. Loren Leman, Vice-Chairman
Sen. Mike Miller
Sen. Johnny Ellis
Sen. Judith Salo

State Capitol
Room 423
Juneau, Alaska 99801-1182
907-465-3762

Senate Committee on Health, Education and Social Services

Objectives of SB 98 "The Personal Responsibility Act of 1995"

The objectives of the Legislative Majority's welfare reform package are:

* To help all AFDC recipients become employed and self-sufficient.

* To make work more financially rewarding than public assistance.

* To make public assistance temporary, not a way of life.

* To develop a partnership between the public assistance recipient and government to ensure that a recipient's individual commitment to self-sufficiency complements the efforts of government to provide basic opportunities during the public assistance period.

* To restore personal dignity and respect through financial independence and self-reliance.

* To develop a partnership between private business, nonprofit organizations, government and public assistance recipients to establish mutually-beneficial workfare projects that enhance training, volunteer and work situations in the private sector.

* To eliminate abuses of the system.

* To provide both the opportunity and the incentive to become self-sufficient.

Alaska State Legislature

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Senate Committee on Health, Education and Social Services

SB 98
"Personal Responsibility Act of 1995"
SPONSOR STATEMENT

SB 98 is designed around the premise that government public assistance is a helping hand to self-sufficiency, not a replacement for self-sufficiency.

The legislation follows the lead of successful reform programs in other states; offering innovative ideas and programs in an attempt to break the cycle of dependence and to repair a broken system.

The growing number of welfare recipients nationwide and the associated costs have forced many states and the federal government to propose better and more effective alternatives. Alaska should be pro-active and learn from the mistakes of other governments by changing our welfare system to avoid the destructive situations occurring throughout the United States.

The basic premise behind this bill is to help those who are on welfare to find jobs and become self-sufficient. The current welfare system discourages work and encourages long-term dependence on government.

SB 98 is designed to alter the focus of the government's efforts: work, self-reliance and personal responsibility are to receive the highest emphasis. Recipients need to be empowered with the tools to get them back on their feet again and to be self-sufficient; this legislation offers that helping hand.

In general terms, the main provisions of the bill provide for:

* Incentives to go to work, graduate from high school or a vocational program;

* Elimination of the 100-Hour Rule that discourages employment; raising the automobile allowance from $2000 to $5000 to better assist recipients with transportation to work;

* A workfare pilot project in areas with the highest number of AFDC recipients;

* Permanent ineligibility for individuals convicted of welfare fraud;

* The signing of a personal responsibility agreement by recipients of AFDC;

* A two-year time limit on benefits for those recipients in the workfare program or the JOBS program;

* Additional 12 months of Medicaid coverage during transitional period from welfare to work;

* No increase in cash benefits for additional children conceived on welfare;

* A single parent 17 or under to live with parents, adult relatives or other adult-supervised arrangements in order to qualify for AFDC;

* Reduces AFDC to federal minimums. Alaska's cash welfare payments for a family of three ($923.00) are far above the national median ($367.00);

* Maximum of five years of public assistance for able-bodied recipients, with specified exceptions (does not apply to physically or mentally disabled recipients);

* Parentage establishment at the time of AFDC application, with specified exceptions;

* Establishes an "Immediate Referral Policy" directing new applicants into the JOBS program and assisting with developing a self-sufficiency plan for the family, prior to approval for AFDC;

* Establishes a noncash, temporary assistance policy to help needy families through a crisis situation. The DHSS may grant food stamps, child care assistance and/or Medicaid for up to six consecutive months, instead of cash AFDC benefits.

Workfare and the JOBS program will be used for training, work experience and to instill a work ethic. Additional incentives and sanctions will encourage recipients to make sure that their children are in school on a regular basis; to finish training programs; to graduate from high school; to complete treatment programs and to retain the jobs that they secure.

The time has come to make real changes to welfare. Public assistance can, and should be, an effective transitional program for those in need of temporary assistance. SB 98 is a first step in an effort to break the cycle of welfare dependence and to help welfare recipients become more productive, self-sufficient and financially independent.

Alaska State Legislature

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Sen. Loren Leman, Vice-Chairman
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State Capitol
Room 123
Juneau, Alaska 99801-1182
907-465-3762

Senate Committee on Health, Education and Social Services

FACTS ABOUT WELFARE IN ALASKA

Welfare unduplicated recipient count, Oct. 1994	71,980
Estimated population of Alaska, July 1994	603,000
Percentage of the state's population	11.93 %

61 % of those currently receiving AFDC have been on welfare for MORE than two years.

15 %	2 - 3 years
20 %	3 - 5 years
25 %	5 years or longer
61 %	More than two years

The length of time that recipients are staying on welfare in Alaska is lengthening and the number of long-term dependents of welfare continues to grow.

Maximum benefit amounts as of 1/95 for a family of three on AFDC:

FAMILY OF THREE	URBAN	RURAL
AFDC Cash Grant	$923	$923
Food Stamps	$388	$602
Medicaid	$500	$500 (Average in '92, in '92 $$)
Daycare Assistance	varies	varies
ASHA Housing	varies	varies
Energy Assistance	(Annual grants range from $150 - $910)	

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Room 423
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907-465-3782

Senate Committee on Health, Education and Social Services

CSSB98 (HES)
Personal Responsibility Act of 1995

SECTIONAL ANALYSIS

<u>Section 1.</u> Short title of the bill.

<u>Section 2.</u> Requires DHSS to share information about illegal aliens with the I.N.S.

<u>Section 3-4.</u> Provides for permanent ineligibility for public assistance if a person is convicted of welfare fraud in this state or another jurisdiction.

<u>Section 5.</u> Establishes a 30-day residency requirement for AFDC.

<u>Section 6.</u> Prohibits cash benefit increases in AFDC for additional children conceived on welfare; establishes a five-year time limit on AFDC benefits for persons who are <u>not</u> mentally or physically disabled; requires that unmarried minor parents live with their parents, relatives or in other adult-supervised arrangements in order to qualify for AFDC.

<u>Section 7.</u> Reduces AFDC payment levels.

<u>Section 8.</u> Requires parentage establishment at the time of AFDC application; requires the DHSS to refer AFDC applicants to the JOBS program and to help them develop a plan for self-sufficiency; allows the DHSS to provide temporary noncash assistance for up to six months to certain AFDC applicants.

Section 9. Requires the signing of a personal responsibility agreement by AFDC recipients; makes changes in the AFDC eligibility requirements relating to the "100-hour rule" and the automobile allowance (increases to $5000); requires DHSS to pay new residents at the AFDC rates that are in effect in their prior state of residence for their first six months of residency unless the family has a 13-week Alaska job history.

Section 10. Provides that AFDC payments for unmarried minor parents be made to the minor's parent, legal guardian or adult relative.

Section 11. Requires an agreement to participate in a drug or alcohol treatment program, if the DHSS determines that an AFDC recipient is addicted to drugs or alcohol and if a program is available; provides for transitional benefits for a recipient who marries (DHSS may grant up to six months of AFDC payments during the transitional period); establishes a workfare pilot project: allows DHSS to assign adults in the project area to uncompensated activities in order to retain AFDC eligibility, with specified exceptions; defines the project area; sets a two-year time limit, with specified exceptions, for AFDC benefits to a family that includes a member that has been assigned to the JOBS program or a workfare activity (would allow for 12 months of additional Medicaid eligibility).

Section 12. Provides for a penalty for failure to keep a child in school regularly and for failure of a teenage AFDC parent to attend school; grants a financial bonus for graduation or equivalent; provides for a penalty for an AFDC recipient who quits a job, without good cause, that was held at the time the person applied for AFDC; provides that only one penalty may be assessed at any given time.

Section 13. Would provide for temporary loss of benefits for noncompliance or nonparticipation in specified programs.

Section 14. Provides for permanent ineligibility for public assistance if a person is convicted of welfare fraud in this state or another jurisdiction.

Section 15-17. Provides that interim assistance shall be terminated after an initial determination of ineligibility for SSI and may not continue during the appeal process. Requires that repayment be made upon a final determination of eligibility or ineligibility.

Section 18. Repeals a statute that currently prohibits the DHSS from requiring a minor parent to live with an adult in order to be eligible for AFDC.

Section 19. Establishes the completion date for the five-year workfare pilot project: March 1, 2001.

Section 20. Establishes the applicability of certain sections of the bill and applies those sections to situations occurring on or after the effective dates.

Section 21. Gives the DHSS the authority to promulgate regulations immediately, but the regulations shall not take effect until the specified effective dates.

Section 22. Requires the DHSS to review the workfare pilot project and to submit a written report of their findings to the Legislature by January 15, 2002.

Section 23. Establishes a delayed effective date, March 1, 1996, for sections of the bill.

Section 24. Establishes an immediate effective date for specified sections of the bill.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Maximum Monthly AFDC for Family of Three Persons

Standard of Need and Maximum Benefit Payment as of October 1, 1994

State	Need Standard 3 Persons*	Maximum Benefits 3 Persons	Maximum Benefits Ranking	Benefit as a Percent of Poverty*	Rank by Percent of Poverty
Alabama	673	160	51	15.6%	51
Alaska	975	923	1	71.9%	1
Arizona	954	347	33	33.8%	33
Arkansas	705	204	47	19.9%	47
California	715	607	6	59.2%	6
Colorado	421	421	20	41.0%	20
Connecticut	735	735	2	71.6%	2
Delaware	338	338	35	32.9%	35
Dist. Of Columbia	712	420	21	40.9%	21
Florida	991	303	40	29.5%	40
Georgia	424	280	43	27.3%	43
Hawaii	1,140	712	4	60.3%	5
Idaho	991	317	38	30.9%	38
Illinois	890	367	29	35.3%	29
Indiana	320	320	37	31.2%	37
Iowa	849	426	18	41.5%	18
Kansas	396	396	25	38.6%	25
Kentucky	526	228	46	22.2%	46
Louisiana	658	190	48	18.5%	48
Maine	553	418	22	40.7%	22
Maryland	507	366	30	35.7%	30
Massachusetts	579	579	7	56.4%	7
Michigan	509	424	19	41.3%	19
Minnesota	532	532	11	51.9%	11
Mississippi	368	368	28	35.9%	28
Missouri	312	285	42	27.8%	42
Montana	478	389	26	37.9%	26
Nebraska	364	364	31	35.5%	31
Nevada	699	348	32	33.9%	32
New Hampshire	1,405	307	39	29.9%	39
New Jersey	985	443	16	43.2%	16
New Mexico	381	381	27	37.1%	27
New York	577	577	8	56.2%	8
North Carolina	544	266	44	25.9%	44
North Dakota	501	501	13	48.8%	13
Ohio	901	341	34	33.2%	34
Oklahoma	645	324	36	31.6%	36
Oregon	460	460	15	44.8%	15
Pennsylvania	587	403	24	39.3%	24
Rhode Island	554	554	9	54.0%	9
South Carolina	440	440	17	42.9%	17
South Dakota	491	491	14	47.9%	14
Tennessee	500	185	50	18.0%	50
Texas	751	188	49	18.3%	49
Utah	553	415	23	40.4%	23
Vermont	724	724	3	70.6%	3
Virginia	322	291	41	28.4%	41
Washington	1,158	546	10	53.2%	10
West Virginia	497	249	45	24.3%	45
Wisconsin	647	517	12	50.4%	12
Wyoming	674	674	5	65.7%	4

Note*

Need standard is the maximum monthly allowable income as defined in state and federal regulations.

The percent of poverty is based on the 1994 Federal Poverty Guideline (FPG) for a family of three persons converted to a monthly rate.
The FPG for all states is $1,026, except Alaska, which is increased 25 percent to $1,284; and Hawaii which is increased 15 percent to $1,180

Source: U. S. Department of Health and Human Services, Administration for Children and Family Services, untitled draft document dated December 1994

State of Alaska
Department of Health and Social Services
Division of Public Assistance

AFDC NEED AND MAXIMUM PAYMENT STANDARDS

SSI COLA	4.2% 1/1/88	4.0% 1/1/89	4.7% 1/1/90	5.4% 1/1/91	3.7% 1/1/92	3.0% 1/1/93	*Change in Law* * 10/1/93		2.6% 1/1/94		2.8% 1/1/95	
FAMILY SIZE	Max Pymt	Max Pymt	Max Pymt	Max Pymt	Max Pymt	Max Pymt	Need Std	Max Pymt	Need Std	Max Pymt	Need Std.	Max Pymt
ADULT INCLUDED (AI)												
2	692	719	752	792	821	845	845	821	867	821	891	821
3	779	809	846	891	923	950	950	923	975	923	1002	923
4	866	899	940	990	1025	1055	1055	1025	1083	1025	1113	1025
5	953	989	1034	1089	1127	1160	1160	1127	1191	1127	1224	1127
6	1040	1079	1128	1188	1229	1265	1265	1229	1299	1229	1335	1229
7	1127	1169	1222	1287	1331	1370	1370	1331	1407	1331	1446	1331
Ea. Additional	87	90	94	99	102	105	105	102	108	102	111	102
AFDC-INCAP/AFDC-UP (AFDC-UP effective 10/1/90)												
2	599	621	648	682	705	725	845	821	867	821	891	821
3	854	887	927	976	1011	1040	950	923	975	923	1002	923
4	941	977	1021	1075	1113	1145	1055	1025	1083	1025	1113	1025
5	1028	1067	1115	1174	1215	1250	1160	1127	1191	1127	1224	1127
6	1115	1157	1209	1273	1317	1355	1265	1229	1299	1229	1335	1229
7	1202	1247	1303	1372	1419	1460	1370	1331	1407	1331	1446	1331
Ea. Additional	87	90	94	99	102	105	105	102	108	102	111	102
ADULT NOT INCLUDED (ANI)												
1	275	286	299	315	326	335	466	452	478	452	491	452
2	550	572	598	630	653	672	571	554	586	554	602	554
3	637	662	692	729	755	777	676	656	694	656	713	656
4	724	752	786	828	857	882	781	758	802	758	824	758
5	811	842	880	927	959	987	886	860	910	860	935	860
6	898	932	974	1026	1061	1092	991	962	1018	962	1046	962
7	985	1022	1068	1125	1163	1197	1096	1064	1126	1064	1157	1064
Ea. Additional	87	90	94	99	102	105	105	102	108	102	111	102
SINGLE ADULT/PREGNANT WOMAN												
1	437	453	473	498	515	530	530	514	544	514	559	514

* *Change in Law (Ch 29 SLA 1993)*

Revised 11/94

APA NEED AND MAXIMUM PAYMENT STANDARDS

SSI COLA / HOUSEHOLD TYPE	1.3% 1/1/87 Max Pymt	4.2% 1/1/88 Max Pymt	4.0% 1/1/89 Max Pymt	4.7% 1/1/90 Max Pymt	5.4% 1/1/91 Max Pymt	3.7% 1/1/92 Max Pymt	3.0% 1/1/93 Max Pymt	*Change in Law* * 10/1/93 Need Std	Max Pymt	2.6% 1/1/94 Need Std	Max Pymt	2.8% 1/1/95 Need Std	Max Pymt
A Individual	632	669	685	717	756	784	808	807	796	828	808	851	820
B Individual	523	545	567	594	626	649	668	667	657	684	665	703	673
A Couple, 1 Elig	759	791	823	862	909	943	971	970	955	995	967	1023	979
B Couple, 1 Elig	600	625	650	681	718	745	767	766	753	786	761	808	769
A Couple, Both Elig	937	976	1015	1063	1120	1161	1196	1195	1180	1226	1197	1260	1215
B Couple, Both Elig	778	811	843	883	931	965	994	993	978	1019	989	1048	1001
NH Personal Needs	70	70	75	75	75	75	75	74	75	74	75	74	75
NH 300%	1020	1062	1104	1158	1221	1266	1302	1302	–	1338	–	1374	-

* *Change in Law (Ch 29 SLA 1993)*

SSI ELIGIBILITY/PAYMENT STANDARDS

HOUSEHOLD TYPE	1.3% 1/1/87	4.2% 1/1/88	4.0% 1/1/89	4.7% 1/1/90	5.4% 1/1/91	3.7% 1/1/92	3.0% 1/1/93	*No Change* 10/1/93	2.6% 1/1/94	2.8% 1/1/95
A Individual	340	354	368	386	407	422	434	434	446	458
B Individual	226.67	236	245.34	257.34	271.34	281.34	289.34	289.34	297.34	305.34
A Couple, Both Elig	510	532	553	579	610	633	652	652	669	687
B Couple, Both Elig	340	354.67	368.67	386	406.67	422	434.67	434.67	446	458
NH Personal Needs	25	25	30	30	30	30	30	30	30	30

FEDERAL POVERTY LEVELS

	FAMILY SIZE	100% QMB SIX-UP	133% PREGNANT WOMAN HEALTHY CHILDREN	185% TRANSITIONAL MEDICAID	200% QDWI
ALASKA MONTHLY STANDARDS	1	767	1020	1419	1534
	2	1025	1364	1897	2050
	3	1284	1707	2375	
Effective 4/1/94	4	1542	2051	2853	
	5	1800	2394	3330	
	6	2059	2738	3808	
	7	2317	3082	4286	
	8	2575	3425	4764	
	Ea. Additional	259	344	478	

Legislative Research Agency

Alaska State Legislature

130 Seward Street, Suite 218
Juneau, Alaska 99801-2196

Phone: (907) 465-3991
Fax: (907) 463-3351

March 23, 1995

MEMORANDUM

TO: Senator Lyda Green

FROM: Paula d. Scavera PdS
Legislative Analyst

RE: **Participation in Public Assistance by Community with 1993 Estimated Population**
Research Request 95.170

You requested an update of previous Legislative Research memorandums which show the number of persons receiving public assistance benefits and the percent of census district populations these people represent. You asked that we use the 1993 estimated population figures from the Alaska Department of Labor in place of the 1990 census data.

Attached is a twelve-page table which shows the unduplicated numbers of persons who received public assistance payments in October 1994 from each public assistance program and the population in each community and census district. This table also shows the benefit amount paid for each program in each community for October 1994. The communities are arranged alphabetically within each census district. The 1993 estimated Alaska population figures and from the Alaska Department of Labor. The public assistance participation numbers for the month of October 1994 are from the Alaska Department of Health and Social Services.

Although October is generally the month in which public assistance participation is lowest throughout the year, the October 1994 payment schedule was used because it is the most current information available.

If you need further assistance, please contact this office.

