To: County Welfare Directors Association of California

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

Date: August 1, 2014

Re: Federal Update

Congress has recessed for the month of August and will return after Labor Day. Before leaving Washington, DC, the House and Senate adopted by voice vote the Preventing Sex Trafficking and Strengthening Families Act (HR 4980) which contains a number of adoption assistance, child welfare and youth sex trafficking provisions. And, the Senate Labor-HHS Appropriations Subcommittee issued its plan for spending in FY 2015, but that measure is stalled along with all other appropriations bills. When Congress returns in September, it is expected to approve a short-term bill funding the federal government at current levels through the November elections.

Adoption Assistance and Sex Trafficking Bill: The measure (HR 4980) awaits President Obama’s signature. The bill would require state plans for foster care and adoption assistance to include policies and procedures for identifying, screening, and determining appropriate services for children who are believed to be victims of sex trafficking, or at risk of being such victims. Sex trafficking data would be included in the adoption and foster care analysis and reporting system (AFCARS).

The bill contains other reporting requirements. It requires the U.S. Department of Health and Human Services (HHS) to report annually to Congress on the aggregate number of children in foster care identified as victims of sex trafficking or a severe form of trafficking, along with relevant information about the identification of, and provision of services for, such foster care children.

HHS would be required to report to Congress on children who run away from foster care and their risk of being trafficked; state efforts to provide specialized services, foster family homes, or child care facilities to children who are victims; and state efforts to ensure children in foster care form long-lasting connections to caring adults. State-by-state data on children in foster care who are pregnant or parenting also would be reported to Congress.

The adoption assistance program was amended to include, for the first time, incentive awards of $4,000 for subsidized guardianship placements. It also includes a CWDA initiative to ensure that a child placed with a guardian could continue to be cared for by a successor guardian if a relative guardian dies or is incapacitated.

Also within the bill are provisions requiring states to include a "reasonable and prudent parent standard" similar to what already exists in California to enable foster youth to
participate more readily in extracurricular, cultural and social activities with their peers. The measure also eliminates Another Planned Permanent Living Arrangement (APPLA) as a permanency goal for children under the age of 16. It would also enable youth ages 14 and older to enlist the assistance of two other individuals to be part of their case planning team.

Effective one year after enactment, the measure also requires child welfare agencies to provide youth exiting care who were not adopted or returning to live with family to have a birth certificate, a Social Security card, health insurance information, medical records and a driver's license or state-issued ID.

**Labor-HHS Spending Bill:** In July, the Senate Labor-HHS Appropriations Subcommittee issued its report on how it would allocate funding in FY 2015 for programs under its jurisdiction. The Senate Subcommittee rejected cuts proposed by the Administration to the Community Services Block Grant and the Low Income Home Energy Program.

Under the Senate bill, $10 million in competitive grant funding would be allocated to the Elder Justice Act (EJA) for state and local adult protective services initiatives. CWDA sent a letter to appropriators earlier in the year urging funding be appropriated for the EJA. If contained in the final bill, this would mark the first time this provision of the EJA was funded. In general, all other HHS programs would be funded at current levels.

Final action on all spending bills will likely not occur until the end of this congressional session. The Labor-HHS bill has been one of the last measures to pass in recent years, given the threat of policy riders on abortion and other politically contentious issues.

**Workforce Innovation and Opportunity Act:** Last month, President Obama signed the reauthorization of the Workforce Investment Act (HR 803; PL 113-128). The bill retains local control over workforce programs, maintains funding and preserves core programs such as adult employment and training activities, youth workforce investment programs and the dislocated worker program.

Other provisions include allowing up to 20 percent of the local board funds to be spent on On-the-Job-Training. The new law increases funding flexibility to allow youth workforce funds to be used for out-of-school and in-school youth, by increasing the allowable percentage targeted to out-of-school youth from 30 to 75 percent of total funding. It also expands the definition of eligible youth to include those not attending school but who are homeless, in foster care or aged out, in the justice system, disabled, pregnant or parenting.

**Ryan Economic Opportunity Proposal:** In July, House Budget Committee Chairman Paul Ryan (R-WI) proposed a sweeping overhaul of many of the federal programs serving low-income individuals and families. The proposal includes consolidating funding of major poverty programs such as the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families Program and other programs such as the Community Development Block Grant into a single block grant to states to use flexibly in meeting the unique needs of persons in need of assistance. Low-income individuals would sign 'life plan' contracts with case managers which would include benchmarks for success, timelines, sanctions, incentives and time limits on receipt of the benefits.

The proposal devotes an entire chapter to raising the Earned Income Tax Credit (EITC) for childless adults and also references the potential positive effect of such a policy to increase
the likelihood of non-custodial parents (NCPs) to pay child support. The Ryan EITC proposal references the President's March 2014 EITC proposal which estimates that NCPs likely comprise 1.5 million or more of those benefiting from an EITC expansion. By boosting these parents' incomes and encouraging work, the expansion may benefit their children as well. The Ryan proposal would be paid for by eliminating a number of 'ineffective' programs, such as the Social Services Block Grant.

Rep. Ryan will likely chair the powerful House Ways and Means Committee in the next Congress. That Committee has jurisdiction over TANF, child welfare, child support, and the SSBG, among other low-income programs.