

Strengthening American Families

In 1992, the economy was stagnant. Middle class families were working harder for less money. Unemployment reached 7.5 percent, the highest level in 8 years, with record layoffs doubling or tripling unemployment rates in many communities. Family wages lost ground to inflation between 1988-92, yet the federal government failed to move to create jobs, raise wages, and put America back to work. New jobs were being created at the slowest rate in decades. Because losing a job meant losing the family's health insurance, middle class families could lose their savings, their homes or become trapped in a broken welfare system trying to cover health costs.

Moving Families from Welfare to Work

THEN: Families became trapped in a broken welfare system.

In 1992 a broken welfare system made it virtually impossible to move from welfare back to work, trapping families in a cycle of dependency. There were 13.6 million people on welfare when President Clinton came to office — 5.5 percent of the population. Just seven percent of those on welfare were working. And the federal government was doing little to encourage parental responsibility. For example, only \$8 billion in child support was collected through federal and state efforts, and teen birth rates were increasing dramatically.

NOW: More families than ever move from welfare to work.

The landmark welfare reform signed by President Clinton in 1996 has transformed the welfare system to one that promotes work and responsibility, while protecting children.

- Under the Clinton-Gore Administration, the welfare rolls have been cut by nearly 60 percent to the lowest level since 1968, dropping to 5.8 million people or 2.1 percent of the population. Today, most recipients are expected to work, millions of parents have left welfare for jobs, and a record 33 percent of current welfare recipients are now working — five times as many as in 1992.
- The President launched The Welfare to Work Partnership to lead the private sector effort to hire people from the welfare rolls. Now over 20,000 businesses strong, the Partnership has helped an estimated 1.1 million welfare recipients move to employment.
- Under Vice President Gore's leadership, the Administration has also done its fair share, hiring nearly 50,000 welfare recipients since March 1997 and fostering partnerships with community and faith-based organizations that help families move from welfare to work and succeed on the job.

- The Administration has put in place tough child support enforcement measures to hold absent parents accountable, while helping low income fathers go to work and meet their responsibilities and federal and state child support collections doubled to nearly \$16 billion in 1999.
- To help families make the transition from welfare to work and support low-income working families, the Clinton-Gore Administration provided nearly 200,000 new housing vouchers, helped families meet their nutritional needs, improved transportation options through grants to communities and made it easier for families to own a reliable car without losing food stamps, and invested in child care.

Welfare to Work is Helping Americans Build Better Lives

"I have made a better life for my girls and myself. Just because a person was on welfare, doesn't mean that they can't get out and work. They just need a chance and because of the President's leadership on this issue, I'm living proof that it can be done."

— **Rhonda Costa, Salomon Smith Barney, New York, New York.** Rhonda Costa didn't dream much when she was on welfare. She spent her days trying to pay her bills with a \$280 a month welfare check and her nights shielding her two daughters from stray gunfire in a one-bedroom apartment. Rhonda decided to change her life after her oldest daughter told Rhonda to get up and do something with her life. She enrolled with Wildcat Service Corporation, a New York service provider that trains welfare recipients for jobs. After a 16-week training course, Rhonda was hired by Salomon Smith Barney, and through a promotion has been an office manager for two years and has an assistant of her own. Through Salomon Smith Barney's tuition reimbursement program, Rhonda is taking a class at Borough of Manhattan Community College for her business management degree.

The Welfare to Work Partnership is Mobilizing the Private Sector to Provide Job Opportunities for Welfare Recipients

"As one of the founding members of the Welfare to Work Partnership, I knew welfare reform was not going to work unless there were jobs in the private sector open to people leaving welfare. I also knew that United needed to set an example, so we set a goal of hiring 2,000 people from welfare by 2000. Our company has now exceeded that goal, because the President understood how to encourage, cajole, and continually challenge the private sector to step up to the plate and do their part. Through the Welfare to Work Partnership, I believe the President achieved the single most comprehensive mobilization of the private sector in peacetime — over 20,000 companies have now hired over 1 million people who are leaving welfare and taking the first step toward the American dream."