Attachment

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
ALEUTIANS EAST															
Akutan	482	6	1,307		3	772		3	691		2		14	2,770	
False Pass	70	9	3,294			1,112		2	828		2		13	5,234	
King Cove	794	22	5,753		12	2,589		1	521		6		41	8,863	
Sand Point	1,002	28	8,303		18	7,259		3	585		10		59	16,147	
Cold Bay	120														
Nelson Lagoon	85														
Balance, Aleutians East	[illegible]														
TOTAL CENSUS DISTRICT	2,569	66	$18,657	2.56%	32	$11,732	1.26%	9	$2,625	0.35%	21	0.80%	128	$33,014	4.98%
ALEUTIANS WEST															
Atka	100	13	3,690		[illegible]	2,170		6	1,555		2		27	7,415	
Dutch Harbor		6	1,846			1,013					1		7	2,859	
Nikolski	32							3	772		2		5	772	
St. George Island	157														
St. Paul Island	636	22	5,883		9	3,871		7	1,559		9		47	11,313	
Unalaska	4,317	6	1,642		9	766		11	2,859		4		30	5,267	
Adak	4,017														
Amchitka CDP	15														
Attu	22														
Eareckson AFS	534														
Shemya (Station CDP)															
Balance, Aleutians West	19														
TOTAL CENSUS DISTRICT	9,849	47	$13,061	0.48%	24	$7,820	0.24%	27	$6,745	0.27%	19	0.19%	116	$27,626	1.18%
ANCHORAGE															
Anchorage	247,894	13,945	4,080,936		4,325	1,150,992		4,040	1,365,591		3,313		25,623	6,597,519	
Eagle River		429	124,224		59	30,254		93	31,147		108		688	185,625	
Eklutna	402														
TOTAL CENSUS DISTRICT	248,296	14,374	$4,205,160	5.79%	4,383	$1,181,246	1.77%	4,133	$1,396,738	1.66%	3,422	1.38%	26,311	$6,783,144	10.60%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
BETHEL															
Akiachak	513	81	17,627		39	11,712		37	13,861		37		194	43,200	
Akiak	299	41	5,943		43	11,593		16	3,899		14		114	21,435	
Aniak	525	52	10,939		26	7,352		15	6,387		16		109	24,678	
Atmautluak	273	81	15,965		43	17,037		17	6,703		15		157	39,705	
Bethel	5,009	415	93,900		330	69,551		119	42,876		89		952	206,327	
Chefornak	336	67	11,025		56	18,903		30	10,570		25		177	40,498	
Chuathbaluk	120	26	6,280		21	6,988		8	2,427		9		65	15,695	
Crooked Creek	122	19	5,894		21	6,410		7	3,084		12		59	15,388	
Eek	261	56	8,256		21	8,527		21	8,042		16		114	24,825	
Goodnews Bay	238	41	7,792		34	8,130		21	8,669		24		120	24,591	
Kasigluk	487	141	26,394		39	26,577		26	9,848		34		239	62,819	
Kipnuk	501	111	22,574		56	19,351		24	7,922		40		231	49,847	
Kongiganak	305	70	15,588		34	16,647		12	4,218		22		138	36,453	
Kwethluk	587	96	19,192		90	28,372		43	16,308		38		267	63,872	
Kwigillingok	319	41	10,453		34	14,954		19	6,903		29		123	32,310	
Lime Village	51	11	2,871			1,520		7	3,076				18	7,467	
Lower Kalskag	302	74	14,686		47	14,758		21	8,776		24		166	38,220	
Mekoryuk	199	26	5,373		60	7,720		18	6,966		10		114	20,059	
Napakiak	330	93	18,462		47	15,422		31	10,270		19		189	44,154	
Napaskiak	367	70	12,830		94	20,915		20	7,887		25		209	41,632	
Newtok	262	44	9,724		43	17,108		12	4,636		20		119	31,468	
Nightmute	174	30	5,446		21	7,348		10	3,808		9		70	16,602	
Nunapitchuk	426	85	14,690		60	19,673		24	9,294		25		194	43,657	
Oscarville	50							2	974		1		3	974	
Platinum	49	7	1,455		4	1,222		2	730		1		15	3,407	
Quinhagak	501	85	21,182		13	12,829		46	17,562		25		169	51,573	
Red Devil	69	7	1,744		4	796		1	543		2		15	3,083	
Sleetmute	116	26	5,934		34	6,584		12	3,973		3		75	16,491	
Stony River	63	4	1,885		17	2,868		2	778		1		24	5,531	
Toksook Bay	484	85	19,824		51	18,202		23	9,788		41		201	47,814	
Tuluksak	375	85	23,615		30	15,160		20	9,187		27		162	47,962	
Tuntutuliak	317	78	17,131		60	19,467		20	8,284		28		186	44,882	
Tununak	335	44	8,387		30	13,455		19	7,103		28		121	28,945	
Upper Kalskag	184	26	1,843		39	6,043		15	6,374		9		89	14,260	
Napaimute	2														
Balance, Aniak CSA (in Bethel)	72														
Balance, Lower Kuskokwim	12														
TOTAL CENSUS DISTRICT	14,635	2,219	$464,904	15.16%	1,541	$473,194	10.53%	720	$271,726	4.92%	718	4.91%	5,197	$1,209,824	35.51%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
BRISTOL BAY BOROUGH															
King Salmon	805	9	2,673			1,004		1	253				10	3,930	
Naknek	621	6	1,744		3	1,286		5	1,739		1		15	4,769	
South Naknek	147	3	930		3	340							6	1,270	
Balance, Bristol Bay	3														
TOTAL CENSUS DISTRICT	1,576	19	$5,347	1.19%	6	$2,630	0.37%	6	$1,992	0.38%	1	0.07%	32	$9,969	2.01%
DENALI BOROUGH															
Anderson	650	16	4,898		10	3,769		4	1,290		3		33	9,957	
Cantwell	144	3	821					1	109		1		5	930	
Healy	516	6	776		16	4,072		5	1,669		14		42	6,517	
Ferry	59														
Lignite CDP	105														
McKinley Park	182														
Balance , Denali Borough	285														
TOTAL CENSUS DISTRICT	1,941	26	$6,495	1.32%	26	$7,841	1.32%	10	$3,068	0.52%	19	0.96%	80	$17,404	4.12%
DILLINGHAM															
Aleknagik	181				6	599		6	1,767		1		13	2,366	
Clarks Point	53	6	1,731		6	2,548					3		15	4,279	
Dillingham	2,200	104	24,877		32	19,230		49	14,948		31		216	59,055	
Ekwok	93	38	9,903		24	11,082		9	2,980		2		72	23,965	
Koliganek	200	22	5,841		24	8,245		7	2,729		15		68	16,815	
Manokotak	421	28	7,751		30	11,922		15	5,000		21		93	24,673	
New Stuyahok	416	104	26,766		24	18,159		18	6,082		18		163	51,007	
Togiak	676	72	15,939		41	11,506		43	15,227		33		189	42,672	
Twin Hills	74	6	1,846		3	1,474		2	443		1		12	3,763	
Ekuk	2														
Portage Creek	6														
Balance, Dillingham	34														
TOTAL CENSUS DISTRICT	4,356	380	$94,654	8.71%	189	$84,765	4.33%	149	$49,176	3.42%	125	2.86%	842	$228,595	19.33%
FAIRBANKS NORTH STAR															
Eielson AFB	3,787	6	904		13	747		4	1,301		1		24	2,952	
Ester	195	8	2,663			427		5	1,578		1		14	4,668	
Fairbanks	33,281	2,784	822,236		1,079	241,144		885	293,840		904		5,651	1,357,220	
Fox	299	5	1,511		12	607		2	547		5		24	2,665	
Ft. Wainwright		35	6,974		202	11,787		6	2,531		16		260	21,292	
North Pole	1,502	570	168,626		177	52,360		96	32,190		245		1,088	253,176	
Salcha CDP	394	35	8,787		19	2,959		15	3,535		16		86	15,281	
Two Rivers	624	3	821		6	500		1	521		2		12	1,842	
College	12,725														
Harding Lake	31														
Moose Creek	616														
Pleasant Valley CDP	552														
Balance, Eielson Reservation CSA	11														
Balance, Fairbanks North Star	28,411														
TOTAL CENSUS DISTRICT	82,428	3,447	$1,012,522	4.18%	1,507	$310,531	1.83%	1,014	$336,043	1.23%	1,191	1.44%	7,160	$1,659,096	8.69%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

Community	1993 Estimated Pop.	Aid to Families with Dependent Children: Number of Persons	Aid to Families with Dependent Children: October 1994 Benefits	Aid to Families with Dependent Children: Percent of District Pop.	Food Stamps: Number of Persons	Food Stamps: October 1994 Benefits	Food Stamps: Percent of District Pop.	Adult Public Assistance: Number of Persons	Adult Public Assistance: October 1994 Benefits	Adult Public Assistance: Percent of District Pop.	Medicaid Only: Number of Persons	Medicaid Only: Percent of District Pop.	Total Public Assistance: Number of Persons	Total Public Assistance: October 1994 Benefits	Total Public Assistance: Percent of District Pop.
HAINES BOROUGH															
Haines	1,521	122	31,375		35	11,042		53	15,845		2		212	58,262	
Covenant Life CDP	72														
Lutak CDP	42														
Mosquito Lake CDP	98														
Balance, Haines Borough	756														
TOTAL CENSUS DISTRICT	2,489	122	$31,375	4.91%	35	$11,042	1.41%	53	$15,845	2.13%	2	0.08%	212	$58,262	8.52%
JUNEAU															
Juneau	28,822	1,103	$314,873	3.83%	320	$104,834	1.11%	371	$127,119	1.29%	390	1.35%	2,184	$314,873	7.58%
KENAI PENINSULA															
Anchor Point	1,016	137	41,861		52	12,896		34	10,521		58		281	65,278	
Clam Gulch	83	9	1,696			443		5	1,394		3		17	3,533	
Cooper Landing	261	3	821			89		3	594		2		8	1,504	
English Bay (Nanwalek)	174														
Homer	3,885	309	92,165		225	32,726		129	42,918		159		822	167,809	
Hope	154	17	3,968		6	1,158		4	774		2		29	5,900	
Kasilof	437	86	23,817		43	9,492		23	6,430		34		186	39,739	
Kenai	6,813	678	188,480		262	60,266		181	58,238		271		1,392	306,984	
Moose Pass	105	14	3,475		6	1,318		3	589		2		26	5,382	
Nikiski (Nikishka)	2,954	243	65,174		77	18,637		38	11,142		71		429	94,953	
Ninilchik	509	31	8,615		12	2,810		12	4,070		11		67	15,495	
Port Graham	177	6	1,563		9	1,131		3	871		5		23	3,565	
Seldovia	429	9	2,493			1,035		7	2,213		2		18	5,741	
Seward	2,732	152	42,999		83	17,370		79	21,134		71		385	81,503	
Soldotna	3,809	683	186,163		161	46,609		146	44,635		239		1,229	277,407	
Sterling	4,550	140	40,402		56	13,662		25	7,071		52		272	61,135	
Tyonek	143	9	1,592		21	2,199		4	1,956		2		36	5,747	
Cohoe	556														
Crown Point CDP	80														
Fox River CDP	407														
Fritz Creek	1,611														
Grouse Creek Groupd	584														
Halibut Cove	79														
Happy Valley CDP	363														
Jakalof Bay	35														
Kachemak	389														
Kalifonski	312														
Nikolaevsk CDP	435														
Primrose CDP	69														
Ridgeway CDP	2,707														
Salamatof	1,019														
Balance, Kenai-Cook Inlet CSA	7,369														
Balance, Seward CSA	665														
TOTAL CENSUS DISTRICT	44,411	2,526	$705,784	5.69%	1,015	$221,841	2.28%	696	$214,550	1.57%	984	2.22%	5,220	$1,141,675	11.75%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop	Number of Persons	October 1994 Benefits	Percent of District Pop.
KETCHIKAN GATEWAY															
Ketchikan	8,846	591	185,725		414	73,204		247	81,729		263		1,515	340,658	
Saxman	394	19	2,631		6	1,012		3	933		2		30	4,576	
Ward Cove		6	1,297		3	145		4	1,131		2		15	2,573	
Balance, Ketchikan Gateway	5,683														
TOTAL CENSUS DISTRICT	14,923	616	$189,653	4.13%	423	$74,361	2.83%	254	$83,793	1.70%	267	1.79%	1,559	$347,807	10.45%
KODIAK ISLAND BOROUGH															
Akhiok	86	9	$1,573		6	$813					1		16	2,386	
Chiniak (Cape Chiniak)	77				9	370					2		11	370	
Karluk	65	6	864		6	1,730		2	636		2		16	3,230	
Kodiak	7,428	552	134,712		454	65,041		147	49,405		248		1,402	249,158	
Larsen Bay	153	13	3,374		21	2,289		2	368		6		41	6,031	
Old Harbor	311	53	12,859		41	11,329		9	1,815		11		115	26,003	
Ouzinkie	221	28	6,628		9	4,579		7	2,696		7		51	13,903	
Port Lions	264	16	3,277		15	1,298		6	2,329		3		40	6,904	
Women's Bay CDP	693														
Kodiak Station CDP	2,016														
Balance, Kodiak Island CSA	3,698														
TOTAL CENSUS DISTRICT	15,012	677	$163,287	4.51%	561	$87,449	3.73%	173	$57,249	1.15%	281	1.87%	1,692	$307,985	11.27%
LAKE & PENINSULA BOROUGH															
Chignik	191	3	1,025		6	1,495		2	1,130		1		12	3,650	
Chignik Lake	134	31	8,585		9	5,595		2	553		6		48	14,733	
Egegik	123	6	1,642		3	194		2	628		1		12	2,464	
Igiugig	41							2	799		1		3	799	
Iliamna	98	13	3,095		15	5,769		5	2,132		8		41	10,996	
Ivanof Bay	30				3	592					1		4	592	
Kokhanok (Kokahonak)	158	38	10,718		9	8,717		8	2,665		6		61	22,100	
Levelock	109	6	1,951		21	2,406		5	1,566		9		41	5,923	
Newhalen	167	3	1,229			855					1		5	2,084	
Nondalton	231	35	11,856		18	9,884		14	5,415		7		73	27,155	
Pedro Bay	42				9	1,051							9	1,051	
Perryville	103	16	3,712		9	3,806		2	811		2		29	8,329	
Pilot Point	72	6	1,927			1,001					4		10	2,928	
Port Heiden	132	6	1,944		6	1,149		6	1,997		6		24	5,090	
Chignik Lagoon	88														
Port Alsworth	51														
Ugashik	5														
Balance, Lake & Peninsula	52														
TOTAL CENSUS DISTRICT	1,827	163	$47,684	8.95%	106	$42,514	5.81%	48	$17,696	2.63%	55	2.99%	372	$107,894	20.38%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
MAT-SU BOROUGH															
Alexander Creek	33	9	2,298			233					1		10	2,531	
Big Lake	1,736	342	101,205		92	29,542		25	8,138		43		503	138,885	
Chikaloon	241	12	3,463		9	2,036		1	362				22	5,861	
Houston	878	153	46,364		71	13,901		22	6,515		20		265	66,780	
Palmer	3,205	1,068	282,651		373	90,005		246	70,960		324		2,011	443,616	
Skwentna	127	15	5,134		9	3,298					1		25	8,432	
Sutton	340	66	18,261		25	4,347		10	3,158		5		106	25,766	
Talkeetna	289	93	27,094		25	7,722		22	6,498		11		151	41,314	
Trapper Creek	276	57	17,397		25	2,122		6	1,375		9		97	20,894	
Wasilla	4,381	2,107	583,222		733	191,858		368	110,406		409		3,617	885,486	
Willow	324	198	55,528		80	19,559		19	5,240		29		326	80,327	
Bodenburg Butte (Butte CDP)	2,344														
Chase	44														
Knik	317														
Lazy Mountain CDP	955														
Meadow Lakes CDP	2,792														
Balance, Mat-Su	27,654														
TOTAL CENSUS DISTRICT	45,936	4,121	$1,142,617	8.97%	1,442	$364,623	3.14%	719	$212,652	1.57%	852	1.85%	7,134	$1,719,892	15.53%
NOME															
Brevig Mission	243	47	10,164		59	11,597		16	6,024		12		135	27,785	
Diomede Village (Inalik)	168	28	7,804		12	1,148		8	3,009		5		53	11,961	
Elim	278	19	5,214		28	9,336		14	4,315		8		69	18,865	
Gambell	562	63	15,395		67	17,869		31	10,950		25		186	44,214	
Golovin	152	9	3,177		8	3,045		5	1,189		4		27	7,411	
Koyuk	281	44	9,520		36	9,419		17	6,231		11		108	25,170	
Nome	3,618	196	45,514		198	37,622		76	23,791		30		499	106,927	
Savoonga	556	98	22,256		138	31,154		20	7,162		22		278	60,572	
Shaktoolik	195	22	4,863		28	7,409		7	3,189		3		60	15,461	
Shishmaref	533	95	20,926		122	15,811		31	11,083		22		270	47,820	
St. Michael	298	54	10,550		40	11,875		10	3,944		16		120	26,369	
Stebbins	453	88	24,951		67	25,790		27	9,549		30		213	60,290	
Teller	264	16	3,881		16	3,651		17	6,014		5		54	13,546	
Unalakleet	730	54	13,017		16	7,180		17	6,412		7		94	26,609	
Wales	147	3	923		43	4,844		8	2,237		7		62	8,004	
White Mountain	180	28	7,863		55	8,963		11	4,767		7		102	21,593	
Council	8														
Port Clarence	28														
Solomon	6														
Balance, Nome	63														
TOTAL CENSUS DISTRICT	8,763	866	$206,018	9.88%	932	$206,713	10.64%	315	$109,866	3.59%	215	2.46%	2,328	$522,597	26.57%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

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Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
NORTH SLOPE BOROUGH															
Anaktuvik Pass	308							2	739		3		5	739	
Atqasuk (Atkasook)	240	3	502								2		5	502	
Barrow	3,986	48	13,268		48	8,894		15	6,631		48		160	28,793	
Kaktovik	226							2	934				2	934	
Nuiqsut	386	3	804			426		4	1,508		14		22	2,738	
Point Hope	704	11	2,064		13	2,463		8	2,849		10		42	7,376	
Point Lay	168					45		3	1,016		1		4	1,061	
Wainwright	535	6	1,273		3	1,875		5	2,749		1		16	5,897	
Deadhorse	22														
Prudhoe Bay	47														
Balance, Barrow-Point Hope	25														
Balance, Prudhoe Bay-Kaktovik	96														
TOTAL CENSUS DISTRICT	6,743	72	$17,911	1.06%	65	$13,703	0.96%	39	$16,426	0.58%	80	1.19%	256	$48,040	3.79%
NORTHWEST ARCTIC															
Ambler	297	65	13,681		31	11,521		10	3,357		11		117	28,559	
Buckland	380	61	13,980		80	20,532		7	2,114		20		167	36,626	
Deering	159	25	5,967		18	4,358		4	1,686		7		54	12,011	
Kiana	403	61	15,563		22	12,260		18	5,548		5		106	33,371	
Kivalina	372	43	8,775		44	12,733		18	5,457		18		123	26,965	
Kobuk	81	22	5,353		13	5,409		2	843		7		44	11,605	
Kotzebue	3,004	273	60,198		155	43,645		67	21,226		39		534	125,069	
Noatak	369	61	11,220		13	4,292		17	4,139		14		106	19,651	
Noorvik	543	75	15,074		62	17,151		20	5,795		32		189	38,020	
Selawik	640	118	23,607		66	21,839		31	10,572		27		243	56,018	
Shungnak	236	39	8,809		31	11,786		11	3,570		18		99	24,165	
Balance, Northwest Arctic	147														
TOTAL CENSUS DISTRICT	6,631	844	$182,227	12.72%	536	$165,526	8.08%	205	$64,307	3.09%	198	2.98%	1,782	$412,060	26.88%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT–1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
PRINCE OF WALES															
Coffman Cove	237	4	907		2	559		1	362		2		9	1,828	
Craig	1,512	73	21,501		35	7,923		18	5,002		27		153	34,426	
Edna Bay	80	9	3,844			1,270					4		13	5,114	
Hollis	95					299								299	
Hydaburg	422	48	10,840		20	6,390		9	3,619		13		90	20,849	
Hyder	111	12	3,811		8	1,517		3	1,086		2		25	6,414	
Kasaan	45	5	1,375		3	107					1		9	1,482	
Klawock	759	55	13,267		20	8,059		16	5,490		21		111	26,816	
Metlakatla	1,527	178	36,666		36	11,038		29	9,363		39		283	57,067	
Meyers Chuck	40				3	594		1	362		2		6	956	
Point Baker	55	2	823		8	627		8	2,721		3		22	4,171	
Port Protection	48	4	1,075		6	696		1	612				11	2,383	
Thorne Bay	618	38	9,790		11	3,716		7	1,980		13		70	15,486	
Whale Pass	97	8	1,959		6	1,033		1	362		1		16	3,354	
Annette	47														
Dora Bay CDP	61														
Labouchere Bay CDP	126														
Long Island CDP	1														
Naukati Bay CDP	262														
Polk Inlet CDP	146														
Port Alice CDP	49														
Balance, Metlakatla CSA	26														
Balance, Outer Ketchikan CSA	23														
Balance, Prince of Wales CSA	536														
TOTAL CENSUS DISTRICT	6,923	437	$105,858	6.31%	157	$43,828	2.27%	94	$30,959	1.36%	129	1.86%	817	$180,645	11.80%
SITKA BOROUGH															
SITKA	9,052	331	$104,438	3.66%	188	$41,608	2.08%	90	$40,499	0.99%	112	1.24%	721	$104,438	7.97%
SKAGWAY/HOONAH/ANGOON															
Angoon	644	59	11,904		18	5,611		11	3,712		11		100	21,227	
Elfin Cove	64							1	149				1	149	
Gustavus	301	3	798			379					1		4	1,177	
Hoonah	918	63	20,445		34	7,728		22	10,306		4		123	38,479	
Klukwan (Chilkat)	135	2	479								1		3	479	
Pelican	240				1	442		1	329		1		3	771	
Skagway	751	12	4,290		8	1,481		7	2,848		7		34	8,619	
Tenakee Springs	100	3	875		12	1,075		4	1,382		1		20	3,332	
Cube Cove	143														
Freshway Bay CDP	68														
Game Creek CDP	75														
Hobart Bay CDP	81														
Whitestone Logging Camp CDP	170														
Balance, Angoon CSA	17														
Balance, Hoonah-Yakutat	106														
TOTAL CENSUS DISTRICT	3,813	142	$38,790	3.73%	74	$16,716	1.94%	46	$18,726	1.21%	27	0.70%	289	$74,232	7.57%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

