

RECIPIENT IMPACT STATEMENT

**ON
THE WORKFARE PROVISIONS
OF H.R. 1720**

**SECTION BY SECTION ANALYSIS OF THE NETWork PROGRAM
OF H.R. 1720 AS APPROVED BY THE SUBCOMMITTEE ON PUBLIC
ASSISTANCE OF THE HOUSE WAYS AND MEANS COMMITTEE**

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TABLE OF CONTENTS

H.R. 1720 in Brief	1
Section 416(a) and (b)- Program Operation	2
Section 416(c)- Participation Requirement	3
Section 416(d)- Priorities	4
Section 416(f)- Assessment	5
Section 416(g) Agency-Client Agreement and Case Management	6
Section 416(h)- Range of Services	7
Section 416(j)- Workfare	8
Section 416(k)- Job Search	9
Section 416(l)- Sanctions	10
Section 416(m)- Regulations	11
Section 416(n)- Performance Standards	12
Section 416(o) and (p)- Continuing Evaluation and Uniform Reporting Requirements	13
Section 102- Federal Matching Rates	14
Section 104- Effective date	15

H.R. 1720 IN BRIEF

THE GOOD

- Two-parent families will be eligible for public assistance in all states by 1990.

- Work related deductions would be available at all times. There will be no time limits.

- Within a 5 year period about 18 states would have to raise their AFDC benefits to 15% of the median income level for the state in question.

- Repeals the current provisions which deems the income of a parent to be available to the minor even if the minor lives separately from his or her parents.

THE BAD

- Mandates the state welfare department to require that a parent with children over the age of three years to participate full time in a workfare program and participate part time if there is a child over the age of 1.

- Allows states to mandates that both parents of two-parent families do workfare duties for their welfare benefits.

- There are no assurances that the family would have a certificate which guarantees the participant that a care slot will be available if employment is found.

- The state welfare agency, not the state employment agency, would be required to operate the employment programs for welfare recipients. Parent(s) receiving AFDC benefits would no longer be referred to the state employment agency for job services and training where all other people go for training and jobs. This is an attempt to separate the poor from all other non-welfare persons seeking jobs and training.

- State agencies would not be required to provide remedial education to all persons without a high school degree. The bill contains a big loophole for state agencies who do not think that welfare recipients need education.

- A recipient could begin his/her participation in the program by being referred directly to a six (6) month workfare program. The six (6) month workfare assignment could be repeated year after year without any limitation if a person reapplies for aid.

- States can require participants to do job search while participating in other components, such as, education, training, workfare, except for remedial education. Thus, at any given time, the participant may be required to look for jobs that do not exist

- Recipients can be forced to train for jobs that would make them financially poorer. In many cases, the parents would not be able to feed or house their children because they would be forced to use their food and rent money for child care and other work-related expenses.

- Minors receiving AFDC benefits will be forced to live with their parents.

- In computing the AFDC benefits, clients would not be allowed to deduct valid child care payments.

- Rewards state agencies in the form of financial incentives when services are provided to volunteers but fails to impose any penalties on the state for client abuse and violating the law; which is common practice in America.

- Imposes severe sanctions against clients who fail (as opposed to refuse) to cooperate with the workfare workers without good cause. The bill fails to define what constitutes good cause and allows the state agency to sanction the parent or both parents of the family for at least three months, upon the second or subsequent failure to cooperate or participate. This means the state agency can sanction families for months and months, depending upon who operates the program or who is the Governor of the State.

- The mandatory workfare programs becomes effective in 1989, but the grant increases become effective in 1993.

- The bill does not mandate any priority for participation. Rather, it merely suggests that states give priority to volunteers and long term welfare recipients. •States would get a 60% federal match for job search and workfare activities, in lieu of the current 50% match. This would increase the amount of funds that state agencies can have to operate workfare and job search programs.

- States would be required to operate a workfare job search program, even if there are hardly any jobs in the community.

- Workfare is not mandated as a training program, rather it is a program whereby welfare recipients would provide uncompensated labor to federal, state and local governments. In many quarters, this is known as involuntary servitude or SLAVERY.