— **Gerald Greenwald, Chairman Emeritus, United Airlines and Chairman of the Board, The Welfare to Work Partnership.** United Airlines is one of the five founding companies of the Welfare to Work Partnership. United has implemented a volunteer mentoring program with current United employees that help with workplace questions and offer encouragement. This strategy has contributed to the company's success in hiring welfare to work employees, nearly doubling retention rates, and enhancing morale and creating a better working environment for all United employees.

Promoting Responsible Fatherhood

"With the help of this [fatherhood] program I am proud to say that I am on my way to a rewarding career in electronics technology and computer science, and am again paying my child support regularly. I know that Ricardo is proud of me, and I am glad that I can be a good role model for him... I want to thank the President for supporting fathers and programs for fathers like the one I am involved in."

— **Carlos Rosas, St. Paul, Minnesota.** Carlos Rosas enrolled in a fathers' employment and training program operated by the Ramsey County Child Support office in October 1996 when he was not earning enough money to keep up with his child support obligation for his son, Ricardo. Carlos worked hard to upgrade his skills and increase his earning power so he could meet his child support responsibilities, save money to send Ricardo to college, and improve his own future. In May 1999, Carlos graduated from St. Paul Technical College and immediately landed a job as an electronics technician. In July 2000, Carlos was hired by Check Technology Corporation as a Systems Technician.

Helping American Workers with Transportation

"Because of my new, reliable car, I now will be able to get to and maintain a full-time job...I know that this car will be very helpful in reaching my goal of leaving public assistance and supporting my family on my own... I am glad the President understands how important it is for people like me to have reliable transportation as they are working to support their families."

— **Michael Alexander, of Westfield, New York.** Michael is a 25-year-old single father of two. He lives in an area with very limited public transportation and since he did not own a car, it had been very difficult for him to maintain steady employment.

Through the help of a federally-funded, county run program, EARNA CAR, he attended classes about car maintenance, helped repair a donated car, worked out a manageable loan payment with the help of a local bank, and was able to purchase a used vehicle. Since he bought the car, Mr. Alexander has been able to secure full-time employment and moved from welfare to work.

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Helping Families Succeed on the Job And At Home

THEN: Working families forced to make choices between succeeding at work and at home.

Working families faced special problems in attempting to succeed at home and on the job. The Family and Medical Leave Act had been vetoed twice, denying parents 12 weeks of leave to care for a newborn child or sick family member. Paychecks of working families continued to lose pace to inflation, dropping 4.3 percent in real value. Quality child care for working families was increasingly difficult to find and afford, and federal assistance served a small fraction of those who needed help.

NOW: Families receive help making ends meet and caring for their families. President Clinton has kept his promise to make it easier for families that work hard and play by the rules to make ends meet and care for their children.

- President Clinton signed the Family and Medical Leave Act in 1993 — the first law he signed as President. Today, more than 20 million Americans have taken unpaid leave to care for a newborn child or sick family member.
- To help hard-pressed working families, President Clinton passed a \$500 per

child tax credit, a \$1 per hour increase in the minimum wage, and provided tax cuts for 15 million working families by expanding the Earned Income Tax Credit, which provides the average family receiving the EITC with \$1,000 per year.

- The Clinton-Gore Administration has significantly expanded child care opportunities for working families. They have more than doubled funding for federal child care, which will provide assistance to 2.2 million families next year. The welfare reform law signed by President Clinton provided an additional \$4 billion over six years, more than had ever been spent before, in child care assistance to families moving from welfare to work and other low-income families. The Administration has also provided after-school opportunities to approximately 850,000 children so that more parents know that their children are in safe learning environment during the after-school hours, and this year's budget agreement will expand after-school programs to serve 1.3 million children. President Clinton and Vice President Gore have nearly doubled funding for the Head Start program, expanded the program to more than 160,000 additional children, enacted critical quality improvements, and created the Early Start program targeted to development of younger children. In 2001, Head Start will serve approximately 935,000 children.
- The President fought for and signed new legislation giving parents new tools to protect their children from media violence by requiring the installation of anti-violence screening chips (V-chips) in all new televisions. The President also worked with the entertainment industry to create a new ratings system for television programs and the computer industry to establish ratings for video games.
- The Clinton-Gore Administration also took on the tobacco industry by developing the first-ever plan to protect our children from tobacco, and calling on Congress to affirm the FDA's authority to implement this plan.
- President Clinton signed the Foster Care Independence Act. This law is designed to help the 20,000 young people who leave foster care each year when they reach age 18 without an adoptive family or other guardian. It ensures that these young people will get the tools they need to make the most of their lives by providing them better educational opportunities, access to health care, training, housing assistance, counseling, and other services.