Community	1993 Estimated Pop.	Aid to Families with Dependent Children: Number of Persons	October 1994 Benefits	Percent of District Pop.	Food Stamps: Number of Persons	October 1994 Benefits	Percent of District Pop.	Adult Public Assistance: Number of Persons	October 1994 Benefits	Percent of District Pop.	Medicaid Only: Number of Persons	Percent of District Pop.	Total Public Assistance: Number of Persons	October 1994 Benefits	Percent of District Pop.
SOUTHEAST FAIRBANKS															
Chicken															
Delta Junction	693	202	48,891		67	17,428		57	16,968		49		376	83,287	
Dot Lake	86	13	3,014			1,258		9	2,631		7		29	6,903	
Eagle	166	10	2,604		32	6,341		8	2,981		7		57	11,926	
Fort Greely	1,134	3	408		29	1,994							32	2,402	
Northway (Village CDP)	111	45	11,079		3	2,435		19	8,201		16		84	21,715	
Tanacross	78	29	6,839		3	1,941		10	3,543		1		43	12,323	
Tetlin	88	19	6,765		19	5,369		12	5,192		8		59	17,326	
Tok	1,088	80	21,843		58	15,898		21	7,566		23		182	45,307	
Alcan CDP	14														
Big Delta	443														
Dry Creek CDP	100														
Eagle Village CDP (Eagle)	31														
Healy Lake	50														
Northway CDP	120														
Northway Junction CDP	104														
Balance, Southeast Fairbanks	1,888														
TOTAL CENSUS DISTRICT	6,194	401	$101,443	6.48%	212	$52,664	3.42%	136	$47,082	2.20%	112	1.81%	861	$201,189	13.91%
VALDEZ-CORDOVA															
Chenega Bay	89										2		2		
Chistochina	64								535					535	
Chitina	57	14	3,486		12	1,553		6	2,359		4		36	7,398	
Copper Center	455	112	32,492		47	18,059		36	10,694		21		215	61,245	
Cordova	2,432	60	16,892		20	7,668		29	10,122		29		138	34,682	
Gakona	100	20	3,398		6	2,183		10	3,981		3		39	9,562	
Glennallen	511	23	6,503		15	4,133		11	3,548		14		63	14,184	
Gulkana	109	6	2,105		3	1,451		1	362		1		11	3,918	
Mentasta Lake	100	19	4,385		6	1,463		3	1,072		5		34	6,920	
Slana	67	13	3,884		13	2,813		2	400		3		31	7,097	
Tatitlek	126							1	280		4		5	280	
Valdez	4,339	72	17,188		52	6,452		42	7,292		78		244	30,932	
Whittier	271	35	9,257		6	3,337		5	1,986				45	14,580	
Copperville CDP	181														
Eyak	165														
Kenny Lake	494														
McCarthy	28														
Mendaltna CDP	41														
Paxson	30														
Tazlina	93														
Tonsina	38														
Balance, Copper River CSA	667														
Balance, Cordova CSA	30														
Balance, Prince William Sound	161														
TOTAL CENSUS DISTRICT	10,648	373	$99,590	3.50%	179	$49,112	1.68%	146	$42,631	1.37%	165	1.55%	863	$191,333	8.10%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
WADE HAMPTON															
Alakanuk	602	141	[illegible]		154	43,574		28	9,620		67		390	84,980	
Chevak	645	163	[illegible]		111	38,360		32	10,052		75		381	85,640	
Emmonak	755	144	33,909		103	37,030		37	11,127		58		342	82,066	
Fortuna Ledge (Marshall)	303	56	[illegible]		26	9,535		11	4,431		23		115	25,000	
Hooper Bay	900	270	58,954		188	61,268		42	14,540		78		579	134,762	
Kotlik	514	137	[illegible]		98	36,010		21	8,476		32		288	81,710	
Mountain Village	779	174	[illegible]		60	32,502		29	9,506		39		302	78,519	
Pilot Station	512	126	25,773		107	36,137		36	14,487		40		309	76,397	
Pitkas Point	138	15	4,186			1,709		6	2,341		2		23	8,236	
Russian Mission	287	63	15,289		21	9,922		18	7,755		26		128	32,966	
Scammon Bay	422	156	32,361		73	34,163		24	7,083		26		278	73,607	
Sheldon Point	137	30	6,315		17	6,285		5	1,713		6		58	14,313	
St. Marys (Andreafsky)	478	52	12,201		39	10,373		20	7,995		35		145	30,569	
Balance, Wade Hampton	19														
TOTAL CENSUS DISTRICT	6,491	1,526	$342,771	23.51%	997	$356,868	15.36%	309	$109,126	4.76%	507	7.81%	3,339	$808,765	51.44%
WRANGELL/PETERSBURG															
Kake	758	25	8,773		15	5,610		6	1,524		10		58	15,907	
Petersburg	3,419	99	27,444		9	6,853		26	6,811		43		178	41,108	
Port Alexander	118	8	1,562		9	1,796		1	194		3		22	3,552	
Wrangell	2,659	125	39,796		45	10,948		47	12,339		43		260	63,083	
Kupreanof	24														
Rowan Bay CDP	49														
St. John's Harbor CDP															
Balance, Petersburg CSA	250														
Balance, Wrangell CSA	97														
TOTAL CENSUS DISTRICT	7,374	258	$77,575	3.50%	79	$25,207	1.07%	80	$20,868	1.08%	100	1.36%	517	$123,650	7.01%
YAKUTAT BOROUGH															
Yakutat	691	26	8,806	3.81%	1	2,317	0.14%	18	5,661	2.60%	7	1.04%	53	16,784	7.61%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
YUKON KOYUKUK															
A[illegible]ket (including Alatna)	190	6	[illegible]		32	6,039		14	5,882		11		64	13,296	
A[illegible]	85	7	[illegible]			1,329		3	1,336		1		11	4,409	
A[illegible] Village	107	36	[illegible]		35	6,569		5	1,384		3		79	17,636	
Be[illegible]	113	6	[illegible]		12	1,104		7	2,949		3		28	5,159	
Be[illegible]s (Evansville)	48	3	98					1	426		1		5	524	
B[illegible] Creek	35	10	[illegible]		3	952		1	511		1		15	3,258	
C[illegible]yitsik	92	10	[illegible]		12	2,075		6	2,271		5		32	7,438	
Circle City	98	22	5,665		16	3,614		2	724		6		47	10,003	
Clear		10	2,767		10	928		1	280		2		22	3,975	
Fort Yukon	607	81	20,802		154	20,696		36	15,144		26		296	56,642	
Galena	709	13	3,199		16	3,251		6	2,114		14		49	8,564	
Grayling	191	30	7,263		9	6,817		8	3,917		10		56	17,997	
Holy Cross	273	44	10,897		60	11,117		9	3,591		10		124	25,605	
Hughes	63				13	2,951		5	1,476		3		21	4,427	
Huslia	217	26	4,542		13	4,630		14	4,531		8		61	13,703	
Kaltag	236	13	2,155		19	5,173		16	4,993		2		50	12,321	
Koyukuk	129	3	252		6	890		6	2,507		7		23	3,649	
Livengood		6	1,096			631		2	724				8	2,451	
Manley Hot Springs	111	13	3,425		16	3,378		4	1,561		1		34	8,364	
McGrath	518	35	8,428		27	9,462		7	2,178		9		77	20,068	
Minto	217	45	10,788		32	10,097		23	8,258		7		107	29,143	
Nenana	402	106	27,082		38	14,025		22	7,262		20		186	48,369	
Nikolai	113	16	4,166			1,181		7	2,670		2		25	8,017	
Nulato	368	29	6,400		16	5,199		14	5,029		37		96	16,628	
Rampart	65				3	150		2	1,219		1		6	1,369	
Ruby	206	19	6,138		35	4,571		8	3,006		10		73	13,715	
Shageluk	166	22	4,598		43	8,254		9	3,440		6		80	16,292	
Stevens Village	89	13	4,052		72	4,005		11	4,335		3		49	12,392	
Takotna	48	6	1,357		3	597		3	919		2		14	2,873	
Tanana	351	6	1,642		16	3,598		14	5,724		11		48	10,964	
Venetie	237	52	10,509		41	9,181		22	7,746		2		117	27,436	
Wiseman	28	3	554		3	225		1	239		2		10	1,018	
Central	42														
Circle Hot Springs Station CDP	24														
Lake Minchumina	33														
Telida	11														
Balance, Koyukuk-Middle Yukon	445														
Balance, McGrath-Holy Cross	56														
Balance, Yukon Flats	84														
TOTAL CENSUS DISTRICT	6,807	692	$166,670	10.16%	704	$152,689	10.35%	289	$108,346	4.25%	230	3.38%	1,915	$427,705	28.13%

OCTOBER 1994 PUBLIC ASSISTANCE UNDUPLICATED PARTICIPATION BY COMMUNITY WITHIN CENSUS DISTRICT--1993 ESTIMATED POPULATION

		Aid to Families with Dependent Children			Food Stamps			Adult Public Assistance			Medicaid Only		Total Public Assistance		
Community	1993 Estimated Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.	Number of Persons	Percent of District Pop.	Number of Persons	October 1994 Benefits	Percent of District Pop.
TOTAL STATE	599,200	35,872	$9,867,671	5.99%	15,733	$4,113,374	2.63%	10,149	$3,411,514	1.69%	10,227	1.71%	71,981	$17,078,499	12.01%

This summary approximates the number of unduplicated persons.

AFDC persons - Roughly 70 percent of the AFDC families also receive food stamp benefits. The persons are not duplicated in the food stamp person count.
Food Stamp persons - Some Food Stamp persons reside in AFDC households but do not receive AFDC cash assistance.
Food Stamp benefits - Includes the total cash equivalent value of food stamps issued to AFDC families, Food Stamp-only households, and APA recipients.
Medicaid-only persons - Medicaid-only persons are certain groups of people who are not eligible for cash assistance (AFDC or APA) but who qualify for Medicaid.

Note: Numbers may not add due to rounding. Individuals whose exact location could not be identified were prorated among communities by the Department of Health and Social Services.

STATE	INITIATIVE	KEY DATES
RECEIVED	23 applications from 22 States	
Arkansas	Eliminate increased AFDC benefits for additional children; provide special counseling to 13 17 year olds and require participation in educational activity.	Received 1/14/93 Approved 4/5/94
California	Implement Cal Learn, a Learnfare program that provides both bonuses and sanctions. Increase the resource limit to $2,000 and the automobile exemption to $4,500 and allow savings of up to $5,000 in restricted accounts. Create an Alternative Assistance Program that allows AFDC applicants and recipients with earned income to choose Medicaid and Child Care Assistance in lieu of a cash grant. Implement multiple reforms to the GAIN (JOBS) program.	Received 9/29/93 Approved 3/1/94
Colorado	Establish a 2 year time limitation sanction for non cooperative employable AFDC adults; consolidate AFDC, Food Stamp, and Child Care benefits into a single comprehensive benefits package; disregard a portion of all earned income, replacing all current income disregards; require all AFDC households with children under the age of 24 months to have current immunization, failure to comply will result in a financial sanction; provide incentives to participants who graduate from high school or obtain a GED; exempt the asset value of one care; and increase the resource limit to $5,000 for those families with an able-bodied adult who is employed or has been employed within the last 6 months.	Received 6/30/93 Approved 1/13/94

STATE	INITIATIVE	KEY DATES
Connecticut	Statewide: expand AFDC-UP eligibility; change filing unit requirements; increase motor vehicle and asset limits; eliminate 185 percent of need test; disregard student earnings; increase earned income disregards; redirect support payments to the AFDC family; extend transitional child care and Medicaid benefits; change voluntary quit policy to comply with Food Stamp policy; various JOBS program changes, including: 1-year post AFDC case management; require 20 hrs participation of parents with children under 6; change sanction; change limit on job search; in pilot sites, require work activity after two years of AFDC; eliminate most JOBS exemptions; establish a child support assurance program.	Received 12/30/93 Approved [illegible]/29/94
Florida	With some exceptions, limits AFDC benefits to 24 months in any 60 month period followed by participation in transitional employment. Replaces current $90 and $30 and one third disregards with single, non time-limited disregard of $200 plus one half reminder; disregards income of a stepparent whose needs are not included in the assistance unit for the first 6 months of receipt of public assistance; excludes interest income in determining benefits, lowers age of child for JOBS exemption to 6 months, raises asset limit to $5,000 plus a vehicle of reasonable worth used primarily for self-sufficiency purposes; and extends transitional Medicaid and child care benefits. Eliminates 100 hour and required quarters of work rules, and (on a case by case basis) the 6 month time limit requirements in the AFDC-UP program. Requires school conferences, regular school attendance, and immunizations.	Received 9/21/93 Approved 1/27/94
Georgia	Provide family planning and parenting services; eliminate increased AFDC benefit for additional children conceived while receiving AFDC; require able bodied adults to accept full time employment if they are not caring for children under 14.	Received 5/18/93 Approved 11/1/93

STATE	INITIATIVE	KEY DATES
Hawaii	Place individuals on waiting list for placement in employment and training components under JOBS in On the Job Training (OJT) positions.	Received 11/3/93 Approved 6/24/94
Illinois	Change earnings disregards and increase gross income test.	Received 8/2/93 Approved 11/23/93
Indiana	Statewide, for up to 12,000 job-ready AFDC adult recipients, measured at any point in time: limit AFDC cash benefits to 24 consecutive months; extend grant diversion to up to 24 months; freeze AFDC benefits for up to 24 months for working recipients at the payment level in effect at entry into employment; increase the AFDC resource limit to $1,500; extend post-employment supportive services (e.g., case management); and increase sanctions for failure to comply with JOBS program requirements. For all AFDC families statewide: eliminate the incremental increase in AFDC benefits for additional children conceived on welfare and not count such additional children for purposes of the JOBS exemption for the care of a child under age 3; establish fiscal sanctions for voluntarily terminating employment; require AFDC applicants and recipients to sign a personal responsibility agreement; eliminate the 100 hour rule for AFDC-UP; require children to attend school and to be immunized; eliminate the JOBS exemptions for recipients living in rural or hard-to-access areas and those employed 30 or more hours per week; establish food stamp eligibility periods that are consistent with those in AFDC and Medicaid; for the purposes of determining food stamp eligibility and benefits, disregard child support payments and earnings for a 6 month period following the initiation of employment; and require Food Stamp Program fair hearing requests to be in writing. Also, in up to 5 counties, the State will implement Emergency Assistance pilots.	Received 6/21/94 Approved 12/15/94

STATE	INITIATIVE	KEY DATES
Iowa	Multi-faceted proposal including: changes in income disregards, increased resource limits, limiting JOBS exemptions, extending child care transitional benefit to 24 months, requiring most parents to develop self-sufficiency plan which includes individually based time frame for achieving self sufficiency. Those unable to achieve self-sufficiency, but demonstrating effort and satisfactory performance, will have their time frames extended; those failing to do so, or choosing not to develop a plan, can be terminated from AFDC and cannot re-apply for 6 months.	Received 4/29/93 Approved 8/13/93
Michigan	Eliminate deprivation as eligibility factor; remove certain AFDC and Food Stamp Program restrictions on self-employment business income and assets; exclude one vehicle of any value; require immunization of pre-school-age AFDC children; allow federal funding for visitation and custody services provided by the child support enforcement agency; pilot applicant job search; eliminate JOBS exemptions; and change sanction under the JOBS to 25% of AFDC and Food Stamp benefits for the first 12 months of non-compliance and loss of family's AFDC benefits after 12 months of non participation.	Received 3/8/94 Approved 10/6/94
Mississippi	Implements three component demonstration. - a statewide component and two components implemented in pilot counties. Statewide component would require school attendance and immunizations, and would eliminate work force and hours-of-work requirements for UP cases. The Work First component (6 counties) cashes-out food stamps and provides program participants with short term subsidized public or private OJT at State minimum wage and supplemental payments to offset any loss of benefits, provide participants with work place mentoring and other support services, create employer-funded "individual education accounts," and distribute child support collections directly to custodial family. Also, non-custodial non-working parents may by State law have to participate in JOBS and Work First. The Work Encouragement Component (2 counties) removes the time limit on the $30 and 1/3 earned income disregard and raises the percent of deficit paid in AFDC grant from 60% to 100%.	Received 12/10/93 Approved 12/22/93

STATE	INITIATIVE	KEY DATES
New York	Provide payments for one time work-related expenses or other services, or child care, in lieu of AFDC benefits; modify allowable work experience, job training and other employment activities in addition to job search for AFDC and food stamp applicants and recipients; consolidate and streamline food stamp and AFDC eligibility requirements, including expansion of AFDC UP eligibility; provide incentives for children to attend school; make unemployed non custodial parents of children of AFDC applicants eligible for JOBS services; and encourage start up of microenterprises.	Received 6/7/94 Approved 10/19/94
North Dakota	Would make women in their first and second trimester of pregnancy eligible for AFDC.	Received 8/19/93 Approved 4/11/94
Oklahoma	Require school attendance of AFDC recipients aged 13-18.	Received 12/28/92 Approved 1/25/94
Oregon	Provide program participants with short term subsidized public or private OJT at State minimum wage and supplemental payments to offset any loss of benefits, provide participants with workplace mentoring and other support services, create employer-funded "individual education accounts," and distribute child support collections directly to custodial family. Modify eligibility computation and income disregard, and increase resource limitation to $10,000 for program participants.	Received 10/28/93 Approval 9/19/94

STATE	INITIATIVE	KEY DATES
Pennsylvania	Participants would enter into written agreement intended to move them to employment. In the third month of employment, recipient families would receive a benefit consisting of an AFDC payment plus the cash equivalent of the family's Food Stamps allotment; AFDC earned income disregards and Food Stamps deductions would be replaced with a deduction of $200 plus 30 percent; resource limits would rise in from $2,000 to $5,000; and recipients could exclude the equity value of one vehicle up to $7,500 as well as tax refunds and deposits into educational and retirement accounts. AFDC-UP eligibility and work activity requirements would be eliminated, and full time students through age 20 could receive AFDC. Child care providers would receive direct payment to cover the cost of care up to the established local market rate ceiling. Transitional Child Care and Medicaid would be provided to families with earned income up to 235 percent of poverty and case management services for such families may continue for 12 months after assistance. Transitional Medicaid for cases closed due to receipt of child support would be extended to 12 months.	Received 2/18/94 Approved 11/3/94
South Dakota	Time limits AFDC cash benefits for 24 months for those assigned to employment readiness track and for 60 months for those in training track followed by required employment or volunteer service; makes full family ineligible for 3 months for voluntarily quitting employment; provides one month transitional allowance after case closes due to earnings; disregards earned income and other assets of full time students.	Received 8/6/93 Approved 3/14/94
Vermont	Require participation in subsidized employment after 30 mo for AFDC and 15 mo for AFDC-UP cases, broaden AFDC-UP eligibility, change earnings disregards, change JOBS exemptions, disburse child support to AFDC family, require most minors to live in supervised setting, extend eligibility in child only cases.	Received 10/27/92 Approved 4/12/93

STATE	INITIATIVE	KEY DATES
Virginia	Includes 4 project components: 1) Recipients on AFDC for at least 2 years who meet other criteria can volunteer to be considered for jobs expected to pay $15-18,000/yr. Training stipends equal to AFDC will be paid initially. 2) Provide additional 24 mo. child care and Medicaid transition benefits. 3) Establish a child support insurance program for those leaving AFDC due to earnings. 4) Change method of counting step parent income when AFDC recipient marries; increase resource limit to $5,000 for education and housing purposes; extend AFDC eligibility to full time students until age 21.	Received 7/13/93 Approved 11/23/93
Wisconsin	AFDC and cashed out food stamps benefits are combined into one Work Not Welfare (WNW) payment with benefits limited to 24 monthly payments and 12 months of transition benefits within a 48 month period; after 24 months of payments no additional cash payments are available for 36 months unless an exemption is granted. The WNW benefit must be "earned" by participation in education, training or work related activities and in most cases benefits do not change between eligibility determinations as income changes. The AFDC portion of the WNW payment for children conceived after first receiving a WNW payment is not increased unless a child was conceived after not receiving a WNW payment for six months; child support collections are paid directly to the family; the 100 hour rule is eliminated for AFDC-UP cases; and earned income disregard of $30 and 1/3 is replaced by continuous disregard of $30 and 1/6.	Received 7/14/93 Approved 11/1/93
Wisconsin	Eliminate increased AFDC benefit for additional children conceived while receiving AFDC.	Received 2/9/94 Approved 6/24/94

STATE	INITIATIVE	KEY DATES
Wyoming	Require able-bodied AFDC applicants and recipients to work or perform community service, require school attendance for those 16 and over, change sanction penalties for non compliance with work requirements, increase resource limit for employed families, limit or eliminate AFDC benefits in certain cases where recipient is in post-secondary ed. program, and provide JOBS to non custodial parents court-ordered to participate. ALSO SEE DENIED SECTION BELOWDenied additional waiver request to provide lesser of benefit for Wyoming or prior state of residence for 12 months for new residents.	Received 5/20/93 Approved 9/1/93
DENIED	3 Applications from 3 States	
Illinois	Would have paid lesser of previous State of Illinois benefit for 12 months for new residents.	Received 10/7/92 Denied 8/3/93
Massachusetts	Require JOBS participants to pay co-payment for child care.	Received 1/14/93 Denied 9/15/94
Wyoming	Provide lesser of benefit for Wyoming or prior state of residence for 12 months for new residents.	Received 5/20/93 Denied 9/1/93

STATE	INITIATIVE	KEY DATES
WITHDRAWN OR REVIEW TERMINATED		
Illinois	Provide incentives for school attendance; require participation in a Community Service Corps (CSC) for those with children under 3; provide wage subsidy for up to 6 months after completing CSC.	Received 10/7/92
Ohio	Increase automobile asset limit to $6000.	Received 10/13/93
		— Withdrawn 4/18/94
South Carolina	Provides for work experience at for-profit sites, disregard of training allowances, changes to earnings disregards. State developing alternative proposal.	Received 12/9/92
		— Withdrawn 11/4/93
Texas	Would extend AFDC benefits to two parent families without regard to labor force attachment or number of hours worked.	Received 9/29/93
	Review terminated because State would not accept cost neutrality provisions.	— Terminated 4/18/94
	In three pilot counties, replaces current earned income disregards for AFDC families headed by teen parent(S) with fill the gap earned income disregard.	
	Review terminated because State would not accept cost neutrality provisions.	

STATE	INITIATIVE	KEY DATES
RECEIVED	27 Applications from 20 States	
Arizona	Statewide, would not increase benefits for additional children conceived while receiving AFDC; limit benefits to adults to 24 months in any 60 month period; allow recipients to deposit up to $200/month (with 50% disregarded) in Individual Development Accounts; require minor mothers to live with parents; extend Transitional Child Care and Medicaid to 24 months and eliminate the 100-hour rule for AFDC-U cases. Also, in a pilot site, would provide individuals with short term subsidized public or private OJT subsidized by grant diversion which includes cashing out Food Stamps.	Received 8/3/94
California	Statewide, would amend Work Pays Demonstration Project by adding provisions to: reduce benefit levels by 10% (but retaining the need level); reduce benefits an additional 15% after 6 months on assistance for cases with an able bodied adult; time limit assistance to able bodied adults to 24 months, and not increase benefits for children conceived while receiving AFDC.	Received 3/14/94
California	Statewide, would make AFDC and Food Stamp policy more compatible by making AFDC households categorically eligible for Food Stamps; allowing recipients to deduct 40 percent of self-employment income in reporting monthly income; disregarding $100 per quarter in non recurring gifts and irregular/infrequent income; disregarding undergraduate student assistance and work study income if payments are based on need; reinstating food stamp benefits discontinued for failure to file a monthly report when good cause is found for the failure; and simplifying vehicle valuation methodology.	Received 75/23/94
California	Would amend the Assistance Payments Demonstration Project by: excepting certain categories of AFDC families from the State's benefit cuts; paying the exempt cases based on grant levels in effect in California on November 1, 1992; and renewing the waiver of the Medicaid maintenance of effort provision at section 1902(c)(1) of the Social Security Act, which was vacated by the Ninth Circuit Court of Appeals in its decision in Beno v. Shalala.	Received 8/26/94
California	Statewide, would amend the Work Pays Demonstration Project by adding provisions to not increasing AFDC benefits to families for additional children conceived while receiving AFDC.	Received 11/9/94

STATE	INITIATIVE	KEY DATES
California	In San Diego County, require AFDC recipients ages 16-18 to attend school or participate in JOBS.	Received 12/5/94
California	Statewide, would require 100 hours CWEP participation per month for JOBS mandatory individuals who have received AFDC for 22 of the last 24 months and are working fewer than 15 hours per week after two years from JOBS assessment and: have failed to comply with JOBS without good cause, have completed CWEP or are in CWEP less than 100 per month, or have completed or had an opportunity to complete post-assessment education and training; provide Transitional Child Care and Transitional Medicaid to families who become ineligible for AFDC due to increased assets or income resulting from marriage or the reuniting of spouses; increase the duration of sanctions for certain acts of fraud.	Received 12/28/94
Georgia	In 10 pilot counties would operate Work for Welfare Project which would require every recipient and non supporting parent to work 20 hours per month in a state, local government, federal agency or nonprofit organization; extends job search; and increases sanctions for JOBS noncompliance. On a statewide basis, would increase the automobile exemption to $4,500 and disregard earned income of children who are full-time students.	Received 6/30/94
Kansas	Statewide, would, after 30 months of participation in JOBS, make adults ineligible for AFDC for 3 years; replace $30 and 1/3 income disregard with continuous 40% disregard; disregard lump sum income and income and resources of children in school; count income and resources of family members who receive SSI; exempt one vehicle without regard for equity value if used to produce income; allow only half AFDC benefit increase for births of a second child to families where the parent is not working and eliminate increase for the birth of any child if families already have at least two children; eliminate 100 hour rule and work history requirements for UP cases; expand AFDC eligibility to pregnant women in 1st and 2nd trimesters; extend Medicaid transitional benefits to 24 months; eliminate various JOBS requirements, including those related to target groups, participation rate of UP cases and the 20 hour work requirement limit for parents with children under 6; require school attendance; require minors in AFDC and NPA Food Stamps cases to live with a guardian; make work requirements and penalties in the AFDC and Food Stamp programs more uniform; and increase sanctions for not cooperating with child support enforcement activities.	Received 7/26/94

