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**Children's Defense Fund
Media Division
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Washington, DC 20001
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Children's Defense Fund

Lynn Bowersox-Meggison
Director of Media Relations

25 E Street, NW
Washington, DC 20001
Telephone 202 662 3613
Fax 202 662 3530

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IMPACT OF HOUSE BILL ON CHILDREN IN THE NATION

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON THE NATION'S ECONOMY

The following projections show some of the funds the United States could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$510 million (8.8%) would be lost in **school lunch subsidies**.³
- \$612 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$3.2 billion (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$1.1 billion (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$2.6 billion (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$5.6 billion (18%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates the bill will cut funding by **\$69.4 billion**.

IMPACT ON THE NATION'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in the United States would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 2,218,950 children would lose federally-subsidized **school lunches**.⁹
- ◆ 377,680 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 1,335,400 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 6.1 million children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 14.2 million children receiving **food stamps**, average benefits would decline by about 18% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 157,472 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 348,100 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on the United States's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because the United States received 100% of all U.S. school lunch funding in FY 1993, CDF projected that the United States would absorb about the same share of that nationwide cut— or \$ million— in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for the United States shown here.) Because the United States received 100% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$3,200 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because the United States received 100% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$1,100 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because the United States received 100% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$2,600.0 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated the United States's FY 2000 cut by first using the USDA data to determine that the United States's share of the nationwide cut in fiscal years 1997-2000 is 100%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 2,218,950 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in the United States in FY 1994 (25,215,204).

¹⁰ HHS calculated 377,680 by dividing the United States's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in the United States in 1993 (9,538,576). The number made ineligible by 2005 was calculated by HHS based on state-by-state AFDC quality control data.

¹² 14,195,859 children received food stamps in FY 1993. As noted above, funds will decrease by about 18%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 892,543 children who received SSI in the United States in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN ALABAMA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON ALABAMA'S ECONOMY

The following projections show some of the funds Alabama could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$12.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$94.6 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$20.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$21.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$78.6 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Alabama will lose **\$828 million** under the bill.

IMPACT ON ALABAMA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Alabama would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 48,500 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,970 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 14,000 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 58,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 288,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 4,793 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 10,500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Alabama's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Alabama received 2.36% of all U.S. school lunch funding in FY 1993, CDF projected that Alabama would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Alabama shown here.) Because Alabama received 2.97% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$94.6 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Alabama received 1.83% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$20.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Alabama received 0.66% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$21.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Alabama's FY 2000 cut by first using the USDA data to determine that Alabama's share of the nationwide cut in fiscal years 1997-2000 is 1.39%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 48,500 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Alabama in FY 1994 (551,152).

¹⁰ HHS calculated 6,970 by dividing Alabama's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Alabama in 1993 (100,115). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Alabama.

¹² 287,848 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 26,890 children who received SSI in Alabama in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN ALASKA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON ALASKA'S ECONOMY

The following projections show some of the funds Alaska could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.5 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$3.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$4.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$14.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$8.1 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Alaska will lose **\$142 million** under the bill.

IMPACT ON ALASKA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Alaska would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 4,000 children would lose federally-subsidized **school lunches**.⁹
- ◆ 930 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 3,250 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 13,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 24,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 117 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 300 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Alaska's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Alaska received 0.28% of all U.S. school lunch funding in FY 1993, CDF projected that Alaska would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Alaska shown here.) Because Alaska received 0.09% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Alaska received 0.39% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$4.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Alaska received 0.43% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$14.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Alaska's FY 2000 cut by first using the USDA data to determine that Alaska's share of the nationwide cut in fiscal years 1997-2000 is 0.14%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 4,000 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Alaska in FY 1994 (45,223).

¹⁰ HHS calculated 930 by dividing Alaska's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Alaska in 1993 (23,049). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Alaska.

¹² 23,974 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 821 children who received SSI in Alaska in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN ARIZONA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON ARIZONA'S ECONOMY

The following projections show some of the funds Arizona could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$8.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$10.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$36.4 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$19.8 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$47.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$95.0 million (17%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Arizona will lose **\$922 million** under the bill.

IMPACT ON ARIZONA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Arizona would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 33,150 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,350 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 18,750 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 73,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 268,000 children receiving **food stamps**, average benefits would decline by about 17% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,291 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 4,100 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Arizona's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Arizona received 1.73% of all U.S. school lunch funding in FY 1993, CDF projected that Arizona would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Arizona shown here.) Because Arizona received 1.14% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$36.4 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Arizona received 1.80% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$19.8 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Arizona received 1.43% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$47.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Arizona's FY 2000 cut by first using the USDA data to determine that Arizona's share of the nationwide cut in fiscal years 1997-2000 is 1.68%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 33,150 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Arizona in FY 1994 (376,508).

¹⁰ HHS calculated 6,350 by dividing Arizona's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Arizona in 1993 (134,054). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Arizona.

¹² 268,442 children received food stamps in FY 1993. As noted above, funds will decrease by about 17%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 10,564 children who received SSI in Arizona in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN ARKANSAS

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON ARKANSAS'S ECONOMY

The following projections show some of the funds Arkansas could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$6.3 million (8.8%) would be lost in **school lunch subsidies**.³
- \$4.6 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$63.5 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$14.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$11.4 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$36.0 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Arkansas will lose **\$575 million** under the bill.

IMPACT ON ARKANSAS'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Arkansas would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 27,500 children would lose federally-subsidized **school lunches**⁹
- ◆ 2,840 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 7,250 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 31,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 141,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 5,479 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,200 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Arkansas's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Arkansas received 1.24% of all U.S. school lunch funding in FY 1993, CDF projected that Arkansas would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Arkansas shown here.) Because Arkansas received 1.99% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$63.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Arkansas received 1.30% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$14.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Arkansas received 0.35% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$11.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Arkansas's FY 2000 cut by first using the USDA data to determine that Arkansas's share of the nationwide cut in fiscal years 1997-2000 is 0.64%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 27,500 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Arkansas in FY 1994 (312,411).

¹⁰ HHS calculated 2,840 by dividing Arkansas's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Arkansas in 1993 (51,815). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Arkansas.

¹² 141,257 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 18,493 children who received SSI in Arkansas in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN CALIFORNIA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON CALIFORNIA'S ECONOMY

The following projections show some of the funds California could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$65.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$53.7 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$288.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$132.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$720.7 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$719.4 million (24%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates California will lose **\$15.2 billion** under the bill.

IMPACT ON CALIFORNIA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in California would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 200,000 children would lose federally-subsidized **school lunches**⁹
- ◆ 33,130 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 238,650 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 1.26 million children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 1.9 million children receiving **food stamps**, average benefits would decline by about 24% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 5,989 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 26,350 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on California's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because California received 12.89% of all U.S. school lunch funding in FY 1993, CDF projected that California would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for California shown here.) Because California received 9.03% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$288.1 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because California received 12.05% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$132.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because California received 21.84% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$720.7 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated California's FY 2000 cut by first using the USDA data to determine that California's share of the nationwide cut in fiscal years 1997-2000 is 12.76%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 200,000 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in California in FY 1994 (2,272,785).

¹⁰ HHS calculated 33,130 by dividing California's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in California in 1993 (1,704,516). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for California.

¹² 1,931,912 children received food stamps in FY 1993. As noted above, funds will decrease by about 24%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 67,505 children who received SSI in California in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN COLORADO

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON COLORADO'S ECONOMY

The following projections show some of the funds Colorado could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$5.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$6.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$30.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$21.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$24.4 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$51.2 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Colorado will lose **\$557 million** under the bill.

IMPACT ON COLORADO'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Colorado would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 25,800 children would lose federally-subsidized **school lunches**⁹
- ◆ 3,890 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 11,600 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 45,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 148,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 752 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 3,500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Colorado's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Colorado received 0.98% of all U.S. school lunch funding in FY 1993, CDF projected that Colorado would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Colorado shown here.) Because Colorado received 0.94% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$30.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Colorado received 1.95% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$21.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Colorado received 0.74% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$24.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Colorado's FY 2000 cut by first using the USDA data to determine that Colorado's share of the nationwide cut in fiscal years 1997-2000 is 0.91%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 25,800 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Colorado in FY 1994 (293,349).

¹⁰ HHS calculated 3,890 by dividing Colorado's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Colorado in 1993 (82,700). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Colorado.

¹² 147,542 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 8,970 children who received SSI in Colorado in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN CONNECTICUT

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON CONNECTICUT'S ECONOMY

The following projections show some of the funds Connecticut could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$7.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$17.6 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$9.4 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$45.9 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$44.4 million (22%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Connecticut will lose **\$502 million** under the bill.