SECTION 416 (a) and (b) PROGRAM OPERATION- OPPOSE

SUMMARY OF THE SECTION

This section requires the State to operate an employment program for welfare recipients. It will be operated by the State welfare agency in all political subdivisions of the State through a plan that shall be submitted to the Secretary of HHS prior to the effective date of this section.

RECIPIENT IMPACT STATEMENT

Subsection (b)(1) requires each State to provide these services throughout the State without regard to the unemployment rate, that very few employers have hired a new person in months and notwithstanding the fact that the State may be primarily agricultural. This bill will force welfare recipients to conduct job searches in local regions where there are no jobs. This bill will create new jobs for welfare bureaucrats, i.e., jobs which monitor welfare recipients looking for nonexistent jobs and sanctioning recipients for failing to find jobs that do not exist.

Subsection (b)(2) mandates that the private sector and local governments be involved in the planning and program design. The bill fails to mandate that program participants and their representatives be involved in the planning and program design.

Subsection (b)(3) mandates that the State welfare agency be the agency responsible for the administration of this employment program for welfare recipients. The jobs and training program for welfare recipients should be operated by the State employment agency which operates the jobs and training program for non-welfare recipients. Having the State and local welfare agencies operate the jobs and training programs for welfare recipients promotes job segregation and redlining.

RECOMMENDATIONS

AMEND SECTION 416(b)(1) to mandate that services will be provided in all political subdivisions only if the unemployment rate is more than 7%.

Amend Section 416(b)(2) to mandate that representatives of the local legal services and welfare rights organizations, if any, be included in the planning and program design process.

Amend Section 416(b)(3) to mandate that the State employment agency operate the employment and training programs for welfare recipients. The Commissioner of New York stated before the House Education and Labor Committee that welfare agencies deal exclusively with welfare recipients. Therefore, it would be unlikely that the State Welfare Department could make welfare recipients competitive with non-welfare recipients.

SECTION 416(c)-PARTICIPATION REQUIREMENTS- OPPOSE

SUMMARY OF THE SECTION

This section specifies who must participate in the program. All persons with children over the age of three (3) years of age are required to participate in the program.

States may set participation priorities, but are not limited to the sequential order as set forth in this section.

Persons working less than 20 hours a week will be required to quit their job and participate in this workfare program.

Persons may be allowed to complete a vocational and technical training program designed to lead to employment.

The bill retains the established exemptions, such as illness, persons over the age of 60 years old, or the illness of another family member.

Finally, States can force welfare mothers (including nonbiological parents, such as grandparents or elderly relatives) with children, between the ages of 1 and 3 years, to participate in the workfare program, if the State provides the child care that the State agency believes the mother needs.

RECIPIENT IMPACT STATEMENT

The bill enumerates certain priorities which include the word "including" which makes possible an array of other categories of persons that States can give priority to, including everyone receiving and applying for AFDC. Thus, this section contains "cosmetic" priorities that have no "bite".

Moreover, this bill defines a "long term" AFDC recipient as having been on aid for 20 months during the past 24 months. This is a far cry from the "generational welfare recipient" who was viewed to be the "long term" welfare recipient.

This definitional change opens the door for the neo-conservatives to launch another propaganda war by talking about the fact that 90% of the people on welfare are "long term" welfare recipients as defined by "our democratic friends" in Congress.

Persons who work part-time should never be forced to quit his or her job to work in a federal, state or local government workfare project. In many cases, part-time jobs become full-time jobs. There is no reason to force welfare recipients to quit their jobs because workfare bureaucrats need clients to justify their own monthly paycheck.

This section does not allow AFDC recipients to **complete their self-initiated education or training**. It appears that the bill assumes that welfare recipients are not clever enough to initiate a job training program on their own without the whip of the workfare bureaucrats. AFDC recipients who embark upon the road of self-initiated education or training should be allowed to complete the program.

RECOMMENDATION

Amend this section to:

Mandate that State agencies follow the priorities set forth in the law and prohibit any deviation from those priorities.

Exempt persons from mandatory participation in the program who work part-time.

Provide that any person who is currently in, or en-rolled in, a self-initiated education or training program be allowed to complete that program before being required to participate in the program under this section.

Only biological parents shall be mandatory participants.