STATE	INITIATIVE	KEY DATES
Maine	In 6 counties, would increase participation in Work Supplementation to 18 months; use Work Supplementation for any opening; use diverted grant funds for vouchers for education, training or support services; and extend transitional Medicaid and child care to 24 months.	Received 8/5/94
Maryland	Statewide, eliminate increased AFDC benefit for additional children conceived while receiving AFDC and require minor parents to reside with a guardian. In pilot site, require able-bodied recipients to do community service work after 18 months of AFDC receipt; impose full family sanction on cases where JOBS non-exempt parent fails to comply with JOBS for 9 months; eliminate 100 hour rule and work history requirements for AFDC-UP cases; increase both auto and resource limits to $5000; disregard income of dependent children; provide one time payment in lieu of ongoing assistance; require teen parents to continue education and attend family health and parenting classes; extend JOBS services to unemployed non-custodial parents; and for work supplementation cases cash-out food stamps.	Received 3/1/94
Massachusetts	Statewide, would end cash assistance to most AFDC families, requiring recipients who could not find full time unsubsidized employment after 60 days of AFDC receipt to do community service and job search to earn a cash "subsidy" that would make family income equal to the applicable payment standard; provide direct distribution of child support collections to, and cash out food stamps for, those who obtain jobs; continue child care for working families as long as they are income eligible (but requiring sliding scale co-payment); restrict JOBS education and training services to those working at least 25 hours per week; extend transitional Medicaid for a total of 24 months; and require teen parents to live with guardian or in a supportive living arrangement and attend school.	Received 3/22/94
Missouri	Statewide, would require minor parents to live at home or in other adult supervised setting; disregard parental income of minor parents if less than 100% of Federal Poverty Guidelines; disregard earnings of minor parents if they are students; provide option to standard filing unit requirements for households with minor parents; eliminate work history and 100 hour rule for two-parent families under 21 yrs old; exclude the value of one automobile. Submission indicates additional provisions may be added to project later - see section on "Anticipated" waivers.	Received 8/15/94

STATE	INITIATIVE	KEY DATES
Montana	Statewide, would establish: (1) Job Supplement Program consisting of a set of AFDC-related benefits to assist individuals at risk of becoming dependent upon welfare; (2) AFDC Pathways Program in which all applicants must enter into a Family Investment Contract and adults' benefits would be limited to a maximum of 24 months for single parents and 18 months for AFDC-UP families; and (3) Community Services Program requiring 20 hours per week for individuals who reach the AFDC time limit but have not achieved self sufficiency. The office culture would also be altered in conjunction with a program offering a variety of components and services; and simplify/unify AFDC and Food Stamp intake/eligibility process by: 1) eliminating AFDC deprivation requirement and monthly reporting and Food Stamp retrospective budgeting; 2) unifying program requirements; 3) simplifying current income disregard policies. Specific provisions provide for cashing out food stamps, expanding eligibility for two parent cases, increasing earned income and child care disregards and resource limits, and extending transitional child care.	Received 4/19/94

STATE	INITIATIVE	KEY DATES
Nebraska	Statewide, would assign recipients with mental, emotional or physical barriers to self sufficiency or who do not have parental responsibility for the children to a Non-Time Limited Program and require all other recipients to choose either a Time-Limited, High Disregards Program or a Time Limited, Alternative Benefit Program. Under all three programs would eliminate increase in benefits for birth of children conceived while receiving AFDC; raise resource limits to $5,000 and exclude the value of one vehicle; require school attendance; deem, to the family, income of parents living with a minor parent in excess of 300% of the poverty level, but where minor parent lives independently, secure support from the minor's parents. Under the Time Limited, High Disregards Program, would provide cash assistance for a total of 24 months during a 48 month period (with provisions for certain exemptions and extensions); cash out Food Stamps; reduce AFDC payments, but replace earned income disregards with a disregard of 60% of earned income; require all adult wage earners to participate in educational job skills training, work experience, intensive job search, or employment; make employment a JOBS component, but only for a job deemed to lead to self-sufficiency; extend job search requirements; require both parents in two-parent families to participate in JOBS; impose first JOBS sanction for a least one month, the second for at least 90 days and the third permanently; extend transitional Medicaid and child care to 24 months; eliminate 100 hour rule and work place attachment requirements for AFDC-UP cases. Under the Time-Limited, Alternative Benefit Program the same provisions would apply except that recipients of this program would have somewhat higher benefits, but with the current earned income disregards.	Received 10/4/94
New Hampshire	AFDC applicants and recipients would have the first $200 plus 1/2 the remaining earned income disregarded.	Received 9/20/93
New Mexico	Would increase vehicle asset limit to $4500; disregard earned income of students; develop an AFDC Intentional Program Violation procedure identical to Food Stamps; and allow one individual to sign declaration of citizenship for entire case.	Received 7/7/94

STATE	INITIATIVE	KEY DATES
North Dakota	Would require families to develop a social contract specifying time limit for becoming self-sufficient; combine AFDC, Food Stamps and LIHEAP into single cash payment with simplified uniform income, expense and resource exclusions; increase income disregards and exempt stepparent's income for six months; increase resource limit to $5000 for one recipient and $8000 for families with two or more recipients; exempt value of one vehicle; eliminate 100 hour rule for AFDC-UP; impose a progressive sanction for non-cooperation in JOBS or with child support; require a minimum of 32 hours of paid employment and non paid work; require participation in EPDST; and eliminate child support pass through.	Received 9/9/94
Ohio	Three demonstration components proposed would test provisions which: divert AFDC and Food Stamp benefits to a wage pool to supplement wages of at least $8/hour; eliminate 100 hour rule for UP cases; provide fill-the-gap budgeting for 12 months from month of employment; increase child support pass through to $75; provide a one-time bonus of $150 for paternity establishment; provide an additional 6 months of transitional child care; increase automobile asset limit to $4500 equity value; require regular school attendance by 6 to 19 year olds; continue current LEAP demo waivers (i.e., eliminate many JOBS exemptions and provide incentive payments and sanctions), and disregard JTPA earnings without time limit.	Received 5/28/94
Oklahoma	In six counties, would eliminate 100 hour rule for UP cases; increase auto asset level to $5000; time limit AFDC receipt to cases with non-exempt JOBS participants to 36 cumulative months in a 60 month period followed by mandatory workfare program; provide intensive case management; and apply fill-the-gap budgeting.	Received 2/24/94
Oregon	Statewide, would provide transitional child care benefits without regard to months of prior receipt of AFDC and provide benefits for 24 months.	Received 8/8/94
Oregon	Statewide, would increase automobile asset limit to $9000.	Received 11/12/93
Pennsylvania	In 7 sites, would require school attendance as condition of eligibility.	Received 9/12/94

STATE	INITIATIVE	KEY DATES
Pennsylvania	Statewide, would exempt as resources college savings bonds and funds in savings accounts earmarked for vocational or secondary education and disregard interest income earned from such accounts.	Received 12/29/94
South Carolina	In pilot sites, would increase earned income disregards; disregard earned income of children, interest, dividends, and payments by the Employment Security Commission or DOD, and allow stepparents same earnings disregard as recipients; relax parental deprivation requirements for AFDC-U cases; disregard the cash value of one vehicle and life insurance and increase resource limit to $3000; and require participants to comply with individualized, time limited, self-sufficiency plan as a condition of welfare receipt, placing recipients in public or private work experience if an unsubsidized job is not found.	Received 6/13/94
Virginia	Statewide, would provide one time diversion payments to qualified applicants in lieu of AFDC; change first time JOBS non-compliance sanction to a fixed period of one month or until compliance and remove the conciliation requirement; require paternity establishment as condition of eligibility; remove good cause for non-cooperation with child support and exclude from AFDC grant caretakers who cannot identify, misidentify, or fail to provide information on the father; require minor parents to live with an adult guardian; require AFDC caretakers without a high school diploma, aged 24 and under, and children, aged 13-18, to attend school; require immunization of children; allow $5000 savings for starting business; and increase the eligibility for Transitional and At Risk Child Care. Also, require non-exempt participants to sign an Agreement of Personal Responsibility as a condition of eligibility and assign to a work site under CWEP for a number of hours determined by dividing AFDC grant plus the value of the family's Food Stamp benefits by the minimum wage; eliminate increased AFDC benefit for additional children born while a family received AFDC; time limit AFDC benefits to 24 consecutive months; increase earned income disregards to allow continued eligibility up to the federal poverty level; provide 12 months transitional transportation assistance; modify current JOBS exemption criteria for participants; and eliminate the job search limitation. In 12 sites, would operate sub-component paying wages in lieu of AFDC benefits and Food Stamps for CWEP and subsidized employment, extend transitional Medicaid; plus other provisions.	Received 12/2/94

STATE	INITIATIVE	KEY DATES
Washington	Eliminate 100-hour rule and work history requirements for AFDC-UP cases and subtract client earnings from 55 percent of the State need standard rather than the payment standard.	Received 11/16/93

IMPACTING

Families Through Work:

APPROVED

Partnership for Personal Responsibility

Sent To You By
Legislative Research Agency

State of Indiana

Evan Bayh, Governor

December 15, 1994

OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

December 15, 1994

Fellow Hoosiers:

Acre by acre, and brick by brick, Hoosiers have worked hard building our beloved state for over 175 years. Together, we have succeeded in creating an economy and a society that today is envied by so many others.

Through good times and bad, Hoosiers have persevered because we remain committed to the same core values that guided our state's founders so many years ago: The dignity of hard work, a deep belief in family, a commitment to community, and the importance of assuming personal responsibility.

When looking for solutions to the long-standing problems of welfare, the time has come to commit ourselves — not to some new bureaucratic initiative — but to something tried and true: the same core values that have made our state great.

Regrettably the current welfare system is inconsistent with these values. Today welfare encourages dependence, not independence. It undermines the dignity of hard work. And, causing irreparable damage, welfare provides incentives to tear families apart. It is a system that does not work.

Indiana's welfare reform plan will make work pay, encourage family unity, build our communities, and demand personal responsibility.

I am pleased the federal government approved our plan to fix the welfare system, and make it consistent with the same values Hoosiers have always cherished.

Sincerely,

Evan Bayh

OFFICE OF THE GOVERNOR

INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

For immediate release: Thursday, December 15, 1994

GOVERNOR BAYH ANNOUNCES COMPREHENSIVE WELFARE REFORM PACKAGE;
PLAN WILL CUT WELFARE ROLLS IN HALF

Governor Evan Bayh said today his administration has won approval of the most aggressive and comprehensive welfare reform program in the United States.

"Indiana's welfare reform program ensures that those who can work, will work," Governor Bayh said. "It will change welfare from a system that focuses on writing welfare checks to one that makes able-bodied people earn paychecks."

"We are affirming the core values Hoosiers share - work, family, opportunity and responsibility - in an aggressive, but fair manner," the governor said. "Indiana's welfare reform program makes work pay and provides assistance families need to move from dependence to independence."

The governor's reform program, consisting of 42 waivers to federal regulations governing welfare, was submitted to the federal government in June, 1994. The U.S. Department of Health and Human Services notified the state today that the majority of individual waivers are approved. Several of the requested waivers dealing with administrative matters could not be granted without changes to federal law while the others can be implemented with state plan amendments.

"No state has such a statewide, comprehensive approach to welfare reform as Indiana is taking, beginning today," Governor Bayh said.

Features of the welfare reform program include:

* Time limited (24 months) assistance provided to certain Aid to Families with Dependent Children recipients while they look for work.

* A family cap, halting increases in cash benefits for children born more than 10 months after a family begins receiving AFDC.

* Requiring all AFDC applicants to sign a Personal Responsibility Agreement that ties AFDC payments to specific promises by the recipients, including promises that their children will attend school and receive appropriate vaccinations against disease at the appropriate age.

* Allowing eligible AFDC recipients to earn a paycheck without immediately losing necessary support services such as health care.

* Sanctions for those who abuse the system, including permanent ineligibility for individuals convicted of welfare fraud.

* Private sector job placement and extended wage supplements.

* Minor parents required to live with parent or responsible adult.

* Immunization of children required on schedule or parents lose $90/month.

* Children must attend school or parents lose $90/month.

* All children will retain all Medicaid eligibility regardless of parent non-compliance.

Governor Bayh saluted both Democratic and Republican legislators who have worked closely with the administration to fashion a program with bipartisan support. "This has been a long and arduous process, but this new approach to getting people off of welfare and back to work incorporates ideas and suggestions from both Republican and Democratic legislators," the governor said, pointing out that legislators from both parties have been instrumental in fashioning the program that has received federal approval. "I will continue to meet with our bipartisan task force and look forward to pursuing our program in the General Assembly."

During the next seven years, the governor's welfare program will achieve more than $140 million in savings and move approximately 37,000 adults to self-sufficiency, reducing the welfare rolls by nearly 50 percent. There are currently 70,505 adult AFDC recipients.

Under the governor's program, 9,000 to 12,000 AFDC adult recipients will participate in the IMPACT program's job placement track at any given time. From the date recipients are placed in this track, they will receive a maximum of 24 months of AFDC assistance and 12 additional months of transitional child care and transitional Medicaid benefits. At the end of this time period, recipients must wait three years before applying for AFDC.

IMPACT will demand that participants engage in intensive case management and job placement. Vocational and educational training will be provided only as needed. The number one priority will be to connect recipients to jobs.

Adults with the ability and circumstances that allow them to work will get no benefits if they refuse to move toward self-sufficiency. AFDC and Medicaid benefits for children of those adults, however will continue.

All AFDC applicants and recipients will sign a Personal Responsibility Agreement, beginning in January. Preparation for the 24-month time limited assistance portion of the welfare reform program is underway. Full implementation will begin no later than July 1, 1995.

The governor also restated his support for legislation that would insure that township trustees have the right to deny taxpayer money to those who have refused a job under the governor's welfare reforms.

"Indiana's trustees share our goal of putting people to work, and we want to do whatever it takes to give them the legislation they need to protect taxpayers," the governor said. He noted that members of his reform team have been consulting regularly with members and leadership of the Township Trustee Association.

"Indiana's welfare reform program is based on the belief that work is the best social program ever devised," Governor Bayh said. "It is the foundation on which we will strengthen our families and communities."

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Steve Campbell 317-232-1012
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OBJECTIVES OF INDIANA'S WELFARE REFORM

The objectives of Governor Evan Bayh's welfare reform are:

✓ To help all AFDC recipients become employed and self-sufficient through acceptance of personal responsibility for themselves and their families.

✓ To make work more financially rewarding than public assistance.

✓ To make public assistance temporary, not a permanent way of life.

✓ To develop a partnership between business and government to stimulate economic development to increase the capacity for new jobs.

✓ To develop a partnership between the public assistance recipient and government to ensure that a recipient's individual commitment to self-sufficiency complements the efforts of government to provide basic opportunities during the public assistance period.

✓ To punish abuses of the system by those who do not accept responsibility for themselves and their families.

> "Indiana's welfare reform plan gives those on public assistance both the opportunity and strong incentive to become self-sufficient."
>
> Evan Bayh, Governor

INDIANA'S WELFARE REFORM MOST AGGRESSIVE IN THE NATION

	Georgia	Illinois	**Indiana**	Michigan	New Jersey	Wisconsin
Statewide	✓		✔		✓	
Time Limited Benefits			✔	✓		✓
Family Cap	✓		✔		✓	✓
Personal Responsibility Agreement			✔	✓		
Extended Grant Diversion			✔			
Immunization for Children			✔	✓		
Minors Live at Home			✔			
Mandatory School Attendance			✔			✓
100 Hour Rule		✓	✔	✓		✓
Quits Employment			✔			
More Aggressive Sanctions	✓		✔	✓	✓	✓
Resource Limits		✓	✔	✓	✓	✓
Local Government Partnerships			✔			✓
Decrease in Bureaucratic Processing			✔			
Elimination of JOBS' Exemptions			✔	✓	✓	

FSSA 12/15/94

EXECUTIVE SUMMARY

Public assistance should be a process to self-sufficiency, with a work ethic and temporary help focus. It begins with the reasonable expectation that a family's request for public assistance is a request for temporary help, and with the understanding that self-sufficiency is a personal responsibility and not an obligation of the government.

A critical component of reforming public assistance must be to stress self-sufficiency through employment. Private businesses should be asked to play a role in developing new jobs to provide an expanded base for our communities. Businesses may be particularly well-suited to form partnerships with government to enhance economic development efforts that provide employment to public assistance recipients. This will enable recipients to receive a paycheck from an employer, instead of a handout from government

Through the Partnership for Personal Responsibility, employers will be encouraged to hire public assistance recipients through subsidies equivalent to recipients' AFDC payments. The advantage to the employer is the employment of an employee at a subsidized rate. The recipient is given an opportunity to earn wages for work with a potential for permanent employment.

No appointment is necessary to get this process in motion. It is an opportunity for Family and Social Services Administration employees to help a family refocus its direction and begin to eliminate the barriers that brought about the need for help.

Those needing state assistance through the Aid to Families with Dependent Children program will get an appointment for a first interview... an intake session. This will include assessment of the family's needs and strengths. No benefits will be granted until an applicant signs an agreement promising to do everything possible to work toward self-sufficiency and provide a healthy and safe environment for children. This Personal Responsibility Agreement ties welfare payments to specific promises by the recipient.

The agreement states that the family receives no additional payments for any children born while the mother is receiving AFDC. Minors who are parents or who are pregnant will promise to live with their parents or in some other adult supervised setting.

All recipients will promise to make certain their children receive all appropriate vaccinations against disease at the appropriate age.

All will promise also to accept any reasonable employment as soon as it becomes available. They also must agree to follow an individual Self-Sufficiency plan. This is an action plan that will be developed by the family and the caseworker.

Returning to Welfare

Most who leave but return to welfare do so within a year.

EXECUTIVE SUMMARY (Cont.)

IMPACT is Indiana's version of federal JOBS legislation. An estimated 12,000 people per year will participate in the IMPACT self-sufficiency program. Allowing for turnover in the program, about 9,000 will be participating at any given time.

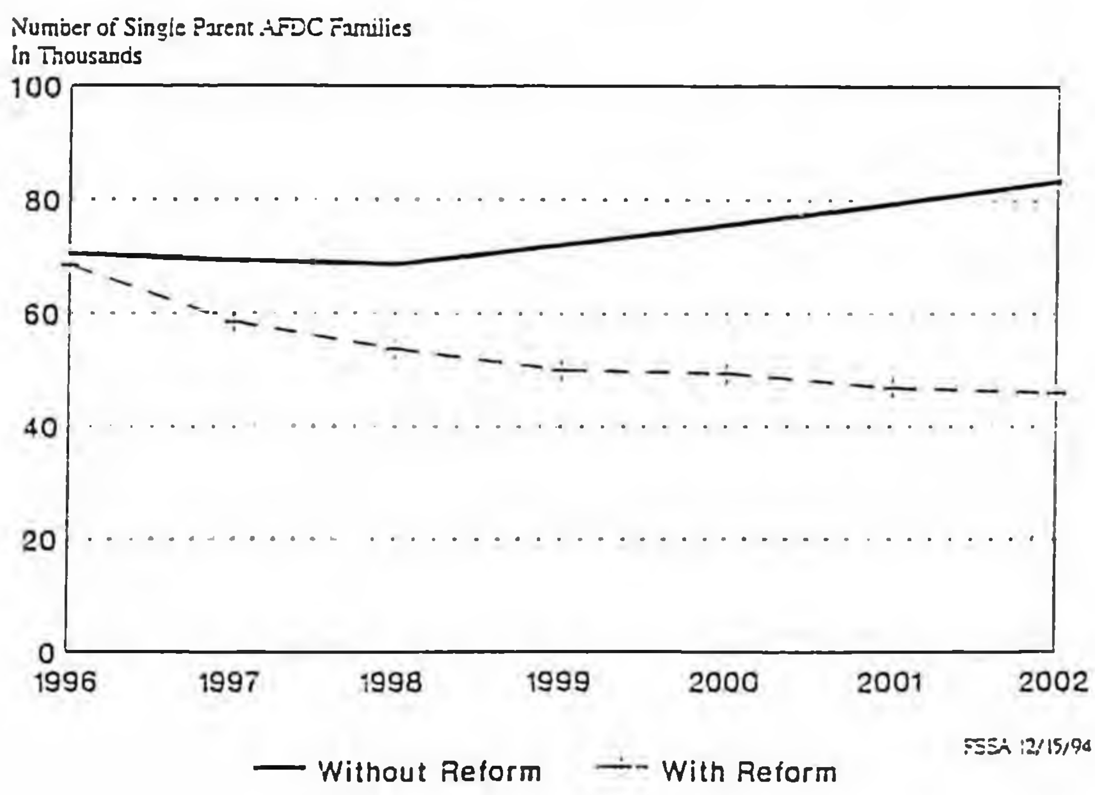
The agreement applicants sign will state they understand that, if placed in IMPACT's progressive job seeking track, their AFDC benefits will end two years from the date of that admission. Those who are not suited for the progressive job seeking track because of age, lack of readiness or other debilitating conditions are ineligible for progressive job placement will be placed in IMPACT's Job Readiness program.

Parents under age 18 who must care for a child under age 3 and who have not completed high school or the equivalent may be provided care coordination services. Periodic reassessments will be provided.

The state will commit itself to assist the family in meeting the agreement by providing appropriate benefits and services. These can include counseling, training, education, child care, family planning and other services. The state will allow recipients to keep their paycheck, while diverting the recipients' AFDC grant to an employer for business development and employee benefits.

IMPACT will help employers recruit and train quality employees. To ease the risk for employers, IMPACT will provide on-the-job training funds, work supplementation funds and targeted job tax credits.

WELFARE REFORM: FOCUSING ON EMPLOYMENT



TWO YEAR PROCESS TO SELF-SUFFICIENCY

SELF-SUFFICIENCY PLAN
(Within 30 Days)

- Family Assessment.
- Personal responsibility agreement signed.
- Self-Sufficiency Plan developed.