IMPACT ON CONNECTICUT'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Connecticut would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 19,850 children would lose federally-subsidized **school lunches**⁹
- ◆ 4,320 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 15,150 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 64,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 117,000 children receiving **food stamps**, average benefits would decline by about 22% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 739 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 1,950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Connecticut's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Connecticut received 0.81% of all U.S. school lunch funding in FY 1993, CDF projected that Connecticut would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Connecticut shown here.) Because Connecticut received 0.55% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$17.6 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Connecticut received 0.86% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$9.4 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Connecticut received 1.39% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$45.9 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Connecticut's FY 2000 cut by first using the USDA data to determine that Connecticut's share of the nationwide cut in fiscal years 1997-2000 is 0.79%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 19,850 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Connecticut in FY 1994 (225,598).

¹⁰ HHS calculated 4,320 by dividing Connecticut's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Connecticut in 1993 (108,248). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Connecticut.

¹² 117,334 children received food stamps in FY 1993. As noted above, funds will decrease by about 22%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 5,000 children who received SSI in Connecticut in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN DELAWARE

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON DELAWARE'S ECONOMY

The following projections show some of the funds Delaware could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.9 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$6.6 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$5.9 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$6.0 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$9.9 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Delaware will lose **\$109 million** under the bill.

IMPACT ON DELAWARE'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Delaware would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 5,600 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,170 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 2,600 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 13,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 31,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 205 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 750 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Delaware's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Delaware received 0.21% of all U.S. school lunch funding in FY 1993, CDF projected that Delaware would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Delaware shown here.) Because Delaware received 0.21% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$6.6 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Delaware received 0.53% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$5.9 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Delaware received 0.18% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$6.0 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Delaware's FY 2000 cut by first using the USDA data to determine that Delaware's share of the nationwide cut in fiscal years 1997-2000 is 0.18%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 5,600 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Delaware in FY 1994 (63,515).

¹⁰ HHS calculated 1,170 by dividing Delaware's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Delaware in 1993 (18,662). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Delaware.

¹² 31,113 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 1,953 children who received SSI in Delaware in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN WASHINGTON, D.C.

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON WASHINGTON, D.C.'S ECONOMY

The following projections show some of the funds the District could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.8 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$8.7 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$2.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$17.6 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$18.0 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates the District will lose **\$153 million** under the bill.

IMPACT ON WASHINGTON, D.C.'s CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in the District would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 4,150 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,110 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 6,400 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 33,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 48,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 307 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on the District's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because the District received 0.28% of all U.S. school lunch funding in FY 1993, CDF projected that the District would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for the District shown here.) Because the District received 0.27% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$8.7 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because the District received 0.20% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$2.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because the District received 0.53% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$17.6 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated the District's FY 2000 cut by first using the USDA data to determine that the District's share of the nationwide cut in fiscal years 1997-2000 is 0.32%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 4,150 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in the District in FY 1994 (47,061).

¹⁰ HHS calculated 1,110 by dividing the District's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in the District in 1993 (45,863). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for the District.

¹² 48,102 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,476 children who received SSI in the District in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN FLORIDA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON FLORIDA'S ECONOMY

The following projections show some of the funds Florida could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$30.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$25.7 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$182.9 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$36.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$122.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$346.5 million (19%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Florida will lose **\$3.9 billion** under the bill.

IMPACT ON FLORIDA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Florida would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 103,500 children would lose federally-subsidized **school lunches**⁹
- ◆ 15,850 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 66,800 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 253,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 789,000 children receiving **food stamps**, average benefits would decline by about 19% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 5,545 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 20,000 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Florida's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Florida received 5.95% of all U.S. school lunch funding in FY 1993, CDF projected that Florida would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Florida shown here.) Because Florida received 5.73% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$182.9 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Florida received 3.27% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$36.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Florida received 3.71% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$122.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Florida's FY 2000 cut by first using the USDA data to determine that Florida's share of the nationwide cut in fiscal years 1997-2000 is 6.14%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 103,500 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Florida in FY 1994 (1,176,410).

¹⁰ HHS calculated 15,850 by dividing Florida's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Florida in 1993 (477,127). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Florida.

¹² 789,136 children received food stamps in FY 1993. As noted above, funds will decrease by about 19%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 51,292 children who received SSI in Florida in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN GEORGIA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON GEORGIA'S ECONOMY

The following projections show some of the funds Georgia could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$19.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$21.2 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$89.2 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$21.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$74.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$118.3 million (13%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Georgia will lose **\$1.0 billion** under the bill.

IMPACT ON GEORGIA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Georgia would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 84,500 children would lose federally-subsidized **school lunches**⁹
- ◆ 13,080 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 38,700 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 180,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 417,000 children receiving **food stamps**, average benefits would decline by about 13% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 2,482 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 10,100 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Georgia's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Georgia received 3.81% of all U.S. school lunch funding in FY 1993, CDF projected that Georgia would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Georgia shown here.) Because Georgia received 2.80% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$89.2 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Georgia received 1.93% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$21.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Georgia received 2.25% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$74.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Georgia's FY 2000 cut by first using the USDA data to determine that Georgia's share of the nationwide cut in fiscal years 1997-2000 is 2.10%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 84,500 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Georgia in FY 1994 (960,501).

¹⁰ HHS calculated 13,080 by dividing Georgia's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Georgia in 1993 (276,356). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Georgia.

¹² 417,471 children received food stamps in FY 1993. As noted above, funds will decrease by about 13%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 25,940 children who received SSI in Georgia in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN HAWAII

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON HAWAII'S ECONOMY

The following projections show some of the funds Hawaii could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$2.3 million (8.8%) would be lost in **school lunch subsidies**.³
- \$2.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$2.7 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$4.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$17.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$26.7 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Hawaii will lose **\$328 million** under the bill.

IMPACT ON HAWAII'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Hawaii would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 12,250 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,230 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 5,200 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 23,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 50,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 46 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 300 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Hawaii's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Hawaii received 0.45% of all U.S. school lunch funding in FY 1993, CDF projected that Hawaii would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Hawaii shown here.) Because Hawaii received 0.09% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$2.7 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Hawaii received 0.36% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$4.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Hawaii received 0.54% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$17.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Hawaii's FY 2000 cut by first using the USDA data to determine that Hawaii's share of the nationwide cut in fiscal years 1997-2000 is 0.47%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 12,250 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Hawaii in FY 1994 (139,326).

¹⁰ HHS calculated 1,230 by dividing Hawaii's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Hawaii in 1993 (37,197). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Hawaii.

¹² 49,655 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 821 children who received SSI in Hawaii in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN IDAHO

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON IDAHO'S ECONOMY

The following projections show some of the funds Idaho could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$2.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$2.4 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$11.6 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$3.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$5.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$13.4 million (17%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Idaho will lose **\$150 million** under the bill.

IMPACT ON IDAHO's CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Idaho would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 12,500 children would lose federally-subsidized **school lunches**⁹
- ◆ 1,480 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 2,000 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 7,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 42,000 children receiving **food stamps**, average benefits would decline by about 17% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 966 disabled children immediately would lose eligibility for cash SSI, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 1,350 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Idaho's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Idaho received 0.48% of all U.S. school lunch funding in FY 1993, CDF projected that Idaho would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Idaho shown here.) Because Idaho received 0.36% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$11.6 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Idaho received 0.30% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Idaho received 0.15% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$5.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Idaho's FY 2000 cut by first using the USDA data to determine that Idaho's share of the nationwide cut in fiscal years 1997-2000 is 0.24%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 12,500 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Idaho in FY 1994 (142,029).

¹⁰ HHS calculated 1,480 by dividing Idaho's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Idaho in 1993 (14,222). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Idaho.

¹² 42,125 children received food stamps in FY 1993. As noted above, funds will decrease by about 17%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 3,464 children who received SSI in Idaho in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN ILLINOIS

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON ILLINOIS'S ECONOMY

The following projections show some of the funds Illinois could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$16.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$22.1 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$161.1 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$39.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$115.4 million (14%) would be lost in AFDC cash assistance and "welfare-to-work" programs.⁷
- \$259.6 million (18%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Illinois will lose **\$2.9 billion** under the bill.

IMPACT ON ILLINOIS'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Illinois would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 81,800 children would lose federally-subsidized **school lunches**⁹
- ◆ 13,630 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 66,150 children would lose AFDC in FY 2000 because of funding cuts. (In addition, by FY 2005, 321,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 612,000 children receiving **food stamps**, average benefits would decline by about 18% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 9,738 disabled children immediately would lose eligibility for cash SSI, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 18,300 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Illinois's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Illinois received 3.21% of all U.S. school lunch funding in FY 1993, CDF projected that Illinois would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Illinois shown here.) Because Illinois received 5.05% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$161.1 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Illinois received 3.57% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$39.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Illinois received 3.50% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$115.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Illinois's FY 2000 cut by first using the USDA data to determine that Illinois's share of the nationwide cut in fiscal years 1997-2000 is 4.60%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 81,800 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Illinois in FY 1994 (929,378).

¹⁰ HHS calculated 13,630 by dividing Illinois's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Illinois in 1993 (472,425). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Illinois.