Family And Medical Leave Act Helps Working Parents Succeed at Home

"There are no precise words to describe what the FMLA meant to our family . . . Without this law, our family could never have made the precious memories that we now hold so dear."

— **Kenny Weaver, Father.** In 1993, Mr. Weaver learned that a rare, incurable cancer afflicting his 11-year-old daughter, Melissa, was worsening. At Melissa's doctor's urging, he immediately asked his supervisors for 12 weeks of family leave under the Family and Medical Leave Act. For the next seven weeks, Mr. Weaver and his wife spent every moment they could with Melissa and her two younger sisters. They traveled to Chicago to see relatives. They visited the Museum of Science and Industry. And, through the efforts of the Make-A-Wish Foundation, they toured the White House and met with President Clinton. Melissa died six days later, on October 2, 1993. Kenny Weaver says that without the Family and Medical Leave Act, he would have had to choose between the emotional needs of his oldest daughter and the economic needs of his two younger girls. But the law gave him the job security he needed to share in the last weeks of his daughter's life.

Targeted Tax Cuts Helping Hard-Pressed Working Families

"With the Earned Income Tax Credit and the Child Tax Credit we were able to pay off our debts, so we could afford the mortgage payments to buy a home and we bought a used van that we fixed up. The EITC was worth a mortgage payment for a month. That was a boost that my husband and I really appreciated. It kind of rewarded the hard work he put in, just when we really needed it."

— **Jessica Cupp, Thurmont, Maryland,** is a married mother of 2-year-old triplet girls. The Cupp triplets were born 26 weeks into Jessica's pregnancy at very low birth weights and with several medical problems. Jessica was forced to give up her work at a childcare center in order to care for her own three children. The Cupp family received Earned Income Tax Credit refunds as well as child tax credits in 1998 and 1999 that they would not have received had it not been for the 1993 EITC expansion and the new child tax credit. This money has helped the family to pay off debt accrued when the triplets were born, to move into a home more suited for raising 3 children, to trade in their 2-door vehicle for a van, and has allowed Jessica to stay home and care for their three growing daughters.

Providing Opportunities to Foster Care Children

"I have several younger foster siblings still at home... I have lots of hope for their future — and even more now with the passage of this bill. I have no doubt that this action will have a positive effect on the thousands of foster youth who leave care each year — unable to return to their families...I really hope that this bill will make the training and experience that I had, possible for all youth in foster care around the United States...[President Clinton's] work in passing this bill

has made these things more possible. You did the right thing!"

— **Kristi Jo Frazier, Cincinnati, Ohio.** Kristi Jo is a former foster child who is studying education at Cincinnati State and Technical College. She now lives on her own after successfully transitioning from foster care in July 1998 into independent living.

Expanding Access to Quality Health Care

THEN: Cost and other barriers keep millions uninsured.

Millions of children could not access affordable and meaningful health insurance, people with disabilities who wanted to work could not for fear of losing their health insurance, and young people leaving foster care could not retain the critical health insurance they needed to make a healthy start as adults. Unlike many other American workers, self-employed Americans received absolutely no tax assistance in purchasing health care insurance. Every year, an estimated 25 million Americans had breaks in their health care coverage because they changed jobs, or were self-employed, or had preexisting conditions that could lead an insurance company to deny coverage.

NOW: Reform expands access for millions of Americans.