↓

JOB SEARCH OR JOB READINESS
(30 - 90 Days)

- In-depth educational and vocational assessment.
- Self-Sufficiency Plan initiated.
- Time limited assistance while looking for work.

↓

JOB PLACEMENT

- Employment supportive services (Child Care, Transportation, Medicaid).
- Monthly review of progress continues.

↓

TRANSITION AND SELF-SUFFICIENCY

- Case management services available.
- Limited transitional services begin (Medicaid & Child Care).

THE INDIANA COMPREHENSIVE WAIVER

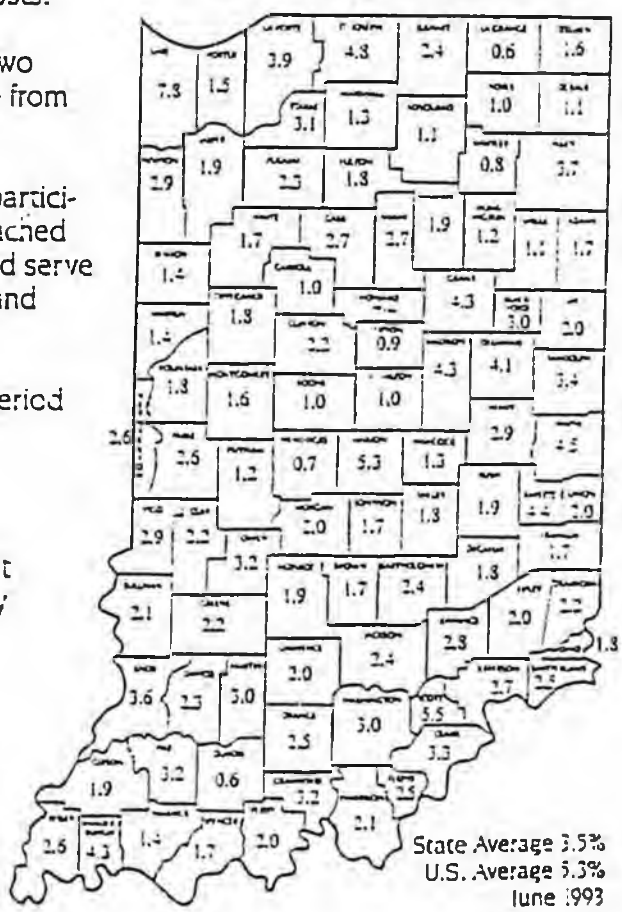
Indiana obtained approval from the federal government to set aside rules and regulations that stand in the way of achieving self-sufficiency. Major waivers are:

- Twenty-four month time limit on AFDC benefits for participants in the Job Placement Track.
- No increase in benefits for children born more than 10 months after a family begins receiving AFDC.
- Development of a Personal Responsibility Agreement with each AFDC recipient which commits the recipient to child immunizations and job search in exchange for AFDC benefits.
- Extension of the AFDC grant diversion to an employer beyond the current nine months, to a maximum of 24 months, in order to encourage jobs and benefit development by the private sector.

Other waiver components include:

- Eliminate the food stamp requirement to hold hearings requested verbally to reduce the high rate of hearings which are scheduled but not attended by the persons requesting the hearing. Hearings would have to be requested in writing.
- Permit diversion of the AFDC grant to employers for training and other employment related costs.
- Eliminate the 100 hour rule, which prevents two able bodied parents living in the same house from working more than 100 hours in a month.
- Fix the AFDC payment during the 24 month participation in IMPACT until 100% of poverty is reached to minimize the financial risk to the family and serve as an incentive to encourage people to find and maintain employment.
- Allow additional earned income during the period of IMPACT participation.
- Establish more aggressive sanctions for non-compliance, including a minimum two months of program ineligibility as a result of non-compliance; twelve months ineligibility for the second non-compliance; and thirty-six months for the third non-compliance.
- Extend case management services following the 24 month program.

PERCENTAGE OF POPULATION RECEIVING AFDC ASSISTANCE



State Average 3.5%
U.S. Average 5.3%
June 1993

- Denial of AFDC benefits to individuals who quit a job within the three month period immediately preceding receipt of the first check for benefits.

- Require school attendance for the teen parent.

State Plan amendments include:

- Deny AFDC benefits to parents who obtain physical custody of their children for the sole purpose of attaining AFDC eligibility.

- Require a minor parent to live with a parent or other responsible adult.

- Require permanent ineligibility for an individual convicted of welfare fraud.

INDIANA'S WELFARE REFORM PLAN: FOCUSING ON FAMILIES

Indiana's welfare reform plan focuses on families. Families must enter into a partnership with the state to achieve self-sufficiency.

State agencies, in turn, will enter into partnerships among themselves and with businesses to assist families moving from dependence to independence.

Taxpayers also are part of this partnership. They provide the money that pays for welfare. Taxpayers will benefit from reforms that ensure welfare is a temporary condition, not a way of life and ensure Indiana's welfare system demands responsibility and independence, not dependence.

The responsibilities and roles of these partners are outlined on the following pages.

PARTNERSHIPS WITH FAMILIES

FAMILIES SHALL:

- Understand welfare is temporary assistance, not a way of life.
- Develop a self-sufficiency plan and go to work as quickly as possible.
- Recognize sanctions will be imposed for quitting a job, refusing to accept a job or dropping out of IMPACT.
- Take responsibility for children receiving all appropriate vaccinations against disease at the appropriate age.
- Ensure children attend school.
- Understand AFDC benefits will be limited to number of children in family within the first 10 months of qualifying for AFDC.
- Live with parents or other adults if the recipient is a teenager.
- Understand AFDC assistance will last only two years once placed in the IMPACT Job Placement Track.

PARTNERSHIPS WITH STATE GOVERNMENT

FAMILY AND SOCIAL SERVICES ADMINISTRATION SHALL:

- Provide child care for up to 3 years, including 24 months of child care AFDC recipients receive while on IMPACT, and 12 months of transitional child care.
- Provide Medicaid for up to 3 years, including 24 months of Medicaid benefits AFDC families receive while on IMPACT, and 12 month of transitional Medicaid benefits.
- Freeze the food stamp benefit for the first six months AFDC recipient is employed.
- Stop penalizing two parent families by eliminating the rule that limits either parent from working more than 100 hours a month.
- Provide job training and job placement assistance for up to two years.
- Permit earned income up to 100 percent of the federal poverty level.
- Identify one caseworker per family to ensure the self-sufficiency plan is implemented.
- Aggressively continue to collect child support on behalf of AFDC recipients. Indiana child support collections have increased more than 476 percent since 1985, growing steadily every year. Collections in 1994 are likely to total $170 million, compared to $149.7 million in 1993.

DEPARTMENT OF HEALTH SHALL:

- Work with hospitals to provide an opportunity to new parents for establishing paternity.
- Work with FSSA to ensure immunizations are available to all AFDC families.

DEPARTMENT OF WORKFORCE DEVELOPMENT SHALL:

- Identify job openings on a county-by-county basis and share information with FSSA's Division of Family and Children county offices.
- Install kiosks in a number of FSSA's Division of Family and Children county offices for families to identify available jobs rather than enrolling in AFDC.

BUREAU OF MOTOR VEHICLES SHALL:

- Exchange data with FSSA that will assist in eligibility determination and fraud investigation.

DEPARTMENT OF EDUCATION SHALL:

- Work with FSSA to ensure children attend school.
- Enable a limited number of FSSA caseworkers to be placed in some schools to help reduce the dropout rate of teen parents.

PARTNERSHIPS WITH BUSINESSES

- AFDC grants diverted to employers for up to 24 months for new jobs.
- IMPACT employees trained in basic skills.
- AFDC grants can be used for on-the-job training.
- Employers can receive a federal tax credit of up to $2400 for hiring IMPACT employees.

PARTNERSHIP WITH TAXPAYERS

- When welfare reform is implemented, taxpayers will benefit.
- The cost of AFDC is shared by county, state and federal governments. The county's share is 14.5 percent, the state's share is 22 percent and the federal share is 63.5 percent. As welfare rolls are reduced, the drain on scarce resources for public assistance will lessen.
- During the seven year demonstration period of welfare reform, more than $140 million in state dollars will be saved by moving approximately 37,000 adults to self-sufficiency.

STATUS OF FAMILIES ON AFDC

- In State Fiscal Year 1994, $206,188,773 in AFDC benefits were distributed to Hoosier Families.
- On an average monthly basis, approximately 195,000 people receive AFDC. 125,000 are children and 70,000 are adults.
- The percent of population in Indiana receiving AFDC averages 3.5 percent, compared to 5.3 percent nationwide.
- Approximately 190,000 families made up of 510,000 individuals receive food stamps at an annual cost of $417 million.
- Approximately 90 percent of the adult AFDC recipients are female.
- The average age of an adult AFDC recipient is 28. Seven percent of AFDC recipients are teenage mothers.
- Approximately 5,200 children are born annually to a mother who is receiving AFDC.
- The average number of people in an AFDC family is three; the average number of children is two. The average AFDC monthly benefit is $288.
- Forty-six percent of parents receiving AFDC have a high school degree or GED. Eleven percent have some post high school education and one percent have a college degree.
- Thirty-three percent of families on AFDC remain on the program for less than one year; 21 percent remain on AFDC for to two years; 13 percent remain on the program two to three years; and 33 percent remain on AFDC three years or more.
- In 1992, the identity of the father was not determined for 24.7 percent of the children born to AFDC families, compared to 29.5 percent nationwide.
- The unemployment rate averages 4.4 percent in Indiana, compared to 5.6 percent for the nation.
- A parent and two children, with an annual income of $12,320, are at 100 percent of the 1994 federal poverty guidelines.

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AMERICA'S SHOCKING DISABILITY SCAM

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"Wanted: drunks, junkies, child abusers and other misfits willing to share $25 billion from taxpayers. Contact the federal government for details"

America's Shocking Disability Scam

BY RANDY FITZGERALD

It's the first of the month in New York City, and several dozen occupants of the seedy Concourse Hotel in the Bronx are waiting anxiously outside for the mail carrier to deliver their U.S. Treasury Supplemental Security Income (SSI) checks. A red Buick slowly circles the block like a shark sizing up its prey.

Once the stack of envelopes has been distributed, the residents parade to a check cashing store two blocks away. Then one by one, cash in hand, they approach the Buick, now parked in front of the hotel. "How much you need?" a passenger asks 33-year-old Elizabeth, whose skeletal, twitching hands clutch a wad of $20 bills.

"Enough to get me through the week," she replies hoarsely. He takes the money and gives her a fistful of vials containing crack cocaine. Over the next hour, tens of thousands of dollars will be spent in the neighborhood on cocaine and heroin, courtesy of U.S. taxpayers.

SSI, one of the nation's largest and fastest growing cash welfare programs, was established by Congress in 1974 to assist low income Americans who were elderly, blind or otherwise unable to work. This year six million recipients will pocket $25 billion in SSI benefits, up from 4.8 million recipients and $16.1 billion just four years ago. What's more, 2.2 million *new* SSI applications were filed last year, swamping local agencies that review cases.

Once on SSI, the vast majority of recipients get cash—often retroactive lump-sum benefits—but no rehabilation or job training. The result: few people—including addicts and those who could be trained—ever leave SSI, making the program an entitlement for life.

"SSI tends to perpetuate the very conditions—alcoholism, drug addiction, certain forms of mental illness—that preclude work and promote dependency," says Carolyn Weaver, director of Social Security and Pension Studies at the American Enterprise Institute, a think tank based in Washington, D.C. And because SSI can be a golden key to other federal programs like Medicaid and food stamps, some people will do just about anything to qualify.

payer ... ars are ... directly ... bsidize ... perpetuate ... and ... abuse."

An estimated 50,000 alcoholics and drug addicts eceive nearly $1.5 billion a year from SI and its companion program, ocial Security Disability Insurance SSDI). But only three percent are nown to be receiving the required eatment for their addictions. (SSDI for workers who paid into the ocial Security system and who are ow disabled, while SSI is for the oor.) "Taxpayer dollars are used irectly to subsidize and perpetuate rug and alcohol abuse," according a minority-staff report earlier this ear by the U.S. Senate Special Committee on Aging.

Death by Installment. In the office of the homeless shelter Bob Coté runs in Denver hang nine photographs. There's sad-eyed Clark Pittman, 53 years old when his heart stopped. After receiving his first S check, he bought two fifths of high-proof bourbon instead of the cheap wine he had used for years. Over the next six hours, he drank himself to death.

Nearby is a photo of Billy Palmer, 62 years old when he got a lump-sum SSI payment of $6000 and left Coté's shelter. He died of an alcoholic seizure after weeks on a binge. Then there's Bob Paxton, a bus mechanic from Iowa who cashed his SSI checks at a nearby liquor store and died, in a drunken stupor, at 57.

Coté first became aware of what he calls SSI's "suicide on the installment plan" in 1990. He noticed four federal workers on Denver's skid row putting pamphlets in the hands of drunks passed out on the sidewalk. Coté picked up one of the brochures, published by the Social Security Administration (SSA). "Are you an alcoholic or a drug addict?" it asked. "Then you may qualify for SSI." Law firms that specialized in SSI erected billboards soliciting skid-row business.

Steve and Ray are typical of those who signed up. Stev and his wife had been heroin addicts for two decades when they got lump-sum SSI payments of $2500 each in 1990.

"We bought drugs," Steve admits. "It only kept us going about a month. Then we had to boost [steal] again. I don't know of anyone on SSI who's made a clean break from drugs or alcohol." Steve's wife has since died, and today Steve's monthly checks reach him through his brother, a "representative payee" who is supposed to look out for Steve. His brother, too, is a heroin addict.

Ray got on SSDI in 1991. The first of every month he rents a motel room with his $530 SSDI check, buys whiskey, cocaine and marijuana, invites friends over and parties for two or three days until the money is gone. Asked if this was a responsible use of taxpayer money, Ray replied, "It's none of anybody's business."

In Chicago, Administrative Law Judge Francis O'Byrne has spent the past 20 years handling SSI cases. But he has never been as frustrated by the system as he is today. He has a backlog of 500 appeals, and under current rules he finds himself approving benefits in 70 percent of them. "We've created a monster," Judge O'Byrne says. "No one who is incompetent to handle their own money should have their hands on taxpayers' money."

Not since 1972 has Raymond Corrao, 56, been legally employed. He has supported himself and his heroin addiction by dealing drugs in California. In 1989 Corrao applied for SSI, claiming he was disabled by heroin and alcohol addiction. But a year later, a judge ruled that Corrao was ineligible because his drug dealing constituted "substantial gainful activity."

Corrao sued in federal court to reverse the ruling. Last April, the U.S. Court of Appeals remanded the case to the district court for reconsideration. If the lower court rules in his favor, Corrao could receive a lump-sum SSI payment of more than $30,000, along with continued monthly benefits.

"Something is wrong with this system," fumes Sen. William Cohen (R., Maine). "The message is, show us you are a hard-core drug addict and, as long as you continue to shoot up or drink up, the money is going to keep coming."

Shopping Spree. Before Administrative Law Judge David Tennant of Raleigh, N.C., stood a frightened eight-year-old and her parents. The girl had terrible scars all over her body, where her father had burned her with cigarettes. She was under psychiatric care at a government clinic. Now her parents were seeking SSI children's disability benefits for the very condition they had caused.

Once a month Ray rents a room with his $530 SSDI check, buys cocaine and invites friends over to party.

Judge Tennant had no illusion that the SSI checks would be spent on the girl's care. If he approved the application, the SSA would be subsidizing an abusive father and an indifferent mother. Yet Tennant had no choice. Under current law the parents were entitled, on the child's behalf, to receive the monthly largess.

Applications for children's disability have exploded in volume since the Supreme Court ruled in 1990 that children should be evaluated for

SSI in a manner similar to that for adults. In response, SSA issued new rules defining certain behavior in children—such as extreme shyness or public disruptiveness—as indicative of a disabling impairment. Suddenly some 230,000 children who had been denied benefits under the previous narrower rules were awarded lump-sum back payments averaging $10,000 each, for a total of $2.3 billion.

Unfortunately, Congress had previously legislated that back payment of all but $2000 had to be spent within six months if a family wanted to remain eligible for SSI. The result: a shopping spree at taxpayer expense. Consider a Greenville, Ky., woman who got $13,000 in 1992 for her hyperactive 11-year-old. She splurged on a car, refrigerator, stove, washer, dryer, television and computer.

> "In eastern Arkansas, checks are known as crazy money," children's disability cases have soared.

After the court decision, SSA pursued an outreach program to recruit children onto the rolls. In less than four years, the children's SSI caseload more than doubled to 775,000, and outlays soared to $3.1 billion. Because most recipients automatically qualify for Medicaid, that entitlement program's budget is rising sharply as well.

Coaching Sessions. With outreach comes abuse. In Chicago a woman force-fed her son so he would be grossly overweight and qualify as the victim of an eating disorder. In Tampa, Fla., principal Stephanie Moffitt of the Sulphur Springs Elementary School heard from staff members that more than a dozen students admitted to being coached by their parents to act up in school so the family could get an SSI check each month. How did the parents learn of SSI? Through "public service" ads on TV and word-of-mouth.

In eastern Arkansas, monthly SSI checks are known as "crazy money." In some counties, children's disability cases have soared as much as 255 percent in two years. One family managed to get all 11 children on SSI rolls. Cost to taxpayers: $61,512 a year.

"What the children who honestly qualify for SSI need most is free medical care," says Judge Tennant. "Give them medical services, not money. Judges should also have case-review power after a year. Taxpayers deserve to see how their money is spent."

A Laotian refugee was so outraged by SSI fraud in Southern California that he complained to state officials. They asked him to adopt a new identity, "John," and wear a hidden microphone to document the scam.

John employed what is known in immigrant communities as a middleman—an expert for hire who navigates the maze of government benefit programs. Middlemen fill out the SSI forms, coach applicants on how to act with the physician, and interpret during these sessions.

The "body mike" John wore captured his middleman's instructions: "Just say headache, nightmares, loss

of memory. You can receive a lot of money, seven or eight thousand the first year. You pay me three thousand, and the rest you get to spend, okay?"

John was then driven with nine other immigrants to a clinic. All ten had a 7 p.m. appointment with the same doctor. As they waited, John overheard the others joking about the "free money" they were about to receive. Doctors filled out the forms in a veritable assembly line.

At the next interview, with an SSA representative who spoke only English, the middleman again acted as interpreter. The middleman reported that John had back pain from an old rib injury. Unable to challenge the story, the examiner dutifully verified the doctor's findings. John could now obtain up to $603 a month—indexed for inflation—for the rest of his life.

At one clinic in Orange County, California, state investigators found the names of almost 2000 immigrants receiving SSI who had been brought in by middlemen. As of last November, this one group had collected $39 million in SSI payments in less than three years.

"We think this is happening in virtually every immigrant community in the nation," reports Chris Rodriguez, a deputy chief investigator for the California Department of Justice. According to one estimate, the middleman problem may cost U.S. taxpayers more than $600 million a year in California alone.

Dumping Ground. During its investigation, the California Department of Justice also stumbled across a new scam: state prison inmates collecting SSI for drug addiction and alcoholism while behind bars. At a single facility, investigators discovered 100 inmates on SSI. Last year Bureau County, Illinois, state's attorney Marc Bernabei notified the SSA that SSDI checks—$771 a month—were going to Lee Adams, who had been sentenced in 1993 to life in prison for stabbing to death his nine-month-old son.

Another reason federal disability spending has nearly doubled in the past four years is that state and city officials are using the federal program as a dumping ground to relieve the financial stress on their own welfare systems. In Illinois lawyers are paid a $1300 bounty by the state for each person they transfer from state-welfare rolls onto SSI.

> Middlemen may cost taxpayers more than $600 million a year in California alone.

Disability applicants have told Judge O'Byrne how social workers threatened to drop them from the state's roll if they did not apply to the federal program. Similarly, New York City caseworkers encourage recipients to apply for SSI, which pays over $150 per month extra.

"HRA [the Human Resources Administration] encourages clients to apply for all benefits to which they may be entitled, including SSI," remarks Cesar A. Perales, former deputy mayor for Health and Human Services. "It is in the city's fiscal and programmatic interest to ensure that all eligible clients receive federal assistance."

Double Jeopardy. Last March the U.S. Senate approved a proposal by Senator Cohen to require drug addicts and alcoholics to enter treatment in return for benefits. Payments would stop after three years if substance abuse was the basis of a disability claim. In May the U.S. House approved similar legislation, adding the provision that retroactive payments be made over a period of months rather than in a lump sum.

Legislative authorities predict that even after Congressional action, it will take the SSA at least a year to implement these changes. There is also no guarantee that the agency will administer the reforms in the spirit Congress intended. For example, most substance abusers develop medical conditions as a result of the addictions, and these conditions could still qualify them for benefits whether or not they are in treatment. The SSA's continued emphasis on using its resources for "outreach" rather than "caseload review" may undermine the intent of Congress.

Even more can and should be done to protect taxpayers:

1. Illegal acts—including drug possession and sales—should be grounds for the revocation of disability benefits.
2. Instead of lump sums or monthly cash, SSI recipients should be given vouchers for use in obtaining appropriate treatment.
3. Congress must demand a systematic SSA review to weed out recipients who no longer qualify.
4. Administrative law judges should receive the power to review cases periodically to help protect children subject to abuse.
5. The SSA must be given authority to levy monetary sanctions against physicians and clinics making false statements in SSI filings.
6. The SSA should hire employees with foreign-language skills, to eliminate the use of middlemen as interpreters.

WASTE, fraud and abuse in SSI victimize both the truly disabled and those who pay the bills. Says Thomas Schatz, president of Citizens Against Government Waste, "Perhaps no single government social program mocks our best-laid plans more than SSI."

Reprints of this article are available. See page 202.

Siren Song

A HIGH-POWERED EXECUTIVE was speeding down a Detroit street, talking on his car phone. The police soon pulled him over. The executive completed his call and looked up at the officer. "Yes?" he said.

"I bet you don't even know why I stopped you!" the officer replied.

Said the executive, "You want to use my phone?"

Contributed by Evelyn F. Hansen

scan appointment, Dr. Kassell looked very serious. He waited till we both sat down, then said, "I'm sorry, but things are worse than I thought. The tumor is far too large for the gamma knife."

"Isn't there anything you can do?" I asked.

Dr. Kassell hesitated. "We could carry out a surgical operation to reduce the tumor to a size where we could use the gamma knife. But the tumor is in a very bad place. Craig could die on the operating table. The most I think it would give him would be another six to nine months of life."