¹² 612,143 children received food stamps in FY 1993. As noted above, funds will decrease by about 18%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 46,957 children who received SSI in Illinois in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN INDIANA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON INDIANA'S ECONOMY

The following projections show some of the funds Indiana could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$8.2 million (8.8%) would be lost in **school lunch subsidies**.³
- \$12.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$61.3 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$17.1 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$40.6 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$79.2 million (14%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Indiana will lose **\$821 million** under the bill.

IMPACT ON INDIANA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Indiana would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 52,450 children would lose federally-subsidized **school lunches**.⁹
- ◆ 7,590 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 19,650 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 88,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 257,000 children receiving **food stamps**, average benefits would decline by about 14% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 3,777 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,200 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Indiana's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Indiana received 1.60% of all U.S. school lunch funding in FY 1993, CDF projected that Indiana would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Indiana shown here.) Because Indiana received 1.92% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$61.3 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Indiana received 1.55% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$17.1 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Indiana received 1.23% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$40.6 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Indiana's FY 2000 cut by first using the USDA data to determine that Indiana's share of the nationwide cut in fiscal years 1997-2000 is 1.40%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 52,450 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Indiana in FY 1994 (596,264).

¹⁰ HHS calculated 7,590 by dividing Indiana's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Indiana in 1993 (140,252). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Indiana.

¹² 256,511 children received food stamps in FY 1993. As noted above, funds will decrease by about 14%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 18,464 children who received SSI in Indiana in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN IOWA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON IOWA'S ECONOMY

The following projections show some of the funds Iowa could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.6 million (8.8%) would be lost in **school lunch subsidies**.³
- \$4.8 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$23.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$12.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$25.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$30.1 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Iowa will lose **\$360 million** under the bill.

IMPACT ON IOWA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Iowa would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 33,550 children would lose federally-subsidized **school lunches**.⁹
- ◆ 2,960 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 9,250 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 39,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 97,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,196 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 2,850 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Iowa's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Iowa received 0.90% of all U.S. school lunch funding in FY 1993, CDF projected that Iowa would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Iowa shown here.) Because Iowa received 0.72% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$23.1 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Iowa received 1.09% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$12.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Iowa received 0.76% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$25.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Iowa's FY 2000 cut by first using the USDA data to determine that Iowa's share of the nationwide cut in fiscal years 1997-2000 is 0.53%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 33,550 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Iowa in FY 1994 (381,306).

¹⁰ HHS calculated 2,960 by dividing Iowa's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Iowa in 1993 (66,157). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Iowa.

¹² 96,760 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 7,289 children who received SSI in Iowa in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN KANSAS

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON KANSAS'S ECONOMY

The following projections show some of the funds Kansas could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$5.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$6.4 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$25.5 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$28.1 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$20.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$37.6 million (19%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Kansas will lose **\$441 million** under the bill.

IMPACT ON KANSAS'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Kansas would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 27,000 children would lose federally-subsidized **school lunches**.⁹
- ◆ 3,950 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 8,300 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 36,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 93,000 children receiving **food stamps**, average benefits would decline by about 19% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,625 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 3,000 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Kansas's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Kansas received 0.98% of all U.S. school lunch funding in FY 1993, CDF projected that Kansas would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Kansas shown here.) Because Kansas received 0.80% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$25.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Kansas received 2.55% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$28.1 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Kansas received 0.63% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$20.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Kansas's FY 2000 cut by first using the USDA data to determine that Kansas's share of the nationwide cut in fiscal years 1997-2000 is 0.67%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 27,000 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Kansas in FY 1994 (306,595).

¹⁰ HHS calculated 3,950 by dividing Kansas's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Kansas in 1993 (59,205). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Kansas.

¹² 92,965 children received food stamps in FY 1993. As noted above, funds will decrease by about 19%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 7,670 children who received SSI in Kansas in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN KENTUCKY

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON KENTUCKY'S ECONOMY

The following projections show some of the funds Kentucky could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$10.2 million (8.8%) would be lost in **school lunch subsidies**.³
- \$10.6 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$73.4 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$13.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$41.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$79.5 million (14%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Kentucky will lose **\$837 million** under the bill.

IMPACT ON KENTUCKY'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Kentucky would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 44,600 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,540 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 20,250 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 89,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 241,000 children receiving **food stamps**, average benefits would decline by about 14% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 5,185 disabled children immediately would lose eligibility for cash SSI, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Kentucky's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Kentucky received 2.00% of all U.S. school lunch funding in FY 1993, CDF projected that Kentucky would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Kentucky shown here.) Because Kentucky received 2.30% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$73.4 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Kentucky received 1.20% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$13.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Kentucky received 1.26% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$41.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Kentucky's FY 2000 cut by first using the USDA data to determine that Kentucky's share of the nationwide cut in fiscal years 1997-2000 is 1.41%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 44,600 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Kentucky in FY 1994 (506,556).

¹⁰ HHS calculated 6,540 by dividing Kentucky's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Kentucky in 1993 (144,653). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Kentucky.

¹² 240,572 children received food stamps in FY 1993. As noted above, funds will decrease by about 14%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 20,349 children who received SSI in Kentucky in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN LOUISIANA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON LOUISIANA'S ECONOMY

The following projections show some of the funds Louisiana could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$15.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$140.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$27.6 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$35.4 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$112.4 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Louisiana will lose **\$1.4 billion** under the bill.

IMPACT ON LOUISIANA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Louisiana would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 59,000 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,970 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 26,400 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 125,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 410,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 10,997 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 15,650 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Louisiana's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Louisiana received 2.95% of all U.S. school lunch funding in FY 1993, CDF projected that Louisiana would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Louisiana shown here.) Because Louisiana received 4.39% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$140.0 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Louisiana received 2.51% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$27.6 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Louisiana received 1.07% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$35.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Louisiana's FY 2000 cut by first using the USDA data to determine that Louisiana's share of the nationwide cut in fiscal years 1997-2000 is 1.99%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 59,000 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Louisiana in FY 1994 (670,721).

¹⁰ HHS calculated 6,970 by dividing Louisiana's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Louisiana in 1993 (188,492). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Louisiana.

¹² 410,456 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 40,108 children who received SSI in Louisiana in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MAINE

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MAINE'S ECONOMY

The following projections show some of the funds Maine could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$2.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$2.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$8.8 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$7.6 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$17.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$23.9 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Maine will lose **\$211 million** under the bill.

IMPACT ON MAINE'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Maine would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 9,250 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,230 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 5,850 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 30,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 61,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 170 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Maine's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Maine received 0.39% of all U.S. school lunch funding in FY 1993, CDF projected that Maine would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Maine shown here.) Because Maine received 0.28% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$8.8 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Maine received 0.69% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$7.6 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Maine received 0.54% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$17.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Maine's FY 2000 cut by first using the USDA data to determine that Maine's share of the nationwide cut in fiscal years 1997-2000 is 0.42%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 9,250 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Maine in FY 1994 (105,104).

¹⁰ HHS calculated 1,230 by dividing Maine's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Maine in 1993 (41,941). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Maine.

¹² 61,468 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,459 children who received SSI in Maine in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MARYLAND

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MARYLAND'S ECONOMY

The following projections show some of the funds Maryland could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$6.7 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.1 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$39.7 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$20.9 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$47.2 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$87.6 million (19%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Maryland will lose **\$953 million** under the bill.

IMPACT ON MARYLAND'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Maryland would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 31,700 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,850 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 20,950 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 92,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 198,000 children receiving **food stamps**, average benefits would decline by about 19% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,775 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 4,350 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Maryland's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Maryland received 1.31% of all U.S. school lunch funding in FY 1993, CDF projected that Maryland would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Maryland shown here.) Because Maryland received 1.24% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$39.7 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Maryland received 1.90% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$20.9 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Maryland received 1.43% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$47.2 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Maryland's FY 2000 cut by first using the USDA data to determine that Maryland's share of the nationwide cut in fiscal years 1997-2000 is 1.55%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 31,700 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Maryland in FY 1994 (359,947).

¹⁰ HHS calculated 6,850 by dividing Maryland's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Maryland in 1993 (149,676). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Maryland.

¹² 197,531 children received food stamps in FY 1993. As noted above, funds will decrease by about 19%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 11,180 children who received SSI in Maryland in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MASSACHUSETTS

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MASSACHUSETTS'S ECONOMY

The following projections show some of the funds Massachusetts could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$7.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$16.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$58.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$28.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$102.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$96.9 million (21%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Massachusetts will lose **\$1.49 billion** under the bill.