SECTION 416(d)- PRIORITIES

SUMMARY OF THE PROVISION

This section provides that, to the extent that the State's resources do not permit the inclusion of all mandatory recipients, then the State shall provide services to recipients consistent with the priority set forth in the law.

RECIPIENT IMPACT STATEMENT

This is another example of unrealistic priorities. The priority is applicable only if the State cannot serve all persons; most States would serve all persons. Therefore, the priorities set forth in this section are irrelevant.

RECOMMENDATION

Mandate that the priorities outlined in this section be followed unconditionally. The State agency should not be allowed to skip a priority without first conducting a public hearing and demonstrating that there are no person unserved in that priority.

SECTION 416(f)- ASSESSMENT- OPPOSE

SUMMARY OF THE SECTION

This section provides that the State welfare agency shall make an initial assessment of the educational needs, skills, and employability of each participant. After the assessment, the State agency will develop a family support plan, which "to the maximum extent possible" reflect the preferences of the family members involved.

RECIPIENT IMPACT STATEMENT

This section exposes the false assertions that HR 1720 empowers recipients to make choices as to the method of getting off welfare. The truth is that only the State welfare agency has the real power to decide what the client should do. The language of this section, which provides that the plan shall reflect the preference of the family "to the extent possible" demonstrated that the power belongs to the welfare bureaucrats.

RECOMMENDATION

On page 11, line 10 strike the word "to:" and line 11. This would give us some hope that the preferences of the family would be considered.

SECTION 416(g) AGENCY-CLIENT AGREEMENT AND CASE MANAGEMENT-OPPOSE

SUMMARY OF THE SECTION

This section provides that following the initial assessment, the county welfare/workfare bureaucrat and the client shall enter into an agreement. This agreement will set forth what the client must do and what the State agency must do. Clients may file a fair hearing request to resolve disputes relative to client-agency agreement. However, the law makes it very clear that "In no case shall any agency-client agreement entered into pursuant to this subsection, give rise to a cause of action against the Federal Government or any officer or agency thereof if any party to such agreement fails to observe its terms."

Each family member required to participate will be assigned a case manager.

RECIPIENT IMPACT STATEMENT

This section demonstrates that an agreement between the welfare agency and the client is actually a one way street. Clients can be sanctioned for failing to cooperate or participate, but the federal government and its agents are not responsible for refusing to comply with the agreement they entered into with the welfare recipient. It shows the hypocrisy of the alleged client-agency agreement. In reality, the client-agency agreement is a statement wherein the state workfare bureaucrat spells out what the recipient must do so that their children will continue to receive aid.

If the recipient fails to do what the State workfare bureaucrat say has to be done, their children would not receive welfare benefits for a specified period. In reality, the client-agency agreement is a statement wherein the state workfare bureaucrat spells out what the recipient must do so that their children will continue to receive aid. If the recipient fails to do what the State workfare bureaucrat say has to be done, their children would not receive welfare benefits for a specified period.

Every person realizes that only parties in a equal bargaining position can enter into a valid agreement. The AFDC client applies for aid to support his or her children. If the client wants the children to receive aid, the client must enter into this agreement. If the client does not enter into the agreement, the family's application for aid is denied so that they receive no aid, then the family will be forced onto the streets and to the garbage cans they go. They become another statistic to the ever growing homeless families of America.

RECOMMENDATION

The State agency shall assess the participant. The outcome of the assessment, the name of the local legal and welfare rights office, the availability of the various types of supportive services, including a recommended component for participation shall be mailed to the participant. The participant shall have the right to select either the recommended component or one of his or her choice and the right to request the services the client believes is needed. The component selected by the recipient shall be deemed to be appropriate, unless there is clear and convincing evidence that the component selected by the participant is inappropriate.

This would assure that client would be empowered to select a reasonable component and ask for supportive services, without having the workfare bureaucrat breathing down their neck and telling them what they should write on the form, which is a common practice within the welfare system.

CCWRO has published a proposed "Welfare Reform Bill". This bill has specific language that contains all necessary protections that clients need for a agency-client agreement. With that language this alleged agreement will be another cruel joke upon the needy of America.