Poor Ernie was gulping. I felt numb. Dr. Kassell looked at the floor.

"Have you got children, Dr. Kassell?" I asked.

He nodded. "Three daughters."

"If one of them were in this situation, would you operate on her?"

He looked taken aback. "Marion, I don't know." He shook his head. "Only you and Craig can decide if it's a risk you want to take. Go home for Christmas. Talk to your family and your doctors, and think hard about what I've said."

Then he added quietly, "If you decide to go ahead, I'm willing to operate."

By the time we had returned to England, Ernie's mind was made up. "There's no question about it, Mal. We've got to go back." But I was frightened. One night I prayed, "Please, God, tell me what to do." When I woke, I knew I had to talk to Craig.

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■ EDITORIAL

BY MORTIMER B. ZUCKERMAN
EDITOR-IN-CHIEF

WELFARE'S SCANDALOUS COUSIN

President Clinton, in his State of the Union address, referred his audience to a group of men and women who have volunteered for his imaginative community-service program. But there is another class of citizens—the untold hundreds of thousands who have been involved in the abuse of the trust and sacrifices of their fellow citizens. The engine of their mischief is the Supplemental Security Income program, which has had little attention compared with the Aid to Families with Dependent Children program.

The original idea of SSI was splendid. It was to help old, disabled and blind Americans. It is no longer recognizable. Consider:

■ Old people legally brought to America by their families can qualify for SSI after three years on the basis of poverty. About 400,000 now qualify, turning SSI into a retirement program for people who have never contributed a cent to the Social Security funds during their working lives.

■ Refugees—a loose term—can begin collecting hundreds of dollars a month the moment they are admitted. Some 700,000 cost us almost $4 billion a year. Thousands have been encouraged by entrepreneurial "social workers" to qualify for SSI by fabricating tales of political and other wartime suffering that has left them too traumatized to hold a job.

■ Drug addicts and alcoholics can qualify as disabled, making it possible for virtually anyone hooked on dope or booze to get a monthly check, even if he has no other disability. Today the federal government is paying some $1.4 billion annually to 250,000 substance abusers—who often spend the money on the substance, not on treatment. Example: A Denver liquor store owner has been receiving $160,000 to run a tab for 40 alcoholics.

■ Many disability claimants now allege "vocational impairment" when their claims for physical impairments are denied. Heather Mac Donald in the current *City Journal* cites the example of Linda Zeitz, 42, a former sales rep for Coca-Cola who contends that she has suffered agoraphobia since 1978 because of her consumption of "birth control pills, junk food and large amounts of Tab." Such an applicant nowadays merely has to show that the impairments prevent the performance of past work, or, in the light of age, education and experience, any other work. Such subjective standards are too often a cover for social handicaps that no doctor can cure—the lack of an education, a self-destructive lifestyle, a poor work ethic and other behavior patterns that the average American would simply consider to be antisocial or even criminal. A disability industry has been created for attorneys, clinics and doctors who earn fees by helping claimants qualify. It has come to the point where work itself can be described as dangerous to mental and emotional stability, especially if the work can be described as "competitive."

Supplemental Security Income is a little-known but widely abused program costing taxpayers billions. It needs reform.

■ Children with violent and destructive behavior can be rated as "disabled" rather than simply undisciplined. The courts have declared as impairments factors that limit the child's ability to engage in "age-appropriate activities." But the standards are hopelessly subjective—so much so that parents intent on abusing the system are encouraging children to misbehave in school or are holding their kids out of class so that they fail the age-appropriate tests.

Too many of the incentives of the SSI program are perverse. When recipients receive cash assistance, but no rehabilitation or job training, there is a disincentive to work. When the SSI payments are higher than AFDC payments, parents are egged on to qualify their children as disabled. The system gives cash awards for bringing up children badly. Drug addicts, offered cash for up to three years, have little incentive to conquer the addiction because it means losing SSI benefits. And states have an incentive to support a shift to SSI from AFDC since they bear about 45 percent of the cost of AFDC but none of SSI.

SSI—it should be renamed Social Security Iniquity—has created a set of incentives for fraud and failure. The loopholes should be closed. The sections on disability should be reformed so that compensation is reserved for the physically and mentally handicapped. The American taxpayer is willing to help those who genuinely merit help, but no longer to subsidize the addicted, the ignorant, the mischievous and the work-shy. ■

GOVERNMENT & SOCIETY

Let the Welfare Debate Begin

The role of government is at the core of congressional proposals to solve the problem of public aid

By Barbara Vobejda and Judith Havemann
Washington Post Staff Writers

Fresh from a recent meeting with congressional leaders, Republican Wisconsin Gov. Tommy G. Thompson swept his arms from left to right, gesturing to show the dramatic shift that has taken place in the debate over how to rebuild America's welfare system.

"We made a light-year advance in the last three months," Thompson said. "I never thought I would see the day."

REFORM

As Congress opens its hearings on welfare reform, the discussion has moved far beyond the changes proposed by President Clinton last June, driven by the Republican electoral victory and a bipartisan recognition of the popularity of the issue.

The contentious fight that lies ahead is over deeply held beliefs about the role of government and its treatment of the nation's disadvantaged population. Congressional Republicans want not only to cut costs, but also create policies that discourage welfare dependence and attack what they see as a national crisis—the increase in out-of-wedlock births. Republicans, however, do not agree on the best way to accomplish this.

Governors like Thompson argue that they know best how to accomplish these goals and that Washington should turn over the money to them with few strings attached. And on the sidelines are the people who began this debate, President Clinton and the Democrats, who are struggling to secure a role in the process.

Whatever the outcome, the debate that has begun before a House Ways and Means human resources subcommittee is itself historic, a wholesale rethinking of four decades of social policy. Prompted by growing welfare rolls and increasing costs, elected leaders across the political spectrum agree on the need to change what they say is a deeply flawed program.

"We ended welfare as we know it in 1988, but six to seven years later it is clear that we did not really change the system," says Ways and Means Committee Chairman Bill Archer of Texas, referring to passage of the Family Support Act, the last round of welfare reform. Welfare, he says, "remains a cruel hoax that hurts its own beneficiaries."

But the Republican proposals before the committee are stirring enormous controversy. If conservatives are celebrating the competition in Washington to offer more and more revolutionary plans, liberals are wincing at the prospect of families being pushed off welfare.

Major battles are brewing over a number of issues, including the wisdom of providing unrestricted cash payments to the states and whether it is fair to deny benefits to unwed teenage mothers, children whose paternity has not been established and legal immigrants who have not become citizens.

Still, the enthusiasm—among Democrats and Republicans—to rewrite welfare policy is somewhat reminiscent of the euphoria early in the health care debate last year.

Rep. E. Clay Shaw Jr. of Florida, who is chairing the hearings, said at a briefing for reporters that he wants to "break down partisan lines" because "everybody is trying to move the welfare reform agenda."

But, as in health care reform, the euphoria could wither when details of the plan are

gut-wrenching debate on welfare that we had on health care reform and come out producing a mouse," says Robert H. Haveman, economics professor at the University of Wisconsin's Institute for Research on Poverty.

Already, there is some disarray among Republicans. Although the proposal contained in the GOP "Contract With America" calls for cutting off cash assistance to legal immigrants who have not become citizens, House Speaker Newt Gingrich of Georgia says he thinks the party should "revisit the question" of a permanent ban on non-citizen benefits.

But Shaw says he has no plans to remove it from the bill. "I am not going to take an off-hand comment at a press conference as instructions," he says. And Archer says, "We do not believe that people who come to this country for opportunity and freedom should expect a handout."

DEMOCRATS HAVE THEIR OWN problems of disarray, and some are decrying the lack of leadership from President Clinton on the issue.

"The White House has not gotten together to come up with an alternative," says Democratic Rep. Charles B. Rangel of New York, a member of the subcommittee. "The Democrats in the House have not gotten together to come up with an alternative. . . . Everybody is so stunned by defeat we have become incoherent."

The debate in Washington will ultimately be felt on a diverse collection of disadvantaged families across the country. The largest program, Aid to Families with Dependent Children, includes 14 million recipients, nearly 70 percent of them children.

The average welfare family receives a monthly payment of about $380, as well as food stamps and Medicaid. State studies have shown that fewer than 15 percent of those on welfare receive AFDC continuously for five years, according to the American Public Welfare Association. Much more typical is a family that cycles on and off: Half of single parents who apply for welfare leave the program within a year, but nearly half of those return to the program within a year of leaving.

It is these parents and their children who could be harmed, warned Marian Wright Edelman, president of the Children's Defense Fund. "Congress needs to slow down, lay out the facts and the consequences of their actions," she said at a recent news conference. "While the American people voted for change, and for less government, they did not vote for callous government or to hurt millions of children."

The current round of welfare reform has been anticipated for more than two years, since Clinton promised during the 1992 campaign to "end welfare as we know it." When the administration introduced its proposal, which would force welfare recipients into work programs after two years, it was decried by advocates for the poor and some congressional Democrats as unduly strict.

The Democratic-led Congress and the administration decided not to push forward quickly with welfare reform, largely because Congress was mired in health care legislation. But that, many say now, was a mistake. The fall election essentially handed the Republicans an opportunity to push their own plan. At the same time, Republican governors—now numbering 30—were given a stronger voice than ever before.

That turn of events has led to the current state of play, a committee beginning hearings even as it continues negotiating with governors over what the legislation will ultimately look like.

Following an appeal after the election by governors for more spending flexibility, congressional leaders agreed to begin negotiating over a proposal to create huge block grants to the states, replacing more than 300 federal programs. Those negotiations have involved an extraordinary exchange between the staffs of House Republicans and a group of four Republican governors who have been active in welfare reform, leading to an announcement that several of the block grants had been agreed upon. That proposal, Republicans say, will ultimately replace the welfare legislation contained in the "Contract With America." The governors, led by Michigan Gov. John Engler, have pushed for block grants that would consolidate programs in several areas, including food and nutrition, cash assistance, such as Aid to Families with Dependent Children, and child care. The states would agree to no funding increases for five years.

That would mean a significant change in the current status. Individuals meeting eligibility criteria would no longer be guaranteed benefits, meaning if a state has spent its funds and a recession sends more families into poverty, they could be denied food stamps, for example, or be put on waiting lists.

But the block grant negotiations are far from complete and, while they enjoy broad support in concept, are likely to face political and technical obstacles when the spending formulas and other details are scrutinized.

THE FOOD AND NUTRITION BLOCK grant, for example, may face opposition from farm state legislators, growers and members of Congress whose states could lose funding.

An analysis by the Center on Budget and Policy Priorities, an advocacy group for the poor, calculated that, under the block grant formula proposed by Republican governors, many states would face substantial losses in federal food assistance, such as food stamps. If the formula had been in effect since 1989, for example, California and Florida would have lost nearly half of the aid they received last year.

Thompson, Engler and other governors argue that they are willing to accept less funding because they believe the elimination of federal regulations and added flexibility will save substantial sums.

Also, it appears that members of Congress may agree to eliminate what has been an important principle in federal-state spending regulations for welfare, the "maintenance of effort" requirement that prohibits states from reducing their own spending when federal funds increase.

Still, there is not unanimity among governors, some of whom are concerned that they may find themselves picking up the tab for assistance to families formerly covered under federal entitlements. Others are concerned about the provision denying aid to legal immigrants, and many have asked that they not be required to follow other provisions contained in the "Contract With America" bill, such as an end to cash benefits for unwed teenage mothers.

Despite the lack of consensus on what a welfare bill should contain, there are some areas that seem acceptable both to Republicans and moderate Democrats, including requirements that teenage mothers live with a parent or guardian; that their benefits be reduced; that child support enforcement be stepped up; that work be required as a condition of receiving welfare, at least for some recipients; and that states be allowed—or required—to deny additional benefits to welfare mothers who have more babies.

"These are things that Republicans and Democrats campaigned on," says Douglas Besharov, a scholar at the American Enterprise Institute. "On these provisions, there is very widespread agreement."

Shaw says he hopes to finish his hearings by the end of January, begin marking up a bill early in February and send it to the full committee by the middle of next month.

Although Republican leaders have promised to act on the provisions of the "Contract With America," including welfare reform, within 100

COMMENTARY

True Welfare Reform

Bring on the orphanages and remove children from bad—but not necessarily poor—homes

By John J. DiIulio Jr.

What can—and should—be done by government to save America's severely abused and neglected kids? The place to begin is with the simple truth: Children cannot be socialized by adults who are themselves unsocialized (or worse), families that exist in name only, and neighborhoods in which chronic and repeat criminals circulate in and out of jail, period. Only a small fraction of children are raised by abusive and neglectful adults. But the number is large enough to impose significant social costs, costs best measured not in welfare dollars but in lives lost to drugs and crime. The only way to prevent these losses is to remove the children from their homes to other, stable settings.

These truths are backed up by a large body of research and practical experience. Yet anyone who had hoped that Washington's latest welfare reform debate would include forthright discussion of how government can best deal with this sad situation must now be sorely disappointed, if not downright disgusted.

First, national leaders in both parties argued out proposals for workfare and two-year limits as if they were brand new policy ideas, in fact, they are reforms that have already been tried and tested with mixed results in several states.

Then House Speaker Newt Gingrich proposed taking kids away from welfare moms who failed to honor work requirements. Enter the First Lady, whose ill-fated post-health reform policy pronouncement dismissed all talk of orphanages as ridiculous. Gingrich responded on cable TV with the movie "Boys Town" (no less).

And only two weeks ago, Republican Rep. Bill Archer of Texas, chairman of the House Ways and Means Committee, used a public hearing to badger Health and Human Services Secretary Donna Shalala into admitting that, under the administration's welfare plan, able-bodied women who do not comply with work requirements could indeed lose their children to foster homes, group homes or adoption. But Archer couldn't quite get Shalala to say "orphanage."

Hey kids, knock it off! Apparently, you still haven't gotten the message: The American people want Washington to deal with pressing national concerns in a frank, forthright, creative and cost-conscious way.

In the case of black, inner-city children, the truth is that we must begin at the very beginning. These kids are less likely than white kids to get adequate prenatal care. Buried in the race and IQ debate over Charles Murray and Richard Herrnstein's "The Bell Curve" is research showing that black kids who get good prenatal care do as well or better than whites on IQ tests. Whatever their home circumstances, decent prenatal care gives kids a fighting chance in life.

But look beyond the inner city too. Recognize that about 75 percent of metropolitan-area blacks do not live in poverty. Instead, as recent research has suggested, they live in working- and middle-class neighborhoods where welfare dependency, crime and joblessness are less common than senior proms, family reunions and church-going.

In such places, one can see that being born healthy to loving parents of whatever income is about the luckiest accident that can befall a human being.

Unfortunately, about one-half of 1 percent of all kids in this country grow up in circumstances where neither parents nor other adults adequately care for them. Many of these children are severely abused and neglected by deviant, delinquent or criminal adults, including their biological parents. A disproportionate number of them are black inner-city residents, but brutalized kids come in every race, creed and suburban ZIP code.

Today, in most states and big cities, these young unfortunates are "cases" that get "processed" by overburdened family courts, client- and budget-maximizing youth and family services bureaucracies, and dysfunctional foster-care complexes. Nationally, a typical "at-risk" kid will have numerous contacts with the system before he or she is "placed out." But by then it is almost always too little and too late. They live in one foster home after another. They become juvenile and adult violent-crime victims and criminal predators. They end up jobless and on welfare. They do drugs and get sick. A high fraction of the black males finish life in prison (nobody visits) or dead (nobody mourns) well before their time.

THE EVIDENCE IS EVERYWHERE YOU turn. For instance, a December 1994 report by the New York City Comptroller's Office found that the city's Child Welfare Administration is so fixated on returning abused and neglected kids to their biological parents that it violates state laws, ignores its own policies on placing out, and assigns troubled children to one foster home after another. Papers filed in an ongoing lawsuit against Philadelphia's Department of Human Services document how that agency has failed to protect the children in its custody from severe abuse and neglect. And so it goes.

The social costs of tolerating this abuse and neglect are high—especially to the children. A recent study found that 75 percent of violent incarcerated juveniles had suffered serious abuse by a family member, and 78 percent had been witnesses to extreme violence. Over half of all youths in long-term state juvenile institutions have one or more immediate family members (father, mother, sibling) who have been incarcerated.

Most very bad boys, in fact, come from very bad homes in very bad neighborhoods. So do most very bad girls. About 47 percent of female prisoners have at least one immediate family member behind bars; 43 percent have been physically or sexually abused; and 34 percent have parents or guardians who abused alcohol or drugs.

In short, America's high-rate violent offenders did not become criminally depraved because they were economically deprived (whatever their material circumstances, only a tiny fraction of males, and an even tinier fraction of young females, ever commit violent crimes or become career criminals). Rather, they became criminally depraved because they were raised to be violent, impulsive, self-centered and remorseless by adults who taught these traits by example.

And the reverse is true. The vast scientific literature on what it takes to transform a troubled toddler into a good parent, conscientious student, loyal friend, dedicated worker or law-abiding citizen can be boiled down to two words: unconditional love.

Children of whatever socio-economic status, bio-genetic disposition, or demographic description do better in all phases of life if they grow up believing that there are adults in their world who care desperately about their physical, emotional and intellectual well-being, and who want nothing in return save love itself. But kids who start out life abused and neglected only to be carted through a bureaucratic maze of foster homes, family courts and juvenile institutions learn a different and totally debilitating lesson: Life is brutal; rewards and punishments are arbitrary; the future is totally unpredictable; and human attachments are fleeting.

To help these children, America must think out loud about ways that government can help to make orphanages (call them what you will) urban America's version of the agriculturally based, communally organized Israeli kibbutzim. Some ideas:

- In urban black areas, the orphanages should be staffed and run exclusively by blacks, including retirees, who live in metropolitan areas, and be formally connected to churches and unapologetically religious in character. The orphanages could turn any child over to state authorities for any reason. If this spells "creaming"—taking on only the youngest kids or the easiest cases—then so be it. Every kid saved is in the plus column.
- Consider giving such orphanages public money to match private support, with no strings attached. The institutions should be held accountable for results—producing children and young adults who are literate, well-behaved and prepared for the challenges of adult life. But they should not be subject to the procedural regulations that define government's failed bureaucratic networks of youth services agencies and foster-care complexes.

CRITICS CRY THAT ORPHANAGES WOULD cost too much. That's true if we're talking about huge numbers of kids and working through the existing bureaucratic system of youth homes, foster care and the rest. But that's most definitely not what we're talking about. We're talking about a radically different way of caring for severely abused and neglected kids, beginning with America's brutalized black inner-city kids.

Let's get real. By the year 2010, there will be 500,000 more males between the ages of 14 and 17 in the population than there are now. Criminology tells us that 6 percent of these boys—almost without exception the 6 percent whose "family lives" are the most grim—will commit 50 percent of all the serious crime committed by the cohort and become high-rate, predatory offenders: 30,000 more killers, rapists, carjackers and thieves.

It's already too late for these kids. They're headed for the streets, prisons and graveyards. But if we removed the next 500,000 severely abused and neglected toddlers to stable settings where adults really cared for them, by 2010 we might get at least 30,000 more doctors, teachers, car mechanics and family men.

As things stand now, federal policies requiring states to follow "family preservation" policies manage only to imprison severely abused and neglected children in bureaucratic systems and horrible homes. Policies that forbid the creative, community-centered development of orphanages or like institutions must be counted among the real root causes of our welfare and crime problems.

In America, government for too long has allowed the criminally deviant to prey upon the truly disadvantaged; it has treated poor black inner-city kids like human refuse and mere statistics. But if government gives loving, caring adults and religious institutions half a chance to care for abused and neglected kids, America can make all its children bloom. ■

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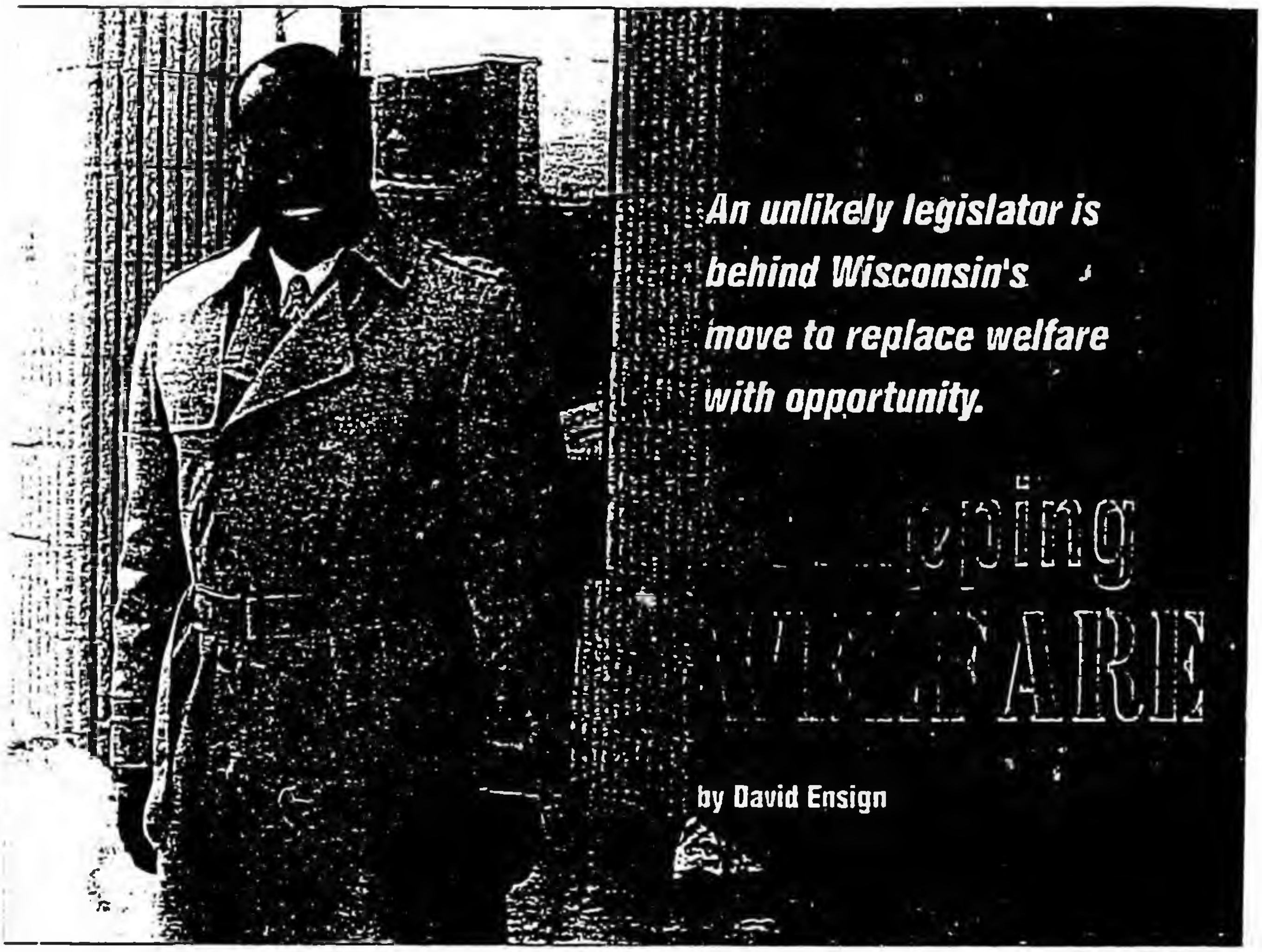

Photo by David Ensign

Wisconsin Rep. Antonio Riley wants welfare reform to help lift people in inner-city Milwaukee out of poverty.