IMPACT ON MASSACHUSETTS'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Massachusetts would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 39,300 children would lose federally-subsidized **school lunches**⁹
- ◆ 10,060 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 29,200 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 131,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 229,000 children receiving **food stamps**, average benefits would decline by about 21% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 2,231 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 5,850 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Massachusetts's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Massachusetts received 1.52% of all U.S. school lunch funding in FY 1993, CDF projected that Massachusetts would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Massachusetts shown here.) Because Massachusetts received 1.82% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$58.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Massachusetts received 2.59% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$28.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Massachusetts received 3.11% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$102.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Massachusetts's FY 2000 cut by first using the USDA data to determine that Massachusetts's share of the nationwide cut in fiscal years 1997-2000 is 1.72%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 39,300 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Massachusetts in FY 1994 (446,743).

¹⁰ HHS calculated 10,060 by dividing Massachusetts's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Massachusetts in 1993 (208,651). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Massachusetts.

¹² 229,016 children received food stamps in FY 1993. As noted above, funds will decrease by about 21%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 15,061 children who received SSI in Massachusetts in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MICHIGAN

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MICHIGAN'S ECONOMY

The following projections show some of the funds Michigan could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$12.5 million (8.8%) would be lost in **school lunch subsidies**.³
- \$15.2 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$134.9 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$37.6 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$169.6 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$193.1 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Michigan will lose **\$2.1 billion** under the bill.

IMPACT ON MICHIGAN'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Michigan would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 65,300 children would lose federally-subsidized **school lunches**⁹
- ◆ 9,380 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 63,000 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 329,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 513,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 8,212 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 14,400 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Michigan's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Michigan received 2.45% of all U.S. school lunch funding in FY 1993, CDF projected that Michigan would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Michigan shown here.) Because Michigan received 4.23% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$134.9 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Michigan received 3.42% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$37.6 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Michigan received 5.14% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$169.6 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Michigan's FY 2000 cut by first using the USDA data to determine that Michigan's share of the nationwide cut in fiscal years 1997-2000 is 3.42%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 65,300 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Michigan in FY 1994 (741,849).

¹⁰ HHS calculated 9,380 by dividing Michigan's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Michigan in 1993 (449,909). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Michigan.

¹² 513,005 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 36,880 children who received SSI in Michigan in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MINNESOTA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MINNESOTA'S ECONOMY

The following projections show some of the funds Minnesota could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.9 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.1 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$33.3 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$50.4 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$59.2 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$61.8 million (19%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Minnesota will lose **\$852 million** under the bill.

IMPACT ON MINNESOTA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Minnesota would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 45,350 children would lose federally-subsidized **school lunches**.⁹
- ◆ 6,850 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 17,600 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 79,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 172,000 children receiving **food stamps**, average benefits would decline by about 19% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,851 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 3,950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Minnesota's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Minnesota received 0.96% of all U.S. school lunch funding in FY 1993, CDF projected that Minnesota would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Minnesota shown here.) Because Minnesota received 1.05% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$33.3 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Minnesota received 4.58% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$50.4 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Minnesota received 1.80% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$59.2 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Minnesota's FY 2000 cut by first using the USDA data to determine that Minnesota's share of the nationwide cut in fiscal years 1997-2000 is 1.10%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 45,350 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Minnesota in FY 1994 (515,387).

¹⁰ HHS calculated 6,850 by dividing Minnesota's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Minnesota in 1993 (125,843). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Minnesota.

¹² 171,796 children received food stamps in FY 1993. As noted above, funds will decrease by about 19%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 10,160 children who received SSI in Minnesota in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MISSISSIPPI

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MISSISSIPPI'S ECONOMY

The following projections show some of the funds Mississippi could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$11.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$6.6 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$88.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$19.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$17.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$70.5 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Mississippi will lose **\$789 million** under the bill.

IMPACT ON MISSISSIPPI'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Mississippi would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 35,900 children would lose federally-subsidized **school lunches**⁹
- ◆ 4,070 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 17,400 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 82,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 273,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 5,673 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 9,650 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Mississippi's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Mississippi received 2.15% of all U.S. school lunch funding in FY 1993, CDF projected that Mississippi would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Mississippi shown here.) Because Mississippi received 2.76% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$88.1 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Mississippi received 1.76% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$19.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Mississippi received 0.53% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$17.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Mississippi's FY 2000 cut by first using the USDA data to determine that Mississippi's share of the nationwide cut in fiscal years 1997-2000 is 1.25%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 35,900 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Mississippi in FY 1994 (407,983).

¹⁰ HHS calculated 4,070 by dividing Mississippi's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Mississippi in 1993 (124,148). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Mississippi.

¹² 273,355 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 24,687 children who received SSI in Mississippi in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MISSOURI

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MISSOURI'S ECONOMY

The following projections show some of the funds Missouri could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$11.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$12.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$66.3 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$21.9 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$44.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$100.9 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Missouri will lose **\$909 million** under the bill.

IMPACT ON MISSOURI'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Missouri would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 48,850 children would lose federally-subsidized **school lunches**⁹
- ◆ 7,400 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 24,000 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 114,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 291,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 3,803 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Missouri's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Missouri received 2.18% of all U.S. school lunch funding in FY 1993, CDF projected that Missouri would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Missouri shown here.) Because Missouri received 2.08% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$66.3 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Missouri received 1.99% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$21.9 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Missouri received 1.34% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$44.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Missouri's FY 2000 cut by first using the USDA data to determine that Missouri's share of the nationwide cut in fiscal years 1997-2000 is 1.79%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 48,850 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Missouri in FY 1994 (555,113).

¹⁰ HHS calculated 7,400 by dividing Missouri's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Missouri in 1993 (171,302). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Missouri.

¹² 291,197 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 19,264 children who received SSI in Missouri in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN MONTANA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON MONTANA'S ECONOMY

The following projections show some of the funds Montana could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.7 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.9 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$7.5 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$6.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$9.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$10.9 million (14%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Montana will lose **\$124 million** under the bill.

IMPACT ON MONTANA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Montana would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 7,650 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,170 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 3,150 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 11,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 34,000 children receiving **food stamps**, average benefits would decline by about 14% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 241 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 850 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Montana's future economic, demographic, and social trends. For example, the Census Bureau projects the state's population will grow faster than the national average. Under current law, federal funding levels respond flexibly to such

changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Montana received 0.34% of all U.S. school lunch funding in FY 1993, CDF projected that Montana would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Montana shown here.) Because Montana received 0.24% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$7.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Montana received 0.55% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$6.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Montana received 0.27% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$9.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Montana's FY 2000 cut by first using the USDA data to determine that Montana's share of the nationwide cut in fiscal years 1997-2000 is 0.19%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 7,650 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Montana in FY 1994 (86,741).

¹⁰ HHS calculated 1,170 by dividing Montana's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Montana in 1993 (22,463). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Montana.

¹² 33,600 children received food stamps in FY 1993. As noted above, funds will decrease by about 14%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,208 children who received SSI in Montana in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEBRASKA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEBRASKA'S ECONOMY

The following projections show some of the funds Nebraska could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$3.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$5.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$12.7 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$17.6 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$15.0 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$14.6 million (13%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Nebraska will lose **\$205 million** under the bill.

IMPACT ON NEBRASKA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Nebraska would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 17,950 children would lose federally-subsidized **school lunches**⁹
- ◆ 3,080 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 4,600 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 20,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 61,000 children receiving **food stamps**, average benefits would decline by about 13% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 562 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 1,500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Nebraska's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Nebraska received 0.60% of all U.S. school lunch funding in FY 1993, CDF projected that Nebraska would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Nebraska shown here.) Because Nebraska received 0.40% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$12.7 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Nebraska received 1.60% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$17.6 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Nebraska received 0.45% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$15.0 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Nebraska's FY 2000 cut by first using the USDA data to determine that Nebraska's share of the nationwide cut in fiscal years 1997-2000 is 0.26%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 17,950 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Nebraska in FY 1994 (203,762).

¹⁰ HHS calculated 3,080 by dividing Nebraska's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Nebraska in 1993 (32,700). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Nebraska.

¹² 61,100 children received food stamps in FY 1993. As noted above, funds will decrease by about 13%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 3,892 children who received SSI in Nebraska in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEVADA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEVADA'S ECONOMY

The following projections show some of the funds Nevada could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$2.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.9 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$8.5 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$2.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$6.9 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$21.1 million (18%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Nevada will lose **\$187 million** under the bill.

IMPACT ON NEVADA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Nevada would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 8,200 children would lose federally-subsidized **school lunches**.⁹
- ◆ 1,170 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 3,450 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 14,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 55,000 children receiving **food stamps**, average benefits would decline by about 18% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 187 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Nevada's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Nevada received 0.40% of all U.S. school lunch funding in FY 1993, CDF projected that Nevada would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Nevada shown here.) Because Nevada received 0.27% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$8.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Nevada received 0.22% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$2.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Nevada received 0.21% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$6.9 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Nevada's FY 2000 cut by first using the USDA data to determine that Nevada's share of the nationwide cut in fiscal years 1997-2000 is 0.37%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 8,200 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Nevada in FY 1994 (93,192).

¹⁰ HHS calculated 1,170 by dividing Nevada's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Nevada in 1993 (24,501). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Nevada.

