



County Welfare Directors Association of California

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To: County Welfare Directors Association of California

From: Tom Joseph, Director, CWDA Washington, D.C. Office

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Re: Federal Update

Lawmakers returned last week from their Memorial Day recess to face a long list of unfinished legislation. At the top of congressional leaders' 'to-do' list was finalizing this year's war supplemental spending bill, and beginning the appropriations process for federal fiscal year (FFY) 2009. Before they recessed in May, they did manage to override President Bush's veto of the farm bill containing a reauthorization of the Food Stamp program, soon to be called the Supplemental Nutrition Assistance Program (SNAP).

War Spending Bill: Now well into the second month of debate, House and Senate Democratic leadership continue to struggle to craft an Iraq war spending bill (HR 2642) that would garner the support of both houses, including the House Democratic Blue Dogs who are withholding support for any package which is not completely paid for with other budget cuts. Added to the mix is the Bush administration's steadfast refusal to sign any legislation which contains any domestic spending items. Given the length of time that the bill has been under discussion, the once certain passage of all of the Medicaid moratoria provisions is now in doubt.

Under the Senate approach, \$165 billion in war spending would be made available to the Pentagon for the remainder of the current fiscal year, with \$70 billion set aside to cover expenses in for a portion of FFY 2009. The Senate legislation also includes funding for a new veterans' education program, as well as an additional 13 weeks of unemployment insurance benefits for individuals.

Due to Blue Dog pressure, opposition by Republican leadership, and a promised presidential veto, House Democrats are trimming the domestic portion of the Iraq package. House leadership is rumored to be considering jettisoning a few of the Medicaid moratoria provisions, including the provision that would block the implementation of severe restrictions placed on the targeted case management (TCM) option. Many states use that option to serve children in the child welfare system. California uses TCM to serve probation, parole and public guardian clients.

Veto-proof majorities in both the House and Senate have passed moratoria on all seven regulations, but the actions were on different pieces of legislation. A vote on the supplemental may come as early as this week.

FFY 2009 Appropriations Bills: The House Appropriations Subcommittees will begin their individual markups of bills to fund federal programs and operations for the federal fiscal year beginning October 1, 2008. The Labor-HHS package will be considered on June 19. Given the threat of a presidential veto, it remains highly unlikely that a Labor-HHS spending bill will be enacted into law. Capitol Hill staff anticipate that most, if not all, spending measures will be folded into a long-term continuing resolution this fall with funding appropriated at current, FFY 2008 levels.

Farm Bill and Food Stamps Enacted into Law: After months of negotiations, the House and Senate adopted a massive farm bill (HR 2419) by veto-proof majorities only to have to adopt it again because a congressional clerk forgot to include the trade section of the bill when the legislation was sent to and vetoed by the president. The measure, minus the trade section, was enacted into law over the president's veto (P.L. 110-234).

The bill's food stamp provisions contain modest updates to assets tests, deductibles and other measures for determining eligibility and benefit levels. Many of those guidelines had not been updated for decades. Most of the provisions become effective October 1, 2008, including the program's name change to the Supplemental Nutrition Assistance Program (SNAP).

Adoption Incentives and Relative Guardianship Bill Introduced: The Ranking Republican on the Senate Finance Committee, Senator Chuck Grassley (R-IA), has introduced a bill (S. 3038) reauthorizing the Adoption Incentives program and establishing federal support for subsidized guardianship programs. The Adoption Incentives program's authorization expires September 30 and has received bipartisan support in the past. The bill would update the baseline year used to determine state eligibility for incentive payments and increases payments for finalized adoptions. The 1996 AFDC income standard would also be de-linked for special needs adoptions. Due to the current structure of the program, California and 30 other states have not earned incentives for a number of years.

Senator Grassley's support for a federally subsidized guardianship program marks a significant legislative development. CWDA sent the attached letter supporting the bill's principles prior to the bill's introduction, pledging to work with his staff to improve upon the bill if there were provisions detrimental to California county administration of the programs. Senator Grassley's staff is aware of CWDA's early support for the concepts in the bill, which may provide CWDA with some leverage if the legislation advances.

Adam Walsh Criminal Background Checks: CWDA staff continue to work closely with the New York governor's Washington office to elevate the alternative background check issue within the Senate Finance Committee which has jurisdiction over the matter. California and New York are the only states that took the initiative to implement an alternative background check process and will lose that ability beginning October 1, 2008. CWDA has provided information to staff to Senator Schumer (D-NY) who serves on the Finance Committee. Key Committee staff have told his office that there is a chance that the provision could be placed on a legislative vehicle this fall, but those vehicles have failed to materialize in previous sessions.

New York State's Commissioner for the Office of Children and Family Services is reviewing a draft letter to be sent to Congress. Once a draft has been cleared in New York, CWDA staff will approach the State's Department of Social Services to inquire whether DSS would be willing to co-sign that letter.