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FAX TRANSMITTAL SHEET

TO: Melanne Verveer FAX NUMBER 456-6266

FROM: Office of Cong. Matsui

DATE: Dec 7, 1995

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HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

ROBERT T. MATSUI
3RD DISTRICT, CALIFORNIA

December 7, 1995

Dear Hillary,

I don't know if you have been involved in any of the discussions within the White House on the issue of the entitlement status of AFDC, but I'm writing to you about it as a matter of some urgency.

I hope that the President will protect the entitlement status of this program. In my opinion it is the major issue on AFDC and the discussion of other matters such as the "maintenance of effort" (whether it should be 75% or 80%) pale in comparison.

In 1981, President Reagan did major damage to AFDC. By 1983, the Governors (many Republican) were urging

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us to clean up the mess created by the 1981 changes. Because the program was an entitlement, we were able to make the necessary changes and give some protection to the main beneficiaries of the program - children.

If we lose the entitlement status, I'm afraid that the program in the future will be treated like revenue sharing and, in competition with other discretionary programs, will be constantly cut. The impact on our children will be devastating. The stories in this week's Time magazine on Eliza Izquierdo will be repeated over and over. State and local government just will not give high priority to these programs. If the choice is more police on the beat or benefits for poor children, state and local government will choose the former over the latter out of political necessity. That's

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the reason these programs had to be assumed by the Federal Government in the first place.

Even the most conservative Democrats in our House caucus understand this so members like Bill Orlton, Gary Crist and others support the entitlement.

Ten years from now, if there are more homeless and abused children, we would not want it said that it was because of the legacy of 1995.

Hillary, thanks for hearing me out. I hope you will be able to help on this very, very important matter.

Best wishes,

Bob Matsui

Daniel Patrick Moynihan
New York

CE: Melanne

file AFAC

United States Senate
Washington, D. C.

November 1, 1995

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Dear Mrs. Clinton:

In the current issue of *U.S. News* there is a fine article, "Who speaks for the poor?" You are cited as saying of the various measures before the Congress, "I can only believe that most Americans have not yet fully grasped the impact of these budget proposals."

The article goes on to tell of a report Secretary Shalala brought to the White House:

The secret HHS analysis, obtained by *U.S. News* from White House sources and also leaked to the *Los Angeles Times*, concluded that the Senate legislation would cause the number of children in poverty to increase by almost 11 percent. It, too, would have a devastating impact on the incomes of the poorest fifth of families with children. On average, they would lose \$798 a family, or 6 percent of their cash income.

I enclose the two documents in the hope that you will share my view that while in the past the Congress has missed opportunities to help poor children, it has never before calculatedly set out to injure them.

Respectfully,



Mrs. Hillary Rodham Clinton
The White House
Washington, DC 20500

Enclosures

THE WHITE HOUSE
WASHINGTON

file
AFDC

December 18, 1995

The Honorable Robert T. Matsui
United States House of Representatives
Washington, D.C. 20515

Dear Bob:

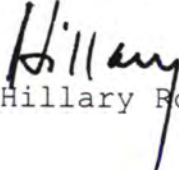
Thank you for your letter about the importance of maintaining an entitlement for AFDC. I share your commitment to ensuring that vulnerable children and families get the services and supports that they need.

As you know, the welfare reform bill that the President sent to the Congress last year retained a conditional entitlement to cash assistance and provided significant resources for child care and other services. He also strongly supported the House and Senate Democratic alternatives this year, which retained the entitlement and included strong protections for children.

The Administration has taken a very strong stand against the current welfare reform conference report, particularly the harsh cuts in programs like child protective services, child nutrition, food stamps, and services for legal immigrants. In addition to the changes we are seeking in these areas, we will continue working to ensure that any final welfare reform bill provides adequate resources for child care, requires states to maintain their stake in the success of reform, and protects families and states in economic downturns.

I very much appreciated hearing your views on this issue and would of course welcome any further thoughts you have.

Sincerely yours,


Hillary Rodham Clinton