¹² 54,651 children received food stamps in FY 1993. As noted above, funds will decrease by about 18%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,491 children who received SSI in Nevada in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEW HAMPSHIRE

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEW HAMPSHIRE'S ECONOMY

The following projections show some of the funds New Hampshire could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.3 million (8.8%) would be lost in **school lunch subsidies**.³
- \$2.1 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$5.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$2.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$7.7 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$11.8 million (18%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates New Hampshire will lose **\$103 million** under the bill.

IMPACT ON NEW HAMPSHIRE'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in New Hampshire would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 7,750 children would lose federally-subsidized **school lunches**⁹
- ◆ 1,300 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 2,650 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 11,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 29,000 children receiving **food stamps**, average benefits would decline by about 18% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 79 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 600 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on New Hampshire's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because New Hampshire received 0.25% of all U.S. school lunch funding in FY 1993, CDF projected that New Hampshire would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for New Hampshire shown here.) Because New Hampshire received 0.16% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$5.1 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because New Hampshire received 0.20% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$2.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because New Hampshire received 0.23% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$7.7 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated New Hampshire's FY 2000 cut by first using the USDA data to determine that New Hampshire's share of the nationwide cut in fiscal years 1997-2000 is 0.21%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 7,750 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in New Hampshire in FY 1994 (87,971).

¹⁰ HHS calculated 1,300 by dividing New Hampshire's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in New Hampshire in 1993 (18,755). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for New Hampshire.

¹² 29,209 children received food stamps in FY 1993. As noted above, funds will decrease by about 18%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 1,566 children who received SSI in New Hampshire in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEW JERSEY

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEW JERSEY'S ECONOMY

The following projections show some of the funds New Jersey could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$10.6 million (8.8%) would be lost in **school lunch subsidies**.³
- \$10.5 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$72.4 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$18.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$88.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$124.8 million (18%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates New Jersey will lose **\$1.53 billion** under the bill.

IMPACT ON NEW JERSEY'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in New Jersey would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 44,600 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,480 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 33,350 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 155,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 268,000 children receiving **food stamps**, average benefits would decline by about 18% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 3,173 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,900 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on New Jersey's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because New Jersey received 2.07% of all U.S. school lunch funding in FY 1993, CDF projected that New Jersey would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for New Jersey shown here.) Because New Jersey received 2.27% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$72.4 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because New Jersey received 1.68% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$18.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because New Jersey received 2.69% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$88.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated New Jersey's FY 2000 cut by first using the USDA data to determine that New Jersey's share of the nationwide cut in fiscal years 1997-2000 is 2.21%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 44,600 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in New Jersey in FY 1994 (506,656).

¹⁰ HHS calculated 6,480 by dividing New Jersey's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in New Jersey in 1993 (238,277). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for New Jersey.

¹² 267,689 children received food stamps in FY 1993. As noted above, funds will decrease by about 18%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 20,222 children who received SSI in New Jersey in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEW MEXICO

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEW MEXICO'S ECONOMY

The following projections show some of the funds New Mexico could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.7 million (8.8%) would be lost in **school lunch subsidies**.³
- \$5.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$21.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$20.6 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$20.9 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$45.3 million (17%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates New Mexico will lose **\$508 million** under the bill.

IMPACT ON NEW MEXICO'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in New Mexico would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 15,300 children would lose federally-subsidized **school lunches**.⁹
- ◆ 3,270 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 8,650 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 30,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 132,000 children receiving **food stamps**, average benefits would decline by about 17% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 845 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 2,400 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on New Mexico's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because New Mexico received 0.92% of all U.S. school lunch funding in FY 1993, CDF projected that New Mexico would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for New Mexico shown here.) Because New Mexico received 0.66% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$21.0 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because New Mexico received 1.87% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$20.6 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because New Mexico received 0.63% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$20.9 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated New Mexico's FY 2000 cut by first using the USDA data to determine that New Mexico's share of the nationwide cut in fiscal years 1997-2000 is 0.80%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 15,300 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in New Mexico in FY 1994 (173,965).

¹⁰ HHS calculated 3,270 by dividing New Mexico's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in New Mexico in 1993 (61,785). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for New Mexico.

¹² 131,698 children received food stamps in FY 1993. As noted above, funds will decrease by about 17%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 6,125 children who received SSI in New Mexico in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NEW YORK

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NEW YORK'S ECONOMY

The following projections show some of the funds New York could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$37.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$37.0 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$271.7 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$62.1 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$412.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$698.9 million (28%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates New York will lose **\$8.52 billion** under the bill.

IMPACT ON NEW YORK'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in New York would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 143,050 children would lose federally-subsidized **school lunches**⁹
- ◆ 22,830 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 109,500 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 477,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 965,000 children receiving **food stamps**, average benefits would decline by about 28% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 16,592 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 29,450 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on New York's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because New York received 7.41% of all U.S. school lunch funding in FY 1993, CDF projected that New York would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for New York shown here.) Because New York received 8.52% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$271.7 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because New York received 5.65% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$62.1 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because New York received 12.49% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$412.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated New York's FY 2000 cut by first using the USDA data to determine that New York's share of the nationwide cut in fiscal years 1997-2000 is 12.39%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 143,050 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in New York in FY 1994 (1,625,538).

¹⁰ HHS calculated 22,830 by dividing New York's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in New York in 1993 (782,094). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for New York.

¹² 964,858 children received food stamps in FY 1993. As noted above, funds will decrease by about 28%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 75,481 children who received SSI in New York in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NORTH CAROLINA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NORTH CAROLINA'S ECONOMY

The following projections show some of the funds North Carolina could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$14.9 million (8.8%) would be lost in **school lunch subsidies**.³
- \$27.7 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$88.0 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$27.7 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$67.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$84.5 million (13%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates North Carolina will lose **\$1.2 billion** under the bill.

IMPACT ON NORTH CAROLINA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in North Carolina would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 66,050 children would lose federally-subsidized **school lunches**⁹
- ◆ 17,090 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 31,300 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 138,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 324,000 children receiving **food stamps**, average benefits would decline by about 13% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 6,548 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 10,250 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on North Carolina's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because North Carolina received 2.92% of all U.S. school lunch funding in FY 1993, CDF projected that North Carolina would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for North Carolina shown here.) Because North Carolina received 2.76% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$88.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because North Carolina received 2.52% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$27.7 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because North Carolina received 2.05% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$67.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated North Carolina's FY 2000 cut by first using the USDA data to determine that North Carolina's share of the nationwide cut in fiscal years 1997-2000 is 1.50%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 66,050 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in North Carolina in FY 1994 (750,500).

¹⁰ HHS calculated 17,090 by dividing North Carolina's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in North Carolina in 1993 (223,434). The number made ineligible by 2005 was calculated by HHS based on state AFDC quality control data.

¹² 323,552 children received food stamps in FY 1993. As noted above, funds will decrease by about 13%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 26,259 children who received SSI in North Carolina in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN NORTH DAKOTA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON NORTH DAKOTA'S ECONOMY

The following projections show some of the funds North Dakota could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.5 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$3.5 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$9.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$5.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$6.5 million (13%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates North Dakota will lose **\$85 million** under the bill.

IMPACT ON NORTH DAKOTA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in North Dakota would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 7,850 children would lose federally-subsidized **school lunches**⁹
- ◆ 930 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 1,700 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 7,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 24,000 children receiving **food stamps**, average benefits would decline by about 13% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 109 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 450 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on North Dakota's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because North Dakota received 0.27% of all U.S. school lunch funding in FY 1993, CDF projected that North Dakota would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for North Dakota shown here.) Because North Dakota received 0.11% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.5 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because North Dakota received 0.82% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$9.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because North Dakota received 0.17% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$5.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated North Dakota's FY 2000 cut by first using the USDA data to determine that North Dakota's share of the nationwide cut in fiscal years 1997-2000 is 0.12%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 7,850 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in North Dakota in FY 1994 (88,975).

¹⁰ HHS calculated 930 by dividing North Dakota's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in North Dakota in 1993 (11,970). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for North Dakota.

¹² 23,694 children received food stamps in FY 1993. As noted above, funds will decrease by about 13%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 1,214 children who received SSI in North Dakota in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN OHIO

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON OHIO'S ECONOMY

The following projections show some of the funds Ohio could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$17.6 million (8.8%) would be lost in **school lunch subsidies**.³
- \$28.9 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$169.3 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$37.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$157.4 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$256.2 million (17%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Ohio will lose **\$2.3 billion** under the bill.

IMPACT ON OHIO'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Ohio would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 85,600 children would lose federally-subsidized **school lunches**.⁹
- ◆ 17,830 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 66,250 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 276,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 611,000 children receiving **food stamps**, average benefits would decline by about 17% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 6,842 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 18,550 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Ohio's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Ohio received 3.46% of all U.S. school lunch funding in FY 1993, CDF projected that Ohio would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Ohio shown here.) Because Ohio received 5.31% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$169.3 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Ohio received 3.36% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$37.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Ohio received 4.77% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$157.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Ohio's FY 2000 cut by first using the USDA data to determine that Ohio's share of the nationwide cut in fiscal years 1997-2000 is 4.54%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 85,600 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Ohio in FY 1994 (972,666).