More than 2.5 million children have received health insurance as a result of the enactment of the historic State Children's Health Insurance Program in 1997 — the largest expansion of health insurance for children since the creation of the Medicaid program. The President has also enacted coverage expansions for people with disabilities who wish to return to work and for the 20,000 foster care children aging out of Medicaid eligibility every year. The President's enactment of the bipartisan Health Insurance Portability and Accountability Act gave Americans insurance portability protections when they switch or lose jobs. The President has also enacted legislation that assures that: annual and lifetime coverage limits can be no different for mental health coverage than other benefits; new mothers can stay in the hospital; drive-through mastectomies are eliminated; and genetic discrimination against many Americans purchasing health insurance is prohibited.'

More Children Have Access to Health Care Thanks to the Children's Health Insurance Program

"When we found the Healthy Families program, it was like a miracle. Now my kids have a regular doctor who knows our family. I don't have to worry about taking them in for their school physicals or for their vaccinations. They can run around and climb on things and jump off things and the only thing I really need to worry about is if they get their clothes dirty. Because of the Healthy Families program, my husband and I can make sure that our kids grow up healthy."

— **Evelyn Alvarado, California, September 7, 1999.** Before Evelyn's children — Daniel (aged 13), Mary (aged 11), and Samuel (aged 8) — enrolled her children in California's CHIP program (Healthy Families) in June 1999, they were uninsured for eight years and only saw the doctor in emergencies.

Allowing Americans with Disabilities to Return to Work Without Fear of Losing Insurance Coverage

"We have been waiting for so long to see this bill signed — to watch as this Administration... opens the door to employment for individuals with disabilities all over America."

— **James Sullivan, New Hampshire, December 16, 1999.** James is a C6 quadriplegic (partial use of his arms) who is in his mid thirties. Two days before he turned 18, he broke his back diving into a wave. He is willing to give up his SSDI check if he could go back to work and keep his personal attendant services. If his state takes the Medicaid buy in option, the Ticket to Work and Work Incentives Improvement Act will allow him to do just that. He would like to get a job in the telecommunications industry

Progress for Working Families

- **Expanded Earned Income Tax Credit:** The EITC now lifts 4.1 million working families out of poverty, which is nearly double the number of people lifted out of poverty by the EITC in 1993. Among children, the EITC reduced poverty by 17 percent in 1999 — moving 2.3 million children out of poverty.
- **Lower Tax Rates for Middle-Income Families:** The total tax burden dropped from 24.5 percent in 1992 to 22.8 percent and is now at the lowest rate since 1978. The total Federal tax rate for middle-income families increased under the previous two administrations, rising from 23.7 percent in 1980 to 24.5 percent in 1992.
- **Teen Birth Rates Have Dropped To The Lowest Rate In 60 Years:** The number of births to teens declined from 60.7 per 1000 in 1992 to 49.6 in 1999 — an 18 percent drop.
- **Welfare Rolls Cut By Nearly 60 Percent:** Welfare rolls have dropped by 8.3 million — nearly 60 percent — since 1993; from 14.1 million people in 1993 to 5.8 million today, to the lowest level since 1968. The percent of people on welfare in 1999 who were working in 2000 increased to almost 40 percent — nearly double the level in 1992.

- **Record Child Support Enforcement Collections:** Child support collections have broken new records, doubling federal and state collections from \$8 billion in 1992 to nearly \$16 billion last year.
- **Lowest Child Poverty Rate Since 1979:** The child poverty rate has declined from 22.7 percent to 16.9 percent, a reduction of 25.6 percent — the biggest six-year drop in nearly 30 years (1964-1970). Child poverty is now at its lowest rate since 1979.
- **Increased Federal Child Care Assistance:** Federal investments in child care have doubled and will help parents provide care for 2.2 million children in FY 2001.
- **Expanded Head Start:** Head Start will serve approximately 935,000 children in 2001 — up from just over 700,000 in 1992.
- **Adoptions Have Increased:** In 1999 alone, 46,000 foster care children were adopted, an increase of nearly 65 percent since 1996.