Not too many freshmen lawmakers find themselves the subject of a *National Enquirer* piece. But then, not too many freshmen lawmakers are former welfare recipients leading the charge to scrap Aid to Families with Dependent Children. Add to his agenda the fact that Rep. Antonio Riley is a young African-American, and you get the kind of stereotype-shattering story that has brought network news cameras and national attention to the 30-year-old Wisconsin legislator.

Promises to "end welfare as we know it" have quickly become campaign cliches in many places, but Wisconsin gave its pledge the force of law late last year when Gov. Tommy G. Thompson signed the Riley-co-sponsored bill that, pending a federal waiver, will end the state's $450 million-a-year participation in AFDC. The move makes Wisconsin the first state to opt out of the Depression-era program that has become the nation's major form of welfare.

While many of those carrying the torch for welfare reform get their ideas from places like the Heritage Foundation, Riley gets his inspiration from inner-city Milwaukee and the people in his mostly poor district.

"The people that I represent want the opportunity to help themselves," says Riley. "The people who I talk to in my district who are on welfare, they want off of welfare."

AFDC clients in Riley's district and across Wisconsin have grown used to the idea of welfare reform. For several years, would-be welfare reformers have watched as the governor hatched a variety of programs such as Bridefare, Learnfare and the recently announced Crimefare. These controversial programs were designed to tackle problems of welfare mothers having additional children to collect benefits, children on welfare dropping out of school and welfare recipients participating in crimes. Thompson upped the ante last year when the federal government approved a waiver for this "Work Not Welfare" pilot proposal that will cut off AFDC benefits to recipients after two years. But lawmakers responded by amending the Work Not Welfare bill to repeal AFDC in Wisconsin altogether. They also extended the governor's pilot

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program beyond two counties with relatively light AFDC caseloads to include Milwaukee County, which has more welfare recipients than any other county in the state.

While the governor used his veto powers to remove Milwaukee County from the pilot program, he accepted the legislature's challenge to remake welfare.

As Thompson told the *Milwaukee Journal*, "Wisconsin is probably in the best shape to do this because of our progressive nature, our good economy and the fact we have tried many welfare programs that have been successful."

Still, while critics of the most recent move say it goes too far, Riley says the other Thompson reforms miss the central problems. While acknowledging that the governor's efforts have had some success, Riley argues that those reforms have aimed at the recipients of welfare and not at the system itself.

"The beauty of this debate we are having now in Wisconsin is that we have successfully changed the focus from the recipient onto the system that tends to breed and to reward certain kinds of behavior that tends to create the cycle of dependency," he says.

Policy-makers from across the political spectrum have sounded a similar refrain in blasting a welfare system fraught with work disincentives.

"I see the impact of this system on a daily basis, the poverty pimps, the little corner stores that rip off the WIC (Women, Infants and Children) system and the children, who in most cases are the victims," says Riley.

Poverty among children in Wisconsin, as in many states, has increased dramatically in recent years. Nationally, the poverty rate for those under 18 reached 21 percent in 1991, the highest since 1965. The adult poverty rate stood at 11 percent. The U.S. youth poverty rate is the highest among Western nations, as is the gap here between youth and adult poverty rates. The increasing number of children raised in poverty has added a poignant new dimension to the rhetoric about the cycle of poverty.

The increasing number of children raised in poverty has added a poignant new dimension to the rhetoric about the cycle of poverty.

Having broken out of that cycle himself, Riley has a perspective on the issue unusual for a lawmaker. The self-described "bastard child of a bartender who was shot to death," Riley was born in Chicago but grew up in Milwaukee with his eight siblings, his mother and stepfather. When his stepfather, whom Riley refers to as Dad, was forced by a heart attack to quit his job as a cab driver in the early 1970s, the Riley family went on welfare. At times, he says, all he had to eat came from school breakfast and lunch programs.

"The people who I talk to in my district who are on welfare, they want off of welfare."

— Wisconsin Rep. Antonio Riley

But he managed to finish high school and become the first person in his family to earn a college degree. Even that experience included a short stint on general assistance one summer during the early 1980s recession when employment was scarce and money his mother made from selling candy out of her home was not enough to pay tuition. After graduating in 1987 from Carroll College in Waukesha, Wis., Riley took a job selling cosmetics. In 1990 he worked for the Democratic candidate for governor, and later as an aide to Milwaukee Mayor John Norquist. The local Democrats, in search of a candidate for an open Assembly seat, asked Riley to run in 1992, and he won a four-candidate race.

In Madison, Assembly Speaker Walter Kunicki appointed Riley vice chair of the welfare reform committee chaired by Rep. Barbara Notestein. From that position, Riley and Notestein set forth the proposals that, with Thompson's signature, have grabbed attention across the country.

The attention will wane in time, but the hard work is just beginning.

"The next steps, hopefully, involve a bipartisan effort to develop a program that would replace the AFDC program with one that emphasizes work and employment," says Notestein.

Thompson sounded a similar note at the bill-signing in December, saying "the new system should be less about welfare and more about work."

Work is exactly what most of Riley's constituents want. Nevertheless, his role in calling for an end to the system that supports many of his constituents has not been easy. People were skeptical as the policy developed, but support has solidified as they began to see the move as an opportunity to reinvent a system that most agree is not working.

"People who are professionals, people who are on welfare, people on general relief, people who don't have much of anything come up to me and they say, 'Mr. Riley, man, I'm with you. I know what you're trying to do, and it's about time.' "

For Antonio Riley, it's exactly the right time. While the media attention — with the notable exception of certain inquiring minds — has been gratifying, it's the memory of other times that drives him to take on one of the most daunting challenges facing state policy-makers.

"I've been there," says Riley. "But I haven't really found my way until I've reached behind me and brought others along . . . I remember so vividly what happened to me and my family, and when I see people that I represent, and I talk to them . . . they need me to fight for them. And I fight for them by doing this." ☐

nesses and part of that time in classes.

The courses are designed around the mall itself. Thus, a student taking a course on environmental issues would broaden his understanding of how businesses and communities deal with recycling and waste by working with Browning Ferris Industries, the mall's waste contractor, which gave a $1 million grant to subsidize the project. Other courses explore career choices, entrepreneurship and business, and even "Arts in the Marketplace."

About 15 students are enrolled in each of the five mall courses. Some general state aid, which follows the students wherever they go, is transferred from the school district to the mall's Learning Center.

Some educators have been critical of the mall school, arguing that the courses are centered around the needs of business and corporate interests rather than those of students.

But supporters point out that parents and teachers have a voice in deciding what the students do and that the internships are monitored closely. "What we were looking to do," says Mary Ann Nelson, a St. Louis Park assistant school superintendent, "is to make a change in delivery systems and to use the mall as a laboratory for us to try some new ideas."

—*James E. Dunn Jr.*

For more information, contact Mary Ann Nelson, Assistant Superintendent of Schools, 6425 W. 33rd St., St. Louis Park, MN 55426; phone 612-928-6067.

ANTONIO RILEY: SPEAKING FROM EXPERIENCE

There are politicians all over the country clamoring for an end to the current welfare system. But there aren't many who see the problem the way Antonio Riley does in Wisconsin—from the perspective of a 30-year-old legislator who grew up on welfare himself in the 1970s, had to accept it again as a college student in the 1980s and now represents an inner-city Milwaukee district in which a large proportion of the residents are on AFDC.

Given all that history, one might expect Riley to be suspicious about current attempts to do away with AFDC, perhaps seeing them as likely to take away what little his constituents currently have.

But a few months ago, when conservative Republican Governor Tommy G. Thompson proposed a pilot program cutting off welfare benefits after two years, Riley led a successful effort to outdo him—and end AFDC altogether in Wisconsin in 1999. If the Clinton administration provides a waiver, the entire program will expire in Wisconsin that year, to be replaced, as Riley sees it, by a combination of supports that enable people to earn a decent wage.

"The issue for me is tough, given my district," Riley says. But he believes it is a risk worth taking. In his view, the current welfare system is simply a disaster. He calls it a jailer of people. "Look at the staggering number of poor in this state. The current system has failed," he says. "I don't think it's unrealistic to say we can do better."

Riley's father, a bartender, was murdered in a robbery on the streets of Chicago. His family moved to Milwaukee, where they had to accept relief when his stepfather, a cabdriver, suffered a heart attack. But he worked his way through college, prospered quickly as a cosmetics salesman, became an aide to Milwaukee Mayor John O. Norquist and made it to the Assembly in 1992.

Riley was assigned as a freshman to the welfare reform committee, where he took the lead in crafting a Democratic substitute to Thompson's "two years and out" welfare reform plan. To the surprise of many, Thompson endorsed parts of Riley's more ambitious but still vague idea of total overhaul. And Riley and the governor stood next to each other as the entire package was signed into law. "I had mixed emotions," Riley admits. "There is uncertainty when you want to change the system. But I felt relief that there would be no more tinkering, that the real work could commence." —*Penelope Lemov*

Three Towns Find a Way to Contain Crime: Loan-a-Cop

If there's a certain point where a city's problem becomes a region's problem, East Palo Alto, California, reached it in 1992, when 42 homicides occurred in the city of 25,000 people.

That was the year the FBI branded the 2½-square-mile municipality the murder capital of the nation. The news, however, didn't shock residents of East Palo Alto, where poverty, racial tension and drug trafficking contrast with life in the adjoining and more affluent communities of Palo Alto and Menlo Park. When East Palo Alto's violence began spilling out of its borders, the mayors of the three cities convened to see what could be done.

Since that meeting last March, a number of steps have been taken, but the one that has had the most

Doling Out Welfare Reform

For the president's plan to work, states and localities will have to do the heavy lifting.

BY DAVID RAPP

The idea that Washington and the states should provide for the basic welfare of poor children and their mothers has been an established national policy for 60 years. The main federal-state welfare program, Aid to Families with Dependent Children, now covers some 14 million people, including 9 million children, at a cost that approaches $25 billion a year.

The idea that the administrators of this largess—state and county governments—should be spending most of their time and energy getting the beneficiaries *off* the dole has been official policy only since 1988. That was the year when, thanks in large part to the aggressive lobbying efforts of one Arkansas governor, Congress created the Jobs Opportunities and Basic Skills Program. JOBS was the first explicit federal policy statement that welfare should be a transitional period to self-sufficiency rather than a way of life.

Obviously, the states have had more experience at maintaining their basic welfare programs than at educating and training people for self-subsisting employment. Yet Bill Clinton, now ensconced atop the huge federal welfare bureaucracy, is staking much of his political future on the bet that states and localities can make good on his campaign pledge to "end welfare as we know it."

The central tenet of Clinton's legislative promise, which he has now sent to Congress, is that most adult welfare recipients should count on only two years of help from the government before they must fend for themselves. It's a surefire applause line in Washington, but one that carries a sobering message to state and local governments: Who, after all, is going to educate and train millions of young mothers—many of them teenagers—to enter the private-sector work force? And failing that, who will keep them busy in community service jobs after they reach the welfare time limit?

Community service jobs, for one thing, are not that easy to create. The Comprehensive Employment and Training Act of the 1970s created 750,000 public service jobs, but they were of uneven (some say suspect) quality and, as such, created a storm of controversy for all levels of government. State and local initiatives have n[illegible] fared much better. Under Mayor Edward Koch, for instance, New York City was able to put 3,500 to 4,000 people to work in community service jobs during an average month—out of an AFDC caseload of 250,000.

So the real test for states and localities is going to be in getting welfare recipients ready for real-world jobs. Again, governments at every level have created a dizzying array of programs to train people for jobs, but as often as not, these entail little more than showing participants how to write a résumé and dress for an interview.

Ending welfare "as we know it," then, clearly will take something on the order of what Riverside County has done with California's welfare experiment, called Greater Avenues for Independence, or GAIN. Riverside County officials have instituted an almost evangelistic program that communicates one message to every able-bodied person who walks in the door: You are here to get a job. Every element of the program, from orientation to education seminars to job searching, is provided under high expectations for both welfare recipients and welfare office staff. Under this regime, various outside experts have observed, "welfare feels temporary."

But Riverside is one county that was pretty much allowed under the 1988 federal JOBS law to frame and conduct its own demonstration project. As a result, entrepreneurial local leaders have been able to overturn and transform an entrenched bureaucratic mindset.

So what happens in states that don't have the freedom to experiment or the resources to spend large amounts on adult education and training? The JOBS experience shows what it will probably take. Tennessee, for instance, decided that the best way was to promote collaboration and integration of existing state and county programs for business, higher education and housing. The state has been able to meet its federal participation rate only through a highly orchestrated campaign of shared responsibility: Private industry councils, adult education programs, local housing and health programs, state universities and community colleges each have a role in getting welfare recipients into the work force.

Officials in Riverside County, in Tennessee and in other innovative places believe they are already moving in the direction Clinton wants to take welfare. But they also say it will require much more than JOBS has promised to make anything more than a dent in the problem. In other words, it will take more money.

This raises the political stakes even higher for Clinton, who has already had to scale back his original idea because he cannot find the money to pay for it. Applying the two-year time limit just to those recipients born after 1971, as Clinton now proposes, will still cost the U.S. Treasury $9.3 billion more than the current program over the next five years. Congress will probably go along, but the taxpayers still will have to be convinced that it is worth the price.

What will convince them? Surveys and focus-group studies make it clear that voters want welfare policy to reflect what they value—hard work, responsibility, initiative and self-improvement. There is no way that Washington by itself can mandate that kind of transformation in welfare. As former Governor Bill Clinton is well aware, the responsibility for success will rest on governments closest to the problem. ▣

Ted Pitts illustration

The Welfare Monster

States and the federal government have created a welfare monster that fosters reliance on an antiquated, fragmented system. Five states are experimenting with ways to turn people from dependence to independence.

Dianna Gordon

To reform the antiquated welfare system, states battle the mythical Hydra. For every problem solved, two more crop up like regenerating heads. If you cut off one head by putting people in jobs, they lose vital health and child care. Tighten up on who is eligible, and children may go hungry. Attack hunger by increasing benefits, and there is less incentive for people to leave the system.

As in the myth where two heads grew for every one Hercules cut off, the welfare system has become a multi-headed monster of conflicting and duplicative programs that not only allow dependence, but in many cases encourage it.

All told, at least 75 separate federal programs are operating to aid the needy. Three that particularly affect the states and are critical to reform are Aid to Families with Dependent Children (AFDC), food stamps and Medicaid. Food stamps are subsidized by the federal government with administrative costs shared by the states. Medicaid and AFDC expenses are split between the states and the federal government.

AFDC originated in 1935 as a way to help widows and orphans. Operated by the U.S. Department of Health and Human Services (HHS), in 1992 the program served an estimated 13.5 million people at an approximate cost of $22 billion. Food stamps, instituted in the 1960s as a way to distribute surplus government food to needy families, are administered by the U.S. Department of Agriculture and provide coupons for food. The program helped feed 27.4 million people in 1993 at a cost of $24 billion. Medicaid arrived in 1965 and was designed to pay for health care for the poor. Expenditures have grown to an estimated $120 billion and participation has increased 40 percent since 1982 to 30 million recipients in FY 1992.

Excluding Medicaid, welfare programs cost the federal government about $53.4 billion annually. The states kick in around $15.3 billion each year.

In human terms, the number of people on AFDC or food stamps has risen virtually every month since 1989, approximately 36 percent between July 1989 and December 1993. An unprecedented number of people need assistance: One child in seven nationwide is a recipient of AFDC while one person in 10 is on food stamps.

While fulfilling the original, Depression-era goals of helping the desperate and downtrodden, welfare programs now have burgeoned into complicated bureaucratic systems that are costly and foster dependence instead of independence and self-sufficiency. It's little wonder that states have taken the lead in seeking ways to "end welfare as we know it."

"The public hates it, recipients hate it, politicians hate it, business hates it," says Representative Bill Purcell of Tennessee. "We must reward work rather than welfare."

Efforts to revamp an archaic system have been helped by a federal administration willing to grant waivers to states that want to experiment with new programs, although the process is still fraught with burdensome paperwork and myriad rules and regulations.

Recently Colorado, Florida, Iowa, Vermont and Wisconsin received waivers for demonstration projects. All of them seek to limit the time a recipient can stay on welfare, but in different ways.

"I think looking at those five, you can see how states can use the same language of time limits and mean totally different things," notes Mark Greenberg of the Center for Law and Social Policy.

Furor in Wisconsin

The idea of time limits was broached nationally by Bill Clinton, who suggested during his 1992 presidential campaign and reiterated in his January 1994 State of the Union message a possible formula of two years and out for welfare recipients with a transitional program followed by work. The president had in mind various exceptions to that formula and a safety net for families unable to comply.

But no one took the statement more literally than Wisconsin, where the federal bent bolstered Governor Tommy Thompson's efforts to put a strict two-year time limit on benefits. When Wisconsin submitted its waiver request last July, the plan called for dropping welfare recipients off the rolls after 24 months. It also denied benefits to any child conceived while a mother was on AFDC.

The governor says the program, Work Not Welfare, would make welfare "what it was meant to be—a temporary hand up, not a permanent handout."

Thompson calls the plan the "nation's most no-nonsense experiment with time-limited cash benefits in the AFDC program."

The federal government, however, stipulated that Wisconsin provide some protection for recipients living in an area where jobs were not available. Medicaid will continue for people who lose welfare benefits, and AFDC cover-

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age continues, under certain circumstances, for children born while a mother is in the welfare program.

As approved by federal and state officials, the plan will:

- Require recipients to sign a statement pledging to work for benefits.
- Eliminate the "100-hour rule" that specifies that a principal wage-earner in a two-parent family enrolled in AFDC-UP (unemployed parents) can work no more than 100 hours per month.
- Set up "Independence Accounts" of cash in lieu of benefits that can be used over 48 months.
- Provide an additional year of transitional medical and child care benefits for recipients who find jobs.
- Makes recipients ineligible to receive any benefits for 36 months after initial grants run out.

The program, slated to begin after January 1995, will involve 1,000 people in two Wisconsin counties with good economic bases. Some say this is not a good test area.

"It's only about 1 percent of the 80-some-thousand families on welfare in this state," says Representative Antonio Riley, whose district includes inner city Milwaukee and Milwaukee County where 50 percent of the state's AFDC cases can be found. There's also a 25 percent unemployment rate for African American men in his district.

"We need to look at the 37,000 people on welfare in Milwaukee County. [The county] should have been included in the demonstration to find out if it will work," he says.

Under the legislation creating the Work Not Welfare project, Wisconsin will abolish AFDC Jan. 1, 1999—the first state to do so since the program was established in the 1930s. A proposal to replace it must be presented in 1995.

Reform legislators are already working on a plan. "We realize that one size is not going to fit all," Riley points out. "What we want to do is move people from welfare to work and from work out of poverty."

"And we must have programs for those who cannot help themselves," he adds.

In what amounts to a definitive description of the welfare system nationwide, Riley says, "This issue goes beyond welfare—it is a working poor issue. We need to provide them with the tools they need to stay in the workforce.

The Growing AFDC Caseload

July 1989 to November 1993

State	Cases (in thousands) July 1989	Cases (in thousands) November 1993	Percent Change
New Hampshire	5.3	11.2	111.3
Florida	121.6	254.5	109.3
Arizona	37.0	72.7	96.5
Nevada	7.4	13.7	85.1
Alaska	7.3	12.4	69.9
North Carolina	78.3	131.2	67.6
New Mexico	20.1	32.9	63.7
Delaware	7.3	11.5	57.5
Guam	1.1	1.7	56.5
Texas	183.6	283.4	54.4
Connecticut	37.7	58.0	53.8
Georgia	93.1	141.5	52.0
Tennessee	70.6	105.7	[illegible]
South Carolina	35.5	52.5	47.9
District of Columbia	18.1	26.7	[illegible]
California	604.7	888.1	46.9
Rhode Island	15.2	22.3	[illegible]
Indiana	51.0	74.8	[illegible]
Hawaii	13.9	19.9	43.2
Idaho	5.8	8.3	43.1
Vermont	7.0	9.8	[illegible]
Kentucky	58.3	79.7	[illegible]
Oregon	30.6	41.8	36.6
Virginia	54.2	74.0	36.5
Missouri	67.4	91.1	35.2
New York	336.6	443.7	31.8
Oklahoma	35.7	46.6	30.5
Washington	78.1	101.5	30.0
Montana	9.0	11.6	28.9
Massachusetts	87.6	112.7	28.7
Maine	18.0	22.9	27.2
Maryland	63.0	79.3	25.9
Colorado	33.2	41.1	23.8
Virgin Islands	0.9	1.1	22.2
Utah	14.8	18.0	21.6
New Jersey	100.1	121.6	21.5
Kansas	24.7	30.0	21.5
Pennsylvania	173.5	206.9	19.3
Illinois	198.5	236.7	19.2
Minnesota	53.7	63.4	18.1
Ohio	218.6	253.2	15.8
West Virginia	35.1	40.6	15.7
Alabama	44.5	51.0	14.6
Iowa	33.7	38.6	14.5
Wyoming	5.0	5.7	14.0
Nebraska	14.1	16.0	13.5
North Dakota	5.4	6.0	11.1
Arkansas	24.0	26.1	8.8
Michigan	210.2	226.7	7.8
South Dakota	6.6	7.0	6.1
Puerto Rico	59.4	59.6	0.3
Wisconsin	79.0	78.0	-1.3
Mississippi	59.2	58.0	-2.0
Louisiana	91.8	88.6	-3.5
United States	3,746.1	5,011.6	33.8

Source: American Public Welfare Association.