¹⁰ HHS calculated 17,830 by dividing Ohio's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Ohio in 1993 (473,064). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Ohio.

¹² 611,112 children received food stamps in FY 1993. As noted above, funds will decrease by about 17%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 47,605 children who received SSI in Ohio in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN OKLAHOMA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON OKLAHOMA'S ECONOMY

The following projections show some of the funds Oklahoma could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$7.4 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$37.4 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$16.9 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$38.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$58.1 million (14%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Oklahoma will lose **\$533 million** under the bill.

IMPACT ON OKLAHOMA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Oklahoma would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 32,200 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,970 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 13,200 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 57,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 180,000 children receiving **food stamps**, average benefits would decline by about 14% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,056 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 4,250 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Oklahoma's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Oklahoma received 1.45% of all U.S. school lunch funding in FY 1993, CDF projected that Oklahoma would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Oklahoma shown here.) Because Oklahoma received 1.17% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$37.4 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Oklahoma received 1.54% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$16.9 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Oklahoma received 1.16% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$38.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Oklahoma's FY 2000 cut by first using the USDA data to determine that Oklahoma's share of the nationwide cut in fiscal years 1997-2000 is 1.03%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 32,200 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Oklahoma in FY 1994 (365,797).

¹⁰ HHS calculated 6,970 by dividing Oklahoma's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Oklahoma in 1993 (94,346). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Oklahoma.

¹² 179,726 children received food stamps in FY 1993. As noted above, funds will decrease by about 14%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 10,845 children who received SSI in Oklahoma in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN OREGON

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON OREGON'S ECONOMY

The following projections show some of the funds Oregon could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$5.2 million (8.8%) would be lost in **school lunch subsidies**.³
- \$8.8 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$21.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$16.1 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$35.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$81.7 million (25%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Oregon will lose **\$661 million** under the bill.

IMPACT ON OREGON'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Oregon would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 21,650 children would lose federally-subsidized **school lunches**⁹
- ◆ 5,430 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 10,900 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 48,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 137,000 children receiving **food stamps**, average benefits would decline by about 25% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 601 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 2,500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Oregon's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Oregon received 1.02% of all U.S. school lunch funding in FY 1993, CDF projected that Oregon would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Oregon shown here.) Because Oregon received 0.66% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$21.1 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Oregon received 1.47% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$16.1 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Oregon received 1.07% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$35.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Oregon's FY 2000 cut by first using the USDA data to determine that Oregon's share of the nationwide cut in fiscal years 1997-2000 is 1.45%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 21,650 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Oregon in FY 1994 (246,201).

¹⁰ HHS calculated 5,430 by dividing Oregon's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Oregon in 1993 (77,749). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Oregon.

¹² 137,388 children received food stamps in FY 1993. As noted above, funds will decrease by about 25%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 6,436 children who received SSI in Oregon in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN PENNSYLVANIA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON PENNSYLVANIA'S ECONOMY

The following projections show some of the funds Pennsylvania could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$17.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$24.2 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$149.0 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$28.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$131.9 million (14%) would be lost in AFDC cash assistance and "welfare-to-work" programs.⁷
- \$239.4 million (17%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Pennsylvania will lose **\$2.07 billion** under the bill.

IMPACT ON PENNSYLVANIA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Pennsylvania would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 85,850 children would lose federally-subsidized **school lunches**⁹
- ◆ 14,930 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 57,100 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 293,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 556,000 children receiving **food stamps**, average benefits would decline by about 17% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 7,849 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 15,600 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Pennsylvania's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Pennsylvania received 3.36% of all U.S. school lunch funding in FY 1993, CDF projected that Pennsylvania would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Pennsylvania shown here.) Because Pennsylvania received 4.67% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$149.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Pennsylvania received 2.59% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$28.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Pennsylvania received 4.00% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$131.9 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Pennsylvania's FY 2000 cut by first using the USDA data to determine that Pennsylvania's share of the nationwide cut in fiscal years 1997-2000 is 4.24%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 85,850 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Pennsylvania in FY 1994 (975,334).

¹⁰ HHS calculated 14,930 by dividing Pennsylvania's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Pennsylvania in 1993 (407,979). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Pennsylvania.

¹² 556,377 children received food stamps in FY 1993. As noted above, funds will decrease by about 17%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 39,955 children who received SSI in Pennsylvania in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN RHODE ISLAND

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON RHODE ISLAND'S ECONOMY

The following projections show some of the funds Rhode Island could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.3 million (8.8%) would be lost in **school lunch subsidies**.³
- \$2.7 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$10.4 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$2.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$17.6 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$27.9 million (27%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Rhode Island will lose **\$294 million** under the bill.

IMPACT ON RHODE ISLAND'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Rhode Island would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 5,100 children would lose federally-subsidized **school lunches**⁹
- ◆ 1,670 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 5,650 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 27,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 49,000 children receiving **food stamps**, average benefits would decline by about 27% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 366 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Rhode Island's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Rhode Island received 0.26% of all U.S. school lunch funding in FY 1993, CDF projected that Rhode Island would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Rhode Island shown here.) Because Rhode Island received 0.32% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$10.4 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Rhode Island received 0.23% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$2.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Rhode Island received 0.53% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$17.6 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Rhode Island's FY 2000 cut by first using the USDA data to determine that Rhode Island's share of the nationwide cut in fiscal years 1997-2000 is 0.50%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 5,100 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Rhode Island in FY 1994 (57,773).

¹⁰ HHS calculated 1,670 by dividing Rhode Island's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Rhode Island in 1993 (40,458). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Rhode Island.

¹² 49,045 children received food stamps in FY 1993. As noted above, funds will decrease by about 27%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,474 children who received SSI in Rhode Island in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN SOUTH CAROLINA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON SOUTH CAROLINA'S ECONOMY

The following projections show some of the funds South Carolina could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$10.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$7.9 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$55.5 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$11.8 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$21.8 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$49.1 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates South Carolina will lose **\$522 million** under the bill.

IMPACT ON SOUTH CAROLINA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in South Carolina would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 39,650 children would lose federally-subsidized **school lunches**⁹
- ◆ 4,870 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 14,800 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 60,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 214,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 2,295 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 6,400 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on South Carolina's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because South Carolina received 1.97% of all U.S. school lunch funding in FY 1993, CDF projected that South Carolina would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for South Carolina shown here.) Because South Carolina received 1.74% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$55.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because South Carolina received 1.07% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$11.8 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because South Carolina received 0.66% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$21.8 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated South Carolina's FY 2000 cut by first using the USDA data to determine that South Carolina's share of the nationwide cut in fiscal years 1997-2000 is 0.87%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ $39,650 = \text{the cut in funding (8.8\%)} \times \text{the number of children actually receiving school lunch in South Carolina in FY 1994 (450,845)}$.

¹⁰ HHS calculated 4,870 by dividing South Carolina's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in South Carolina in 1993 (105,722). The number made ineligible by 2005 was calculated by HHS based on state AFDC quality control data.

¹² 213,828 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 16,369 children who received SSI in South Carolina in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN SOUTH DAKOTA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON SOUTH DAKOTA'S ECONOMY

The following projections show some of the funds South Dakota could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$1.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.5 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$8.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$4.9 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$4.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$7.1 million (12%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates South Dakota will lose **\$92 million** under the bill.

IMPACT ON SOUTH DAKOTA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in South Dakota would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 9,350 children would lose federally-subsidized **school lunches**⁹
- ◆ 930 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 2,000 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 9,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 32,000 children receiving **food stamps**, average benefits would decline by about 12% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 396 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 950 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on South Dakota's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because South Dakota received 0.36% of all U.S. school lunch funding in FY 1993, CDF projected that South Dakota would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for South Dakota shown here.) Because South Dakota received 0.25% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut—or \$8.0 million—in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because South Dakota received 0.44% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut—or \$4.9 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because South Dakota received 0.14% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut—or \$4.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated South Dakota's FY 2000 cut by first using the USDA data to determine that South Dakota's share of the nationwide cut in fiscal years 1997-2000 is 0.13%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 9,350 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in South Dakota in FY 1994 (106,393).

¹⁰ HHS calculated 930 by dividing South Dakota's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in South Dakota in 1993 (14,214). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for South Dakota.

¹² 31,562 children received food stamps in FY 1993. As noted above, funds will decrease by about 12%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 2,497 children who received SSI in South Dakota in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN TENNESSEE

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON TENNESSEE'S ECONOMY

The following projections show some of the funds Tennessee could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$11.6 million (8.8%) would be lost in **school lunch subsidies**.³
- \$16.8 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$77.0 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$16.2 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$44.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$127.6 million (15%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Tennessee will lose **\$927 million** under the bill.

