



**CWDA**

Advancing Human Services  
for the Welfare of *All* Californians

# Federal Update

## End of Summer Review

August 5, 2016 | 4 Pages

**TO:** County Welfare Directors Association

**FROM:** Tom Joseph, Director, CWDA Washington, D.C. Office

**DATE:** August 5, 2016

**RE:** Federal Update

Congress has recessed until after Labor Day. Upon returning, the House and Senate will try to act on federal fiscal year 2017 appropriations bills, but it is very likely that they will not agree on final bills until they re-convene after the elections. Both houses will recess around October 1 and will return in mid-November. Before the recessing, the Senate may act on child welfare reform and a clean extension of the Temporary Assistance for Needy Families program. Updates on those two measures are below.

**Family First Prevention Services Act:** Days after its introduction in the House, the Ways and Means Committee adopted by voice vote the Family First Prevention Services Act (H.R. 5456). The bipartisan and bicameral child welfare reform bill includes two main sections affecting county child welfare agencies and the children they serve. One section would provide a federal IV-E foster care entitlement for providing a limited set of prevention services for 12 months to families and their children who are at imminent risk of placement into foster care. The other main provision is intended to reduce the use of congregate care and was portrayed before introduction as being modeled after California's Continuum of Care Reform (AB 403) law. The above concepts were outlined in a five-page concept paper released last year, but no legislative language was made public to evaluate the actual programmatic impact.

Following the committee's introduction of the 100-page bill, CWDA worked with the California Department of Social Services (DSS) to analyze it but had only 48 hours before the House Ways and Means Committee acted. CWDA sent a letter expressing serious concerns with the bill, but no amendments were allowed during the mark up. A number of groups, including the American Public Human Services Association and the National Association of Public Child Welfare Administrators expressed support for the bill a day after it was introduced. The following week, the House passed the bill under suspension of

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the rules, which does not allow any floor amendments.

During the few days between the Ways and Means Committee action and the bill reaching the floor, CWDA and CDSS held a conference call with Committee staff describing the provisions needing to be amended. A written analysis was provided to the Committee shortly thereafter. CWDA and CDSS were advised that amendments would not be considered. A number of California child advocates also began weighing in with concerns, including the Alliance for Children's Rights, Children Now, Public Counsel, Social Change Partners and the John Burton Foundation.

Given the decision by the House to move ahead without allowing amendments, CDSS, CWDA, Los Angeles County and others quickly pivoted to begin discussions with the Senate Finance Committee majority and minority staff to express concerns and offer to work collaboratively to amend the bill. However, after passage of H.R. 5456, the Senate announced that its companion legislation (S. 3065) would bypass the Senate Finance Committee and also head to the floor under unanimous consent – the Senate's version of an expedited process prohibiting amendments. Numerous conference calls continued with CDSS, CWDA, Los Angeles County and the majority and minority staff to the Senate Finance Committee. The tenor of those calls were extremely contentious. Senate staff stated that any issues that were found to be legitimate would be addressed in the future through administrative guidance or statutory changes. Staff asserted that, while it was early July, there was no more time in the congressional session to make changes and such changes would no longer make the Family First Act cost neutral.

California, including CWDA, CSAC, CDSS, Los Angeles County and numerous child advocates have highlighted a number of provisions in the federal measure that would make state and county implementation of AB 403 much more difficult and costly. Those provisions include the requirement that all Qualified Residential Treatment Programs (the federal version of California's Short-Term Residential Therapeutic Programs) have licensed or registered nurse and clinical personnel on site during business hours and available 24 hours a day, seven days a week. The 'serious emotional disturbance' standard for residential care is also overly restrictive, potentially barring commercially sexually exploited children, probation-supervised youth and others from receiving federally-supported care. Additionally, the bill would effectively terminate California's Transitional Housing Placement Program for youth aged 16-18.