SECTION 416(h) RANGE OF SERVICES- OPPOSE

SUMMARY OF THE SECTION

This section provides that each person shall be entitled to a range of services which must include remedial education, skills training and job search services, plus two (2) services from the following list of services: (1) on-the-job training; (2) work supplementation; (3) workfare; or (4) other education and training activities as determined by the State and allowed under federal regulations.

Persons without a high school degree or its equivalent will receive remedial education "...except in the case of a participant who demonstrates a basic literacy level and whose family support plan identifies a long-term employment goal that does not require a high school diploma..."

A person cannot be required to stay away from their home overnight in order to participate in the program.

This section prohibits displacement of current workers and contain comprehensive displacement language.

No person shall be assigned to a position which would result in net loss of income, which is not defined.

RECIPIENT IMPACT STATEMENT

This section fails to provide recipients with an uniformed full range of services. Thus, persons in different states and different counties within the same State will receive different types of services. Moreover, when a person moves from one place to another, they would not be able to pick up where they left off, rather, they will be forced to start all over again, which is not an efficient way of operating a program.

Some States, like the State of California, maintain that refugees do not need to learn to speak English because there are many people in America who work without speaking English. Given this type of attitude, this section contains a big loophole; no one would need a high school degree since many low paying jobs are available to those without a high school education.

Under the WIN Program, persons who must travel more than two hours each way are exempt from the program. This section could force persons to travel four (4) to six (6) hours each way without exempting them from the Program, because they would not be away from home overnight.

RECOMMENDATIONS

1. Mandate that the State agency allow the participant to select from the full range of services, rather than from a limited range of services. If the services are not available, then the participant shall be placed in an unassigned pool until the services selected by the participant becomes available.

30 days following the selection of a particular service by the participant the State agency shall mail a notice to the participant informing him or her of the right to select another component on a New Component Selection Form.

Any person who does not have a high school diploma should be required to participate in a remedial education program and they cannot be required to participate in any other service until they obtain a high school degree.

No person should be required to participate in the program unless the trip from home to the assignment is less than 2 hours each way.

SECTION 416(j)- WORKFARE- OPPOSE

This section allows State agencies to establish a workfare program whereby welfare mothers raising children will have to work for the funds they receive which meet their basic survival needs.

"To the extent possible, the prior training, experience, and skills of a recipient shall be used in making appropriate work experience assignments.

The workfare program will be limited to a one-time only six (6) months assignment which cannot be repeated. They must work off their grant by dividing the monthly grant by the existing hourly pay scale established for the position in which the participant is assigned less any child support payments being paid to the recipients or to the State on behalf of the recipient.

RECIPIENT IMPACT STATEMENT

The issue of whether Americans should be compensated for their labor or forced into involuntary servitude was decided during the Civil War. There are some

individuals in our society who just will not accept the fact that slavery has been abolished in America and will do everything in their power to turn the clock back to the dark ages.

Workfare has never been operated to help the poor, rather it was designed for the sole purpose of punishing the "undeserving poor."

RECOMMENDATION

Repeal the entire workfare section.

OR

Limit the workfare duty to three (3) month for each individual, which was the duration of the San Diego County Workfare Program.

Allow participants to select a workfare site of their own choosing from a list of available workfare sites.

SECTION 416(k) JOB SEARCH- OPPOSE

A person would be required to perform an eight (8) week job search program "in such manner as the State agency determines (in each particular case). Job search may be required by an applicant while his or her application is being processed. After eight (8) weeks, the participant must be placed in an education, training or workfare assignment, and be required to simultaneously to do job search.

RECIPIENT IMPACT STATEMENT

This section leaves the door open for the State agency to require that participants make 25 applications a week for nonexistent jobs. The State may require that different clients make varying numbers of job contacts. If the workfare bureaucrat likes a certain client, then that client will have to make fewer job contacts than other clients.

Some State agencies have found the easiest way to make families homeless. A family without any funds is required to do job search. Naturally, they will not be able to complete their job search assignment, thus their application will be denied for failure to complete their job search assignment. An ideal way of cutting the welfare rolls.

An eight (8) week job search is wasteful. In San Diego, recipients were required to do a three (3) week job search.

Having a person do workfare, education or participating in a training program while looking for a job at the same time doesn't make sense. What does a person do who is in training and has done five of the six months and somebody offers him or her a job? Should he or she accept the job or complete the training? Under this section if he or she refuses to accept the job, they will be sanctioned. It seems stupid doesn't it?