IMPACT ON TENNESSEE'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Tennessee would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 52,200 children would lose federally-subsidized **school lunches**⁹
- ◆ 10,360 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 30,350 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 115,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 364,000 children receiving **food stamps**, average benefits would decline by about 15% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 2,736 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 8,600 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Tennessee's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Tennessee received 2.27% of all U.S. school lunch funding in FY 1993, CDF projected that Tennessee would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Tennessee shown here.) Because Tennessee received 2.41% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$77.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Tennessee received 1.47% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$16.2 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Tennessee received 1.34% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$44.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Tennessee's FY 2000 cut by first using the USDA data to determine that Tennessee's share of the nationwide cut in fiscal years 1997-2000 is 2.26%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 52,200 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Tennessee in FY 1994 (593,090).

¹⁰ HHS calculated 10,360 by dividing Tennessee's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Tennessee in 1993 (216,844). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Tennessee.

¹² 364,193 children received food stamps in FY 1993. As noted above, funds will decrease by about 15%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 21,988 children who received SSI in Tennessee in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN TEXAS

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON TEXAS'S ECONOMY

The following projections show some of the funds Texas could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$49.6 million (8.8%) would be lost in **school lunch subsidies**.³
- \$44.4 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$179.3 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$85.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$101.5 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$612.3 million (20%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Texas will lose **\$5.2 billion** under the bill.

IMPACT ON TEXAS'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Texas would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 188,000 children would lose federally-subsidized **school lunches**.⁹
- ◆ 27,390 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 76,350 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 297,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 1.4 million children receiving **food stamps**, average benefits would decline by about 20% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 8,374 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 20,650 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Texas's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Texas received 9.73% of all U.S. school lunch funding in FY 1993, CDF projected that Texas would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Texas shown here.) Because Texas received 5.62% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$179.3 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Texas received 7.77% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$85.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Texas received 3.08% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$101.5 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Texas's FY 2000 cut by first using the USDA data to determine that Texas's share of the nationwide cut in fiscal years 1997-2000 is 10.86%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 188,000 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Texas in FY 1994 (2,136,447).

¹⁰ HHS calculated 27,390 by dividing Texas's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Texas in 1993 (545,516). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Texas.

¹² 1,421,597 children received food stamps in FY 1993. As noted above, funds will decrease by about 20%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 52,966 children who received SSI in Texas in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN UTAH

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON UTAH'S ECONOMY

The following projections show some of the funds Utah could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.5 million (8.8%) would be lost in **school lunch subsidies**.³
- \$6.8 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$14.0 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$20.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$15.4 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$22.7 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Utah will lose **\$276 million** under the bill.

IMPACT ON UTAH'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Utah would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 21,700 children would lose federally-subsidized **school lunches**.⁹
- ◆ 4,190 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 4,850 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 19,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 74,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 672 disabled children immediately would lose eligibility for cash SSI, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 1,650 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Utah's future economic, demographic, and social trends. For example, the Census Bureau projects the state's population will grow faster than the national average. Under current law, federal funding levels respond flexibly to such changes

in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Utah received 0.88% of all U.S. school lunch funding in FY 1993, CDF projected that Utah would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Utah shown here.) Because Utah received 0.44% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$14.0 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Utah received 1.84% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$20.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Utah received 0.47% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$15.4 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Utah's FY 2000 cut by first using the USDA data to determine that Utah's share of the nationwide cut in fiscal years 1997-2000 is 0.40%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 21,700 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Utah in FY 1994 (246,321).

¹⁰ HHS calculated 4,190 by dividing Utah's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Utah in 1993 (34,804). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Utah.

¹² 74,253 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 4,292 children who received SSI in Utah in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN VERMONT

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON VERMONT'S ECONOMY

The following projections show some of the funds Vermont could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$0.8 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.6 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$5.1 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$3.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$10.0 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$8.7 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Vermont will lose **\$91 million** under the bill.

IMPACT ON VERMONT'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Vermont would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 4,100 children would lose federally-subsidized **school lunches**.⁹
- ◆ 990 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 2,450 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 11,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 25,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 55 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 500 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Vermont's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Vermont received 0.16% of all U.S. school lunch funding in FY 1993, CDF projected that Vermont would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Vermont shown here.) Because Vermont received 0.16% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$5.1 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Vermont received 0.32% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Vermont received 0.30% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$10.0 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Vermont's FY 2000 cut by first using the USDA data to determine that Vermont's share of the nationwide cut in fiscal years 1997-2000 is 0.15%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 4,100 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Vermont in FY 1994 (46,343).

¹⁰ HHS calculated 990 by dividing Vermont's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Vermont in 1993 (17,529). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Vermont.

¹² 25,386 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 1,344 children who received SSI in Vermont in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN VIRGINIA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON VIRGINIA'S ECONOMY

The following projections show some of the funds Virginia could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$10.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$11.3 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$66.5 million (39%) would be lost in SSI (Supplemental Security Income) for disabled children.⁵
- \$16.5 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$32.3 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$100.0 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Virginia will lose **\$920 million** under the bill.

IMPACT ON VIRGINIA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Virginia would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 51,350 children would lose federally-subsidized **school lunches**.⁹
- ◆ 6,970 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 18,700 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 78,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 261,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 4,753 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 7,750 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Virginia's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Virginia received 1.96% of all U.S. school lunch funding in FY 1993, CDF projected that Virginia would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Virginia shown here.) Because Virginia received 2.08% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$66.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Virginia received 1.50% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$16.5 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Virginia received 0.98% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$32.3 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Virginia's FY 2000 cut by first using the USDA data to determine that Virginia's share of the nationwide cut in fiscal years 1997-2000 is 1.77%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 51,350 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Virginia in FY 1994 (583,697).

¹⁰ HHS calculated 6,970 by dividing Virginia's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Virginia in 1993 (133,435). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Virginia.

¹² 261,125 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 19,899 children who received SSI in Virginia in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN WASHINGTON

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON WASHINGTON'S ECONOMY

The following projections show some of the funds Washington could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$8.0 million (8.8%) would be lost in **school lunch subsidies**.³
- \$16.4 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$40.6 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$27.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$88.6 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$134.8 million (26%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Washington will lose **\$1.3 billion** under the bill.

IMPACT ON WASHINGTON'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Washington would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 36,800 children would lose federally-subsidized **school lunches**.⁹
- ◆ 10,120 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 25,900 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 117,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 230,000 children receiving **food stamps**, average benefits would decline by about 26% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,859 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 4,400 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Washington's future economic, demographic, and social trends. For example, the state's school enrollment and child population are projected to grow faster than the national average. Under current law, federal funding levels respond

flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Washington received 1.58% of all U.S. school lunch funding in FY 1993, CDF projected that Washington would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Washington shown here.) Because Washington received 1.27% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$40.6 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Washington received 2.48% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$27.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Washington received 2.68% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$88.6 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Washington's FY 2000 cut by first using the USDA data to determine that Washington's share of the nationwide cut in fiscal years 1997-2000 is 2.39%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 36,800 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Washington in FY 1994 (418,243).

¹⁰ HHS calculated 10,120 by dividing Washington's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Washington in 1993 (184,918). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Washington.

¹² 229,855 children received food stamps in FY 1993. As noted above, funds will decrease by about 26%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 11,254 children who received SSI in Washington in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN WEST VIRGINIA

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON WEST VIRGINIA'S ECONOMY

The following projections show some of the funds West Virginia could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$4.1 million (8.8%) would be lost in **school lunch subsidies**.³
- \$4.5 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$28.8 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$6.0 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$23.9 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$38.2 million (11%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates West Virginia will lose **\$373 million** under the bill.

IMPACT ON WEST VIRGINIA'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in West Virginia would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 17,550 children would lose federally-subsidized **school lunches**⁹
- ◆ 2,780 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 10,350 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 49,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 208,000 children receiving **food stamps**, average benefits would decline by about 11% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 1,439 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 3,200 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on West Virginia's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because West Virginia received 0.80% of all U.S. school lunch funding in FY 1993, CDF projected that West Virginia would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for West Virginia shown here.) Because West Virginia received 0.90% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$28.8 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because West Virginia received 0.54% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$6.0 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because West Virginia received 0.73% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$23.9 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated West Virginia's FY 2000 cut by first using the USDA data to determine that West Virginia's share of the nationwide cut in fiscal years 1997-2000 is 0.68%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 17,550 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in West Virginia in FY 1994 (199,502).

¹⁰ HHS calculated 2,780 by dividing West Virginia's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in West Virginia in 1993 (73,964). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for West Virginia.