Federal Welfare Reform Debate Begins

A welfare system that has evolved over 50 years will never be transformed overnight. Congress and the administration are preparing proposals for a debate to "end welfare as we know it" that will certainly continue throughout the summer and during the fall campaigns.

As New York State Senator Jim Lack cautioned the U.S. Senate Finance Committee, "We are committed to working closely with you to fashion legislation that will comprehensively provide education, training and employment of welfare recipients and ensure that those who work will rise above-poverty, and to improve child support collections. For state legislators, this means a new welfare reform policy we can implement, that takes into account how state laws are enacted, that gives the states the flexibility to innovate and address local needs and does not shift costs to the states."

In November, with 162 of 176 members signed on, House Republicans introduced their welfare reform proposal, HR 3500. "This bill emphasizes the view that the majority of people now on welfare want to support themselves and their families and will do so if given the proper encouragement and support," said Congressman Rick Santorum of Pennsylvania, co-chair of the Republican welfare task force. "Republicans want to provide the needed balance between new benefits to support the transition to the workplace and new requirements for benefits to motivate some welfare recipients."

The bill requires 90 percent of AFDC recipients to work for their benefits after two years of assistance, emphasizes the responsibility of parents to support their children, encourages states to refuse welfare to unmarried parents and requires unmarried minor mothers to live with their parents.

HR 3500 provides approximately $10 billion to the states and $9 billion toward deficit reduction by ending income support programs (including AFDC, food stamps, Medicaid and Supplemental Security Income) for legal immigrants. This has the potential of shifting the costs of serving legal immigrants to the states.

In the Senate, two notable Republican proposals echo demonstration programs under way in Iowa, Vermont and Florida. Minority Leader Bob Dole of Kansas and Colorado Senator Hank Brown have introduced a proposal to require a binding social contract between recipients and the welfare agency that requires recipients to prepare for a job. After two years, they must either have work or be placed in community service for benefits with sanctions for noncompliance.

U.S. Senator Nancy Kassebaum of Kansas recently introduced a new concept to the welfare reform debate—"the swap." She proposes that the federal government take full financial responsibility for Medicaid in exchange for states funding the total cost of the AFDC and Women, Infants and Children programs.

"Giving the states both the power and the responsibility for welfare—with their own money at stake—would create powerful incentives for finding more effective ways to serve families in need," she said in March. "Washington does not have a magic answer to the welfare problem. The governors and state legislatures have no magic solutions either, but they have the potentially critical advantage of being closer to the people involved and closer to the day-to-day realities of making welfare work."

House Democrats are split into several ideological groups that are developing competing welfare reform proposals.

Seventy-seven members of the moderate Mainstream Forum have urged Clinton not to give up on his campaign promise and to move forward on time-limited welfare reform. Eighty-six House Democrats led by Hawaii Representative Patsy Mink sent a letter to the president opposing time-limited benefits as "unacceptably arbitrary." Ways and Means Chairman Dan Rostenkowski of Illinois has stated firmly that welfare reform will have to wait until next year.

New York Senator Daniel Patrick Moynihan, who wrote the Family Support Act of 1988 and now, as chairman of the Senate Finance Committee, will be crucial to the passage of any welfare reform proposal, has said: "We do have a welfare crisis. And we can do both health care and welfare reform."

Through the American Public Welfare Association, state welfare commissioners have unveiled a time-limits proposal that builds on the current JOBS program and requires the federal government to provide 90 percent of the funds for reform.

An administration working group is preparing a proposal that the president will introduce in the spring. While no final decisions have been made, widely circulated drafts and newspaper accounts reveal a time-limited program phased in slowly, primarily for those born before 1972. The transitional program will emphasize an intensive two-year education and training period followed by work for wages in the private or public sector.

The cost of this reform could be as high as $7 billion annually, and the working group is grappling with how to find sufficient cuts in other programs and other means to fund the program.

Many questions remain about the details of these proposals. Can welfare recipients achieve self-sufficiency in the low-wage labor market? Are there enough jobs available, and how can states train recipients to compete for them? Will sufficient funding be available for child care? Will increased funding for welfare reform come at the expense of states through elimination of programs, cost-shifting and unfunded mandates?

"True welfare reform will only come in a partnership between the states, localities and the federal government," says Representative Bill Purcell, majority leader of the Tennessee House. "Our concern for children must remain paramount. But in order to support these children, we must find ways to enable their parents to support themselves. We must reward work rather than welfare."

—*Sheri Steisel, NCSL*

So You Think You Want a Waiver?

Despite a federal push to "end welfare as we know it," states wanting to experiment with reform are still hindered by a cumbersome bureaucratic machinery that slowly grinds out waivers to existing law.

To request a waiver, state officials are required to document their proposal extensively, listing all federal laws that must be waived for a demonstration project, including statutes and regulations for Aid to Families with Dependent Children (AFDC) and related changes, if needed, in Medicaid and food stamp procedures.

Governed by Section 1115 (a) of the Social Security Act, the secretary of the U.S. Department of Health and Human Services has the authority to grant waivers to states that comply with two major conditions:

- All programs must be budget neutral to the federal government; the state must bear any additional costs that a reform project may incur.
- All programs must undergo rigorous evaluation, with the state sharing that cost. There is random assignment of welfare recipients to the demonstration project, and the state must designate a control group of recipients who remain under the old system to provide a comparison.

Cost neutrality may be one of the biggest hindrances to innovative programs for welfare reform. Washington state can serve as a warning to lawmakers of what happens when that provision is violated. It cost the state $29 million more than expected last year when its successful Family Independence Program (FIP) ended because of federal time limits on waivers.

"When we got our waiver from the feds, the state agreed that it would fund any increase in caseload," says David Knudson, a House senior research analyst. Because the program offered education and training, a large number of residents wanted to switch from AFDC to FIP. The training components, however, also lengthened the time that benefits were paid. Despite limiting FIP to specific sites, Washington faced a cost overrun of about $29 million. And despite FIP's success, the federal government took little pity, making the state ante up that amount, which, as Knudson points out, is significant in a state with only 5 million people.

Limiting numbers, another condition for federal approval, can also erect barriers to state innovations. In many instances, lawmakers want to open a demonstration project to all state residents, but cannot because of rules mandating random assignment to the program and the establishment of a control group.

Evaluations required by federal law (which must be paid for in part by the state) do not always indicate the success of a program. Wisconsin's Learnfare program was criticized by the Bush administration and the governor after it was reported that the graduation rates for Learnfare recipients (who were required to attend school or risk their family's benefits) were no different than for students who were not in the program.

A check of Learnfare by the Wisconsin state auditor's office, however, found that sloppy record keeping on the part of some school districts was

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There's a transitional period when they [primarily women, the bulk of AFDC recipients] are ready to go to full-time employment, and they can't because they will lose child care, health care and money from their earnings to higher taxes. This system has to be deconstructed. People are suffering in the process."

Colorado Makes Work Pay

As in the other states, Colorado lawmakers aim to remove the "disincentives" for employment. Their plan is based on a Colorado study that identified "cliffs to self-sufficiency"—the points where a family begins losing money through job-related expenses and taxes.

Cliffs occur when an AFDC recipient takes a minimum wage job. Even with the wages, the standard of living won't improve, and the family might not be able to get off public assistance. As earnings from a job increase, the family is hit with a substantial decreases in spendable income.

"Folks on welfare who get jobs and go out on their own hit these barriers," explains Senator Claire Traylor, co-sponsor of the bipartisan Colorado Personal Responsibility and Employment Program that attempts to overcome these disincentives. "They can't even accept a raise—something like a 10-cent raise affects their asset limits, their housing, their food stamps. So they have to choose not to accept the raise or go back on welfare."

Colorado's waiver, granted in January, involves 4,000 families in five counties. The pilot program will:

- Combine AFDC, food stamp and child care benefits into a monthly cash payment to teach families fiscal responsibility.
- Allow recipients to earn more income by cutting fewer benefits when they get a job.
- Make it easier for recipients to own a car in order to travel to and from work.

In addition, Colorado will:

- Decrease aid to parents who do not immunize children under 24 months of age.
- Stop monthly payments to recipients after two years if they have not participated in educational or job training programs.

"Benefits will extend beyond two years if a family is working toward its goals. If the AFDC recipient is not trying, by the end of two years she will be phased out," Traylor says.

The Colorado program counts on business involvement. "We have a lot of organizations or companies that will look at opportunities to work with folks in pre-training or developing job skills for long-time employment that would provide a living for them and their families," Traylor says.

Local social service departments have been instructed to help match employers with recipients who have or can develop the skill levels the companies need. Caseworkers will also identify job possibilities for recipients.

Iowa: Malleable Social Contracts

Iowa is banking on a social contract between the state and recipients to sort out those capable of working and those who need some sort of public assistance to survive.

more to blame than the program itself. Another consultant has been hired to track Learnfare progress.

One obvious weakness of the waiver process is that legislators may get in on the act after the fact.

Under their executive powers, governors can apply for waivers without giving legislatures the opportunity to act. However, any changes in state law the project may need must be passed by legislators. "Too often, legislators are not included in the federal waiver process until after a waiver is granted," says Ohio Representative Jane Campbell. "Federal waivers should be granted only with the passage of state laws and when state legislators are consulted."

Going over the head of the legislature may not necessarily be a wise move—as California Governor Pete Wilson found out. He received a federal waiver in July 1992 for a welfare reform proposal opposed by the Legislature. The laws necessary for initiating the program were not enacted. The plan was then taken to the voters as a statewide referendum where it also failed.

And a waiver will not protect a state from litigation arising from a welfare reform move. California's program to provide benefits equal to the state from which new residents had moved (if those benefits were lower) was suspended by the state Supreme Court, which found that it restricted the constitutional right to relocate. A lawsuit was recently filed in New Jersey to challenge its family cap program that limits benefits based on the size of the family at the time they apply.

The most recent round of welfare waivers has been aimed at limiting the time—usually to five years—that a recipient can collect benefits. But it takes five to six years to evaluate the success or failure of the program. In fact, states are still waiting for the results of evaluations of the 1988 federal JOBS program.

If a program appears successful, renewals are hard to get unless the federal government agrees to take the program over or uses it as a model for other states.

Because of the initial paperwork and red tape involved in presenting a waiver request to Washington, D.C., the Clinton administration has urged states to begin the process as soon as they have drafted a viable plan for welfare reform. And since welfare has become a matter of concern for most of the nation, at last count 40 states have discussed possible reform projects with HHS, according to Mary Jo Bane, HHS assistant secretary. Since welfare reform was one of the major issues of his campaign, President Clinton has hoped to give the states leeway in their efforts, saying that waivers will be approved whether he agrees with the focus of the project or not. The requests must, however, meet the administration's policy requirements.

In Wisconsin, the Work Not Welfare program was not given federal approval until the state agreed to continue Medicaid assistance for those who were removed from the rolls through time limits.

As federal officials labor at revamping the welfare system, an offshoot that would be welcomed by the states would be a reform of the entire waiver process.

"We'd like to see the federal government give us leeway to amend our state plans, instead of requiring us to go through the waiver process," Knudson suggests. "And, realistically, if you don't want to spend the money, you are not going to reform welfare. So we'd be interested in getting away from the budget neutrality requirements."

—*Sheri Steisel, NCSL*

"We're not ready to say, 'Tough,' but neither are we satisfied with a system that is supporting people who are capable of supporting themselves," explains Representative Lee Plasier.

Iowa's Family Investment Plan, which took effect Nov. 1, 1993:

- Requires clients to sign a family investment agreement, participate in the state/federal Job Opportunity and Basic Skills (JOBS) training program and agree that on a certain date they will leave AFDC. Or clients can opt for a limited benefit plan that pays in full for three months and ends after six months.
- Disregards for benefit purposes 100 percent of the income earned the first four months of employment for families making less than $1,200 a month.
- Extends child care benefits for 24 months after families leave AFDC.
- Increases the amount of liquid assets a family may have.
- Eliminates the 100-hour rule.

"Iowa has provided powerful incentives to make work pay," Plasier explains. "In some cases, people will leave the system. Some will stay on it with limited levels of financial support and with earnings supplementing their welfare grants."

The statewide Iowa program applies to 35,000 people on welfare. About 4,000 others will receive benefits under the state's old system to meet federal requirements for a control group.

And what happens if a family does not fulfill its written contract? The plans can be rewritten or adjusted to allow for factors beyond human control, such as a downturn in the job market. If, however, a recipient is not making a good faith effort to find a job or continue education or training, benefits are reduced. At the end of six months if there is still no effort, benefits end.

Plasier says early indications are that the number of welfare cases has increased, but the state is actually spending less. Because the thresholds for eligibility were lowered, recipients are allowed to make more money and require less in welfare benefits.

Vermont Looks at Options

In a project that will start this July, Vermont is testing time limits and social contracts with three separate groups encompassing 80 percent of the state's welfare recipients.

Vermont's Family Independence Program features:

- Requirements that after 30 months on AFDC (15 for two-parent families) recipients find a job or do community work. The recipient's welfare grant will be diverted to the community employer to be paid out as a salary.
- Increases in the "earnings disregard:" The first $150 a family makes is ignored and so is 25 percent of their salary after that.
- Child care transportation, career counseling, vocational rehabilitation and medical assistance.
- A requirement that teen parents live with their parents or in a supervised setting.
- Transitional Medicaid for 36 months for families earning up to 185 percent of the federal poverty level.
- Elimination of the 100-hour rule.

A unique feature of the Vermont plan is the three groups in the project. Sixty percent of new welfare recipients will be enrolled in the time-limited program. Twenty percent of the new recipients will be on the new program, but will not face any penalties. Twenty percent of the welfare population will remain under the current system.

The state will be allowed to create some jobs for those who cannot find employment, but the bulk of the bill is focused on real jobs, Backus says.

And what if a recipient flatly refuses to work? The state intends to make slackers totally dependent on public assistance.

"If you don't make the transition off welfare, we have what is known as the hassle factor—super dependency and loss of dignity," explains Senator Jan Backus.

Able-bodied people who choose to remain on welfare will not be penalized by a cut in benefits, but they will become dependent on state vouchers for their needs. "You'll get food stamps so you can eat; your rent will be paid; your electricity will be taken care of by the state." And the recipient will face the embarrassment of making more trips to the welfare office for handouts.

Another focal point of the Vermont reform is a family plan, much like Iowa's contracts.

"A family plan has to be made by mutual agreement," Backus explains. "The recipients must work with their caseworkers and set goals for training and job experience. There must be a mutual buy-in to the plan, and if you don't like your plan you can change it."

To make the system work, Backus says, there has to be a "change in the mindset of welfare workers" toward helping people get off the rolls. "We need to retrain our own people [in social services], reallocate how we use staff, teach them how to educate and train people for jobs; help welfare recipients find jobs, help them find a future."

Florida to Train Caseworkers

Making major changes in how social workers perceive their jobs is also a big part of Florida's reform effort, the Family Transition Program.

The project decreases the number of clients per caseworker from 400 to 80. With fewer clients, social workers will be expected to "become very creative and proactive" in helping families succeed, according to Representative Cynthia Chestnut.

"We have never provided the support system that would make welfare families whole," she says. "As for child care, transportation, health care—as soon as they got a job, the rug was pulled out from under them. We want to provide a prescription for a family to make them self-sufficient."

The Florida plan:

- Restricts future recipients to 24 months of benefits in a five-year period, but allows people with limited skills and no work history 36 months of welfare in a six-year period.
- Increases the family's allowable assets.
- Increases the amount of earnings disregarded.
- Provides transitional child care for two years.
- Requires that children of welfare families attend school or the family loses benefits.
- Requires parents to immunize children.

Chestnut says the cornerstone of the Florida reform is education and training. "We want people to be able to qualify for a job in their community, but one that is above $5 an hour. If you go flip burgers, you don't make enough money. You make more on welfare in Florida than at a $4.25 an hour job.

"I think we've turned out all the secretaries and clerks they'll need for awhile." She hopes people seeking to leave the dole can be steered toward such occupations as nurse's aide, operating room technician, paramedic or toward a similar field that will pay more than minimum wage.

Florida's pilot programs began this spring in two different counties—one voluntary, the other mandatory, for new welfare enrollees.

"I think we're going to see success with the voluntary model," Chestnut says. "If people want to change, if they care enough to volunteer, I think they will be more inclined to be productive and work hard to get off welfare."

"What we want to do is move people from welfare to work and from work out of poverty."

Welfare Waiver Ideas: Approved, Pending and on the Drawing Board

Reform Features	States
Individuals required to work or participate in education or training.	Colorado, Wisconsin
Family planning services and parental skills instruction offered by state to all AFDC recipients.	Georgia
Learnfare: Incentives or sanctions aimed at keeping children in school; incentives to get high school diploma or GED; incentives for pregnant or parent teens to remain in school; requirement for teen participation in JOBS education program.	Arkansas[1], California[2], Florida, Illinois, Maryland, Oklahoma Mississippi[4], Missouri, Oregon, Virginia, Wyoming, Wisconsin
Able-bodied individuals required to work in private or public sector.	Florida, Georgia, Mississippi[4], South Carolina[4], Vermont, Wyoming
Time limits (wide variation in state approaches).	Colorado, Florida, Iowa, Vermont, Wisconsin, Virginia[1]
JOBS participation required.	Illinois, Oregon, Utah
Noncustodial parents eligible for JOBS.	Illinois, Michigan
Education, training or employment-related activities required.	New Jersey
Medicaid and/or food stamps available to those terminated from AFDC.	Georgia, Wisconsin
Certain benefits (i.e. food stamps, child care) provided as cash payment.	Colorado, Mississippi[4], New York[5], Wisconsin
Earnings disregard increased.	Colorado, Florida, Illinois, Iowa, Minnesota, Mississippi[4], New York[5], Vermont, Wisconsin
Asset limit raised.	Florida, Illinois, Iowa, Mississippi[4], Missouri, Utah, Virginia, Wyoming, Colorado
Vehicle, fully or partially, exempted from allowable assets or asset limit raised.	Colorado, Florida, Iowa, Utah, Vermont, Wisconsin
Child support: Payments disregard; disbursed directly to family.	Missouri, Vermont
Child support "assurance" payments to current recipients; custodial parent required to get court order for child support to be eligible for program; child support "insurance" payments to former recipients.	New York[5], Virginia
Family cap: No increase in total AFDC payment for new child born while mother on AFDC.	Arkansas[1], California[2], Georgia, New Jersey, Wisconsin
Payments to new residents the same as in the state where they previously lived (if lower).	California[3], Illinois[1], Wisconsin
AFDC marriage penalty eliminated; stepparent income formula changed.	New Jersey, Virginia
Immunization of children required.	Colorado, Florida, Georgia, Mississippi[4], Maryland
Prenatal, preventive care for children required.	Maryland
Transitional child and/or Medicaid.	Florida, Iowa, Vermont, Virginia, Wisconsin, New Jersey
Support services (child care, transportation, etc.) available to working recipients.	Illinois, Vermont
Participants required to contribute to JOBS child care.	Massachusetts[1]
Social contract with state required; self-sufficiency plan required.	Iowa, Michigan, Wisconsin, Utah
Employer incentives: Subsidies to provide wages in lieu of benefits; training wage allowed equal to previous month's benefits.	Illinois[1], Missouri, Virginia, Mississippi[4], Oregon[4]
Deposits in special (individual development) accounts exempt from eligibility guidelines.	Iowa, Wisconsin
100-hour work rule eliminated.	Iowa, Michigan, Missouri, Texas, Wisconsin
Income earned by dependent children who are students disregarded.	Michigan
Business-sponsored apprenticeships in public schools.	Minnesota
Fingerprinting requirement.	California

Note: Data is current through February 1994.
Not all approved waivers are currently implemented.
States are approved unless noted.

Footnotes:
1 Waiver applied for
2 Waiver approved, voter referendum to initiate failed
3 Waiver approved, program ruled unconstitutional
4 Waiver request not yet submitted
5 Program congressionally approved through OBRA

Source: Laurie [illegible], NCSL

COVER STORY

W E L F A R E

THE MYTH OF REFORM

Both parties are vowing to get hundreds of thousands of Americans off the dole and into jobs. It may be harder than they think

Once there was a president of the United States who vowed to break the "spider web of dependency" ensnaring the nation's welfare recipients. He signed into law a historic reform of public assistance, which he said would "lead to lasting emancipation from welfare dependency." But today, seven years after Ronald Reagan put his pen to the Family Support Act, the nation's welfare rolls have soared to record levels. Nearly 1 in 7 American children is receiving Aid to Families with Dependent Children. Fewer than 1 percent of those on the dole work in exchange for their welfare check. And just last month, the U.S. General Accounting Office reported that only 11 percent of the 4.6 million parents on AFDC participate monthly in any of the education, training or job search programs set up by the 1988 law.

Few dispute the need to end the abuses in the welfare system or to expand welfare-to-work programs. But the idea that millions of low-income Americans can readily be moved from the relief rolls to the work rolls is the grand illusion of welfare reform, a bipartisan myth that sustains the legislative lurches of each new administration and Congress. Liberals believe more and better education and training programs will do the trick; conservatives think a forceful nudge will get the poor off their duffs. The stubborn reality, though, is that many of those who are most dependent on public assistance are unable to get and keep full-time jobs in either the public or the private sector – and that even the best work and training programs barely dent the relief rolls.

Chronic welfare recipients live in a world far removed from the committee rooms where lawmakers draft well-intentioned plans to put them to work. Many women who have been on welfare for years have so little work experience that social workers must rehearse them with scripts so they will remember to say "thank you" and "goodbye" at the end of job interviews. Roughly a third of those who live on public assistance cannot read a street map or fill out a Social Security card application.

Disabilities, alcoholism and depres-

BARRIERS TO EMPLOYMENT

A substantial share of women on AFDC have impediments to full-time work, including:

[illegible]	Abuse or neglect as adults
[illegible]	Partial disabilities (or disabled person in household)
[illegible]	Learning disabilities
[illegible]	Substance-abuse problems

*Finding is based on survey in Washington State. USN&WR – Basic data: U.S. Dept. of Health and Human Services; Urban Institute