The analyses also concluded that the legislation would undo other services that are already in place, including a provision that could prevent children at imminent risk of entering foster care from qualifying for IV-E foster care maintenance payments and subsidized guardianship in the future if their family was receiving prevention services for more than six months when the child was living with a relative.

CWDA and the CDSS have reached out to other states to identify allies to modify the bill.

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New York State collaborated with California on a number of calls and developed a number of amendments addressing the above concerns. CWDA worked with the Office of Assembly Speaker Rendon to draft a letter and also reached out to similar state associations in Minnesota, New York and North Carolina in submitting letters of concern to their state delegations. Other states including Texas, Washington and Wyoming have also weighed in. Despite the concerns of those states, the American Public Human Services Association sent a second letter of support to the Senate.

The bill does not invest any new federal resources in child welfare. Rather, the \$1.3 billion prevention services portion of the bill would be financed by delaying the de-linking of the adoption assistance payments by 2 ½ years, at a cost of \$720 million in payments otherwise to be provided to about 110,000 families. The congregate care provision would cost \$910 million over the same ten-year period due to the estimate by the Congressional Budget Office that about 70 percent of the children residing group settings other than residential treatment facilities would be ineligible for IV-E reimbursement. California has estimated that there would be an additional \$216 million in non-federal costs to implement the federal bill.

Before recessing, Senate Finance staff indicated that Senate leadership would bring the bill to the floor without amending it. They indicated that there would colloquies between Senate Finance Committee Chairman Hatch (R-UT) and Ranking Member Wyden (D-OR) to try to clarify provisions and promises to address items legislatively in a future Congress. Leaders at the U.S. Department of Health and Human Services also conducted a call with CDSS, CWDA and Los Angeles County in an attempt to assure them that implementation guidance favorable to California would be developed. Draft guidance shared with CWDA and the state, however, proved to be vague at best.

During the entire process, staff to Senators Feinstein and Boxer closely collaborated with California stakeholders to advocate on our behalf. On the last day of the summer session, a hold was placed on the bill, effectively delaying consideration of it until fall.

Late last month, CWDA and Los Angeles County collaborated in preparing a policy resolution for the National Association of Counties (NACo) urging the Senate to consider amendments to strengthen the Family First Act. CSAC joined in co-sponsoring the resolution which was formally introduced by CWDA at the NACo annual conference and supported by Los Angeles County during the presentation. NACo adopted the resolution unanimously. This week, assisted by CWDA and Los Angeles County, NACo drafted and sent a letter to the House and Senate urging the bill be amended.

Looking ahead, Senate Finance Committee leaders continue to signal their intent to move the legislation to the floor when the chamber reconvenes after Labor Day. In the meantime, California stakeholders will continue to work with Senators Feinstein and Boxer and others in an effort to modify the bill.

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**TANF Reauthorization:** On June 21, the House adopted by voice vote a one-year extension of the Temporary Assistance for Needy Families program (TANF/CalWORKs). The bill (HR 5170) also includes \$100 million in grants available to states that wish to test social impact partnerships and would create a TANF best practices clearinghouse within HHS. The House action to extend the TANF program through September 30, 2017 signals that, once again, a comprehensive reauthorization bill will wait for another Congress.

In May, the House Ways and Means Committee held two markups on specific provisions within the TANF program. While the committee approved four separate TANF-related measures, those bills were not included in the House-approved extension. Notably, the Committee had approved a bipartisan measure (HR 2990) that would create a \$100 million subsidized employment grant program for TANF recipients. Similar to the Obama administration’s proposal, states would apply for demonstration grants to draw down a 50 percent wage match from the federal government for public or private employers hiring TANF recipients. Available for up to one year, the grants could support employment for a number of individuals, including youth up to age 24, non-custodial parents, and those individuals whose income is less than 200 percent of poverty.

This federal budget update was created by CWDA Staff. Direct questions to the contact at right.

For more information, visit: [cwda.org](http://cwda.org)

**County Welfare Directors Association of California**

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