¹² 207,751 children received food stamps in FY 1993. As noted above, funds will decrease by about 11%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 8,169 children who received SSI in West Virginia in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN WISCONSIN

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON WISCONSIN'S ECONOMY

The following projections show some of the funds Wisconsin could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$6.7 million (8.8%) would be lost in **school lunch subsidies**.³
- \$10.1 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$85.7 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$17.7 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$72.1 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$50.9 million (16%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Wisconsin will lose **\$830 million** under the bill.

IMPACT ON WISCONSIN'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Wisconsin would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 42,750 children would lose federally-subsidized **school lunches**⁹
- ◆ 6,230 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 19,200 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 96,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 181,000 children receiving **food stamps**, average benefits would decline by about 16% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 4,629 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 8,250 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Wisconsin's future economic, demographic, and social trends. Under current law, federal funding levels respond flexibly to such changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Wisconsin received 1.31% of all U.S. school lunch funding in FY 1993, CDF projected that Wisconsin would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Wisconsin shown here.) Because Wisconsin received 2.69% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$85.7 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Wisconsin received 1.61% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$17.7 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Wisconsin received 2.19% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$72.1 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Wisconsin's FY 2000 cut by first using the USDA data to determine that Wisconsin's share of the nationwide cut in fiscal years 1997-2000 is 0.90%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 42,750 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Wisconsin in FY 1994 (486,013).

¹⁰ HHS calculated 6,230 by dividing Wisconsin's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Wisconsin in 1993 (137,079). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Wisconsin.

¹² 181,409 children received food stamps in FY 1993. As noted above, funds will decrease by about 16%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 21,103 children who received SSI in Wisconsin in December 1994 by 39%.

IMPACT OF HOUSE BILL ON CHILDREN IN WYOMING

On March 24, the House of Representatives passed a bill¹ to shred the safety net that protects America's neediest children from hunger, malnutrition, abuse, neglect, disease, and homelessness. The bill, part of the Contract with America, cuts crucial child-survival programs by nearly \$70 billion,² eliminates federal nutritional and other standards, and voids the core principle that all eligible, needy children will be served.

IMPACT ON WYOMING'S ECONOMY

The following projections show some of the funds Wyoming could lose in fiscal year 2000 under the House bill, compared with current law. According to projections by the U.S. Department of Health and Human Services (HHS), the U.S. Department of Agriculture (USDA), and the Children's Defense Fund:

- \$0.9 million (8.8%) would be lost in **school lunch subsidies**.³
- \$1.4 million (24%) would be lost in **child care subsidies** (not counting restored funds).⁴
- \$3.5 million (39%) would be lost in **SSI** (Supplemental Security Income) for disabled children.⁵
- \$3.3 million (50%) would be lost in **food subsidies for children in child care and Head Start**.⁶
- \$5.2 million (14%) would be lost in **AFDC** cash assistance and "welfare-to-work" programs.⁷
- \$5.0 million (13%) would be lost in **food stamps**, mostly for families with children.⁸

Over five years (FY 1996-2000), HHS estimates Wyoming will lose **\$67 million** under the bill.

IMPACT ON WYOMING'S CHILDREN

States could make these cuts in several ways: by excluding groups of children from programs and putting them on waiting lists; by reducing benefits or the quality of services (for example, by substantially cutting the nutritional value of a school lunch); or by making low-income families pick up more costs through co-payments and fees. Regardless of which method is chosen, the overall effect would be large. Another possible, but politically difficult, option would be to replace lost federal funds by raising state taxes or finding other funds. The following list illustrates how many children in Wyoming would be affected in FY 2000 *if states choose to cut costs solely by reducing current program enrollments* by the same percentage that federal funding is cut for that program or block grant.

- ◆ 5,050 children would lose federally-subsidized **school lunches**⁹
- ◆ 860 children would lose federal **child care** subsidies that help parents get off or stay off welfare (see notes).¹⁰
- ◆ 1,700 children would lose **AFDC** in FY 2000 because of funding cuts. (In addition, by FY 2005, 6,000 children could be made ineligible for federal assistance because the bill prohibits aid to certain types of children.)¹¹ For the roughly 19,000 children receiving **food stamps**, average benefits would decline by about 13% — below the minimum needed to meet nutritional needs.¹²
- ◆ In 1996, 271 disabled children immediately would lose eligibility for cash **SSI**, according to HHS. (In FY 2000, based on the state's pro-rated share of funding cuts, CDF projects a reduction of 400 in the number of blind and disabled children would receive assistance.)¹³

The bill's actual impact could be higher or lower than these projections, depending on Wyoming's future economic, demographic, and social trends. For example, the Census Bureau projects the state's population will grow faster than the national average. Under current law, federal funding levels respond flexibly to such

changes in state needs. Under block grants, funding levels would not respond.

¹ H.R. 4, the Personal Responsibility Act, approved by the U.S. House of Representatives March 24, 1995. Some numbers in this fact sheet reflect slightly earlier versions of the bill.

² The Congressional Budget Office (CBO) estimates the bill will reduce federal spending nationwide by \$68 billion over the next five years, compared with current law. The Administration's estimate is \$69 billion.

³ The bill would cut funds for programs in the school nutrition block grant by 8.8% in FY 2000, according to CBO. Assuming that states will choose to cut all programs in the block grant by the same 8.8%, then funds for school lunches will decline by \$510 million nationwide. Because Wyoming received 0.18% of all U.S. school lunch funding in FY 1993, CDF projected that Wyoming would absorb about the same share of that nationwide cut in FY 2000.

⁴ Source: HHS state-by-state analysis of the bill in the form considered by the Economic and Educational Opportunities Committee. Nationwide, child care funding would be cut by \$612 million in FY 2000, or 24%, compared with current law, according to HHS. (A last-minute amendment by Rep. Nancy Johnson, R-CT, restored \$750 million in child care funds over the next five years, reducing the cut in FY 2000 to about 19%. The figures here do not reflect that change.)

⁵ Compared with current law, SSI spending would decline by about \$3.2 billion, or 39%, nationwide in FY 2000, according to CBO preliminary analyses dated March 1, 1995. Because these cuts would make families poorer, the families would qualify for additional food stamps, causing food stamp spending to increase by an estimated \$680 million. Counting the offsetting food stamp increases, resources for SSI families would be cut \$2.5 billion. (Last-minute changes raised CBO's estimate of the nationwide cut to \$2.7 billion, or 33%, after accounting for offsetting food stamp increases. Those changes are not reflected in the figures for Wyoming shown here.) Because Wyoming received 0.11% of all U.S. SSI spending for children in December 1994, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.5 million— in FY 2000.

⁶ The bill places the majority (87.5%) of funds for the Child and Adult Care Food Program (CACFP) in a family nutrition block grant; apart from a special set-aside for WIC, this funding stream would be cut by more than 55% in FY 2000 compared with current law, CBO projects. The other 12.5% of CACFP funds are placed in the school nutrition block grant, which would be cut by 8.8%. Assuming states continue to fund CACFP at its present percentage share of both block grants, the combined cut to CACFP by FY 2000 is 50%, or \$1.1 billion nationwide. Because Wyoming received 0.30% of all U.S. CACFP spending in FY 1993, CDF assumed it would absorb about the same share of that nationwide cut— or \$3.3 million.

⁷ The bill would cut funds for Aid to Families with Dependent Children (AFDC), Emergency Assistance, and the Job Opportunities and Basic Skills Program (JOBS) by \$2.6 billion, or 14%, in FY 2000, compared with current law, according to CBO preliminary cost estimates dated February 28, 1995. (Calculations by the Children's Defense Fund.) Because Wyoming received 0.16% of all U.S. funding for these programs in FY 1993, CDF projected that it will absorb about the same share of that nationwide cut— or \$5.2 million.

⁸ Food stamp spending nationwide would be cut \$5.64 billion, or 18%, in FY 2000, compared with current law, according to estimates from March 15, 1995 by the U.S. Department of Agriculture (USDA). USDA shows state data only for FY 1996 and FY 1996-2000, but not for FY 2000. Therefore, CDF estimated Wyoming's FY 2000 cut by first using the USDA data to determine that Wyoming's share of the nationwide cut in fiscal years 1997-2000 is 0.09%, and then applying that percentage to the \$5.64 billion nationwide figure for FY 2000.

⁹ 5,050 represents the percentage cut in funding (8.8%) multiplied by the number of children actually receiving school lunch in Wyoming in FY 1994 (57,247).

¹⁰ HHS calculated 860 by dividing Wyoming's funding cut by an average nationwide federal child care expenditure figure of \$1,621 per child. These figures do not include restored child care funds (see note 4).

¹¹ The year 2000 figure = 14% multiplied by the number of children who received AFDC in Wyoming in 1993 (12,249). The number made ineligible by 2005 was calculated by HHS based on AFDC quality control data for Wyoming.

¹² 18,512 children received food stamps in FY 1993. As noted above, funds will decrease by about 13%.

¹³ Children made ineligible immediately: HHS analysis dated March 17, 1995. Children affected by funding cuts in FY 2000: CDF multiplied the 1,086 children who received SSI in Wyoming in December