RECOMMENDATION

A person shall only be required to do a three (3) week job search and be required to contact no more than six (6) employers a week. The participant should also be required to do a three week job search assignment after completing a training program that was designed to last two full months of aid payments.lead employment.

No person should be required to do job search or participate in this program unless they have already been found to be eligible for aid and have received at their first family assistance payment.

SECTION 416(I) SANCTIONS- OPPOSED

SUMMARY OF THE SECTION

This section provides that any participant who fails to participate without good cause shall receive AFDC benefits only for the children as long as they continue to fail to participate. Once they agree to participate, their full benefits shall be restored. If the family member fails to cooperate or participate a second time without good cause, then they will not be aided (but the children will) for a minimum of three months.

No sanctions will be imposed until conciliation efforts have been made to resolve the issue.

RECIPIENT IMPACT STATEMENT

This section is an improvement over the current federal regulations, which allow for a six (6) month sanction of the entire family in the case of a two-parent family.

The major problem with this section is that for the second offense it has a durational ineligibility period. To expect a family of four to live on an AFDC check for a family of two is ridiculous. In the final analysis, the ones who will suffer the most will be the children. These families may very easily become homeless.

The conciliation provisions in this section are very minimal and do not represent a meaningful protection to poor families from needless sanctions.

RECOMMENDATION

Sanctions shall be imposed only as long as the participant refuses to participate. Once the participant agrees to participate, the sanctions should be stopped immediately and aid for that person should be restored effective on the day they agreed to participate. In many States, it takes the welfare agency 45 days to process the application of the person who is reapplying for aid. If a person agrees to participate and then refuses to participate twice in a given month, then that person, and not the family, should be sanctioned for 30 days.

Conciliation in this section is very limited. Conciliation would work if the State agency is required to notify the participant by letter of the exact act judged to be nonparticipation or noncooperation, what constitutes good cause, a proposed conciliation plan which would cure the alleged noncooperation or nonparticipation, which shall be directly related to the noncooperation or nonparticipation act, space for the participant to set forth his or her proposed conciliation plan, if they disagree with the proposed conciliation of the State agency, and the names, addresses and telephone numbers of the local legal aid and welfare rights agencies.

If the participant agrees to the proposed conciliation and completes it, the State agency shall mail him or her a letter stating that the conciliation plan was successfully completed.

Such a conciliation process would resolve most of the sanctions.

Specific language for sanctions and conciliation can be found in CCWRO's proposed "Welfare Reform Bill".

SECTION 416(m)- REGULATIONS- OPPOSED

SUMMARY OF THE SECTION

This section provides that regulations implementing the network program will be developed within six (6) months in consultation with the State agencies.

RECIPIENT IMPACT STATEMENT

There is no reason to promulgate regulations implementing the workfare provisions of this bill prior to

promulgating regulations for the improvements in HR 1720. In fact, we believe that the entire bill should become effective on the same date and that all of the regulations be promulgated at the same time.

We also object to the fact that only the State agencies are consulted in the promulgation of the regulations and the representatives of the consumers of the program are ignored.

RECOMMENDATION

Title 1 of H.R. 1720 shall become effective when all other provisions of the bill become effective.

SECTION 416(n)- PERFORMANCE STANDARDS- OPPOSE

SUMMARY OF THE SECTION

This section sets forth the performance standards for States operating the network program. The Secretary has one (1) year to establish performance standards in consultation with Congress, States and localities, educators and other interested persons. These standards shall provide rewards to States who target their program to the designated groups as set forth in the priorities of the network program, rewarding States that provide intensive services to participants, rewarding States that place strong emphasis on participation by volunteers, etc.

RECIPIENT IMPACT STATEMENT

The entire scheme of performance standards evolve around how much more the federal government will give the State to do what the States are already required to do. There are no penalties when the State violates the law. There are no real performance requirements- the basic requirement being that the States get paid based upon the number of persons they are directly responsible for getting a job and it has been verified.

It is interesting that the Secretary has six (6) months to develop regulations, and the Secretary can take action on State plans immediately, long before any performance standards are developed.

