

**CCWRO Weekly New Welfare News Bulletin  
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**IN BRIEF- Welfare Policy Issues**

-- On 4/2/02 Karol Hamman of Riverside County asked DSS: "Could a sanctioned client get child care when she is trying to cure her sanction by participating in WtW activity? This is her first sanction and she has been sanctioned for 36 months. She has to complete a 2-3 week job club/job search activities before she is eligible to receive cash aid again. However, she needs child care in order to participate.

Hilva Chan of DSS answered : "Yes, it is the intent of the legislature to provide supportive services, including child care, for clients to participate. This client would not be able to participate and cure her sanction without child care. She may claim good cause if a lack of supportive services is preventing her from participation."

CCWRO COMMENT: This means that if a person is sanctioned and agrees to participate, but supportive services are not actually available, then the county should give them good cause and stop the sanction.

-- SB 429, which allowed parents, whose kids are taken away from them by child protective services, to continue to receive WtW services, but not CalWORKs. Now Department of Health Services has announced that the parents may not be eligible for Medi-Cal.

-- NEW CalWORKs Lobbyist - Western Center n Law and Poverty have hired a new lobbyist for CalWORKs. LUPE DIAZ, who worked for MALDEF for 2 and a half years, and the Children Roundtable for two and a half years will start on April 1, 2003. Welcome aboard.

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## EDITORIAL - COUNTIES IGNORE OVERPAYMENT

Income Eligibility Verification System (IEVS) is designed to identify persons being overpaid and to stop the continuation of overpayments. This is done by matching the CalWORKs recipients social security number with the income reported to IRS by employers. When the income reported to the welfare department does not match the income reported to IRS by the employer, it is called a "hit". A hit produces an "abstract", which includes the name of the person who did not report income and the amount of the income not reported. While counties rant and rave about welfare recipients not reporting income, they rarely talk about their own deviant behavior- refusing to process these abstracts with the 45 days mandated by federal law.

Some counties, are so arrogant, they don't even file state required reports - and DSS does nothing about the counties not reporting. The counties not reporting for the second and third quarter of 2002 are: Contra Costa, Monterey, Nevada and Sacramento. Ventura County did not file a report for the third quarter.

During the third quarter of 2002 the following activity was reported;

Abstracts Received - 173,075

Abstracts Processed - 123,949

Abstract Unprocessed - 515,414

It looks like many cases are lingering on and accumulating more and more overpayments. When the county finally gets to on overpayment, its grown to thousands of dollars. The recipient is then accused of being a criminal, while the county, who actually caused the overpayment by refusing to do its job, becomes the persecuter.

There is nothing action by DSS to assure that these counties do their job and stop setting poor parents into being a felons.

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### **TANF UPDATE by Evelyn Dortch Direct Action Welfare Group (DAWG)**

Senate Committee Tackles Welfare Reform Continuing the dialogue on the reauthorization of the 1996 welfare law (P.L. 104-193), the Senate Finance Committee held a March 12 hearing to discuss improvements needed in the current law. Committee Chair Chuck Grassley (R-IA) noted that the welfare law "is largely acknowledged to be one of the most successful reforms in decades." He added that, in this next phase, "we should consider how states are serving those families who are not getting assistance, but who remain poor."

Ranking Member Max Baucus (D-MT) agreed. "In 1996, the welfare program was broken, and major surgery was required," he said. "That surgery has been pretty successful," he stated and added, "We need to keep going along that path, not force states into making major strategy shifts."

Secretary of Health and Human Services Tommy Thompson also began his testimony by noting the success of the 1996 welfare law. "Employment among single mothers has grown to unprecedented levels, child poverty rates are at or near historic lows, the rate of births to unwed mothers has stabilized, and the share of unmarried women with a young child stopped growing and began to decline in mid decade," he said.

The administration's proposal "builds a foundation to help families find jobs," continued Secretary Thompson. "We would require states to engage every family in the Temporary Assistance for Needy Families (TANF) program to work 40 hours a week," he said. Recipients must spend 24 hours per week "in direct work," and states would have the flexibility to decide which activities, such as education or substance abuse treatment, should be included in the remaining 16 hours, he explained.

According to Secretary Thompson, the plan would provide \$200 million in annual grants "to support healthy families and healthy marriages," an additional \$1 billion for child care, and states would be given an incentive to pass on more child support payments directly. "One last component would allow families to continue on Medicaid for up to a year after they get off of welfare," he said.

"The plan would authorize \$2.4 billion to extend Transitional Medical Assistance (TMA) through FY2008," he added.

Sen. Olympia Snowe (R-ME) expressed concern that a Maine program allowing welfare mothers to attend college while continuing to receive cash assistance and child care would be curtailed under the administration's plan. "The idea of allowing individuals to achieve a higher education is something we all should strive for," she stated. "Ninety percent of those who participated in the program in Maine have successfully moved off of welfare and increased their income by more than 15 percent," she said.

"Our basic premise is that you have to have a work requirement," responded Secretary Thompson. "If you completely exempt the work requirement and just allow school, I don't think you ever really get to the accomplishments originally in the law," he added.

"If we're just driven to look at the numbers, to reduce the numbers, and we don't look at the individuals behind those numbers, that's going to be a real travesty because we're not going to be successful," replied Sen. Snowe.

"The current law is number-driven. The administration's proposal is not number-driven. It allows for much more flexibility for the states," said Secretary Thompson. "If we could work out a proposal for work and school, that's the best of both worlds, but I still think you have to have the work component," he emphasized.

Sen. Baucus said he had big concerns regarding the resources that states "may or may not have for child care. If dollars are going to those additional work requirements for those on welfare, where is the money coming from for child care?" he asked.

"The House-proposed bill, which we are supporting, increases child care funding by 22 percent," responded Secretary Thompson.

Sen. John Breaux (D-LA) noted that, according to the Congressional Budget Office, \$8 billion to \$11 billion would be needed for states to meet the new work requirements and child care needs. "I don't think the administration has made their case to mandate 40 hours with no additional funding," he said.

On the second panel, Howard Hendrick of Oklahoma Human Services told the committee that he was asked to share some of the successes of the Oklahoma welfare program with particular emphasis on family forming initiatives as they relate to marriage promotion. "Our strategy has been to develop a network of trained workshop leaders to deliver a twelve-hour curriculum called PREP, the Prevention and Relationship Enhancement Program," he said. To date, 550 workshop leaders have been trained to provide this service throughout Oklahoma communities, he explained.

Marilyn Smith of the Child Support and Enforcement Division of the Massachusetts Department of Revenue said that her agency has made extensive use of automation to collect child support. "In the last ten years, collections in Massachusetts have increased by 97 percent, from \$207 million in 1993 to \$408 million in 2002," she said. Although the numbers are impressive, "the real impact is in the difference that these collections have made for individual families, when a child support check appears out of the blue in the mailbox of a custodial parent who has not received a payment in years," she added.

Ms. Smith urged the committee to expand support for a responsible fatherhood initiative. "Eighty percent of fathers are romantically involved with mothers at the time of birth," she contended. "Three years later, only 20 percent are involved," she stated, advocating for a program that would provide job support services for noncustodial parents. "A job and the ability to provide financial support are critical to keeping these connections," she added.

Margy Waller of the Brookings Institution testified that states now spend more than 60 percent of their funds on services like child care, much of it on working families not on welfare. "That's because the 1996 law guaranteed funding levels for block grants and caseloads dropped by more than half," she explained. The drop in caseloads also allowed states "to design individualized programs for parents to prepare for work," she added.

"There are two things that I have concluded about this proposal to increase work requirements," she assessed. "First, despite what we heard this morning, I believe that flexibility will disappear. The only way that states can try to meet the proposed elements of the new participation rates will be to create one-size-fits-all, unpaid work programs," she said. "Secondly, services to poor working families will be wiped out as states spend their block grants creating and administering these work programs," she stated. "The administration's proposal makes it seem like the states have done something wrong and now need more help from the federal government," she added.

While it's true that the administration is more than doubling the money for welfare, "the great truth is that we don't need to spend as much money under the current, flexible system," she

asserted. "Instead, states are spending much of the money on supports like child care and transportation for working families who don't get welfare," she pointed out. "If states have to create expensive welfare programs, these supports will collapse," she cautioned.

#### Bills Introduced Welfare

S. 574 ----Sen. Jon Corzine (D-NJ) / Finance (03/07/03)---A bill to toll the five-year limit for assistance under the Temporary Assistance for Needy Families program for recipients who live in a state that is experiencing significant increases in unemployment.

S. 605 ----Rep. Lamar S. Smith (R-TX) / Finance (03/12/03)---A bill to extend waivers under the Temporary Assistance for Needy Families program through the end of fiscal year 2008.

S. 603 ----Sen. Olympia Snowe (R-ME) / Finance (03/12/03)---A bill to give states the option to create a program that allows individuals receiving Temporary Assistance for Needy Families to obtain post-secondary or longer duration vocational education.

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