It is evident that performance standards are not required to assure that taxpayers get a fair return on their investment; rather, it is for the sole purpose of giving more money to States without any adequate controls and accountability for the program operation.

Of course, the participants will be held accountable. If the participant fails to cooperate, severe sanctions are invoked. If the State fails to comply with the law, it will not even get a slap on the wrist.

RECOMMENDATION.

Rewards should be equitably divided between the participants and the States.

States should only receive funding for the number of mandatory participants who obtained, maintained and whose employment has been verified.

States will receive additional funding for providing services to volunteers and persons who have been on aid continuously for six (6) years, without consideration that these persons find employment.

This would assure that States would target their services to long term recipients and volunteers

SECTION 416(o) and (p) CONTINUING EVALUATION AND UNIFORM REPORTING REQUIREMENT-OPPOSE

SUMMARY OF THE SECTION

This section provides that the Secretary shall continuously evaluate the program and establish uniform reporting requirements.

RECIPIENT IMPACT STATEMENT

The General Accounting Office published a report stating that HHS failed to establish any kind of evaluation or reporting requirements upon the States. This section grants discretion to the Secretary discretion to establish an evaluation and reporting requirement, when it has al-

ready been demonstrated that HHS is not interested in monitoring State welfare agencies. Thus, Congress needs to be very specific in the statute in identifying the contents of the States' reports to insure that the information flowing from the States will provide adequate information so that Congress can evaluate the Program.

RECOMMENDATION

The statute should provide for specified types of information that state agencies shall provide HHS to assure that an adequate evaluation can be done of the program.

CCWRO has made a copy of its "Welfare Reform Bill" which contains the necessary language for this section.

SECTION 102- FEDERAL MATCHING RATES- OPPOSE

SUMMARY OF THE SECTION

This section provides that the federal government would contribute 60% towards the administration of the network program and the appropriation would be open-ended.

RECIPIENT IMPACT STATEMENT

We oppose having an open-ended appropriation for this program, when a program such as Food Stamps is

a close-ended appropriation. Moreover, an open-ended appropriation without any safeguards for State abuses sets a dangerous precedence.

RECOMMENDATION

The appropriation should be close-ended and should be based upon the actual cost of serving volunteers and persons who have been on aid continuously longer than six (6) years. Mandatory participants shall only funded if they obtain and maintain a job that is a direct result of their participation in the network that has been verified

SECTION 104- EFFECTIVE DATE- OPPOSE

SUMMARY OF THE SECTION

The network statute becomes effective on October 1, 1989. Other portions of the act, such as the inclusion of two-parent families become effective in 1990, the AFDC benefit increases become effective 1992, etc.

RECIPIENT IMPACT STATEMENT

Generally statutes that benefit recipients are last to go

into effect, or are repealed before they go into effect, and statutes that are not designed to help the poor are the first ones to be implemented.

RECOMMENDATION.

The provisions of network shall go into effect as soon as all of the other sections of the bill have gone into effect and no sooner.

ABOUT THIS PUBLICATION

The recipient impact statements of the NETWork program is a product of intense discussions with welfare advocates who, combined, represent centuries of experience in workfare programs.

Legal analysis was done by Grace Galligher, Attorney at law.

The primary author of the report was Kevin Aslanian, who has been actively involved in welfare rights advocacy for over 15 years. He is also a former recipient of welfare programs.

CCWRO wishes to express its appreciation to all persons who participated in this project and to those who will read this analysis.

Language implementing many of the recommendations contained in this report are embodied in the CCWRO "Welfare Reform Proposed Bill of 1987", which has been made available to most congressional offices. Persons wanting copy of this publication should contact CCWRO at 1900 "K" Street, Suite 203, Sacramento, CA 95814, or call (916) 442-2901.



ABOUT CCWRO

CCWRO is an organization of welfare recipient organizations throughout the State of California. We also work with welfare rights organizations throughout the nation.

CCWRO publishes a monthly publication called the "California Workfare Reporter". CCWRO has also published an analysis of families who were victimized by the workfare and welfare program operators.

Our publications and analysis are based upon the true stories and views of the poor people who participate in the various public assistance programs throughout the United States of America.

CCWRO has testified before Congress relative to workfare programs several times during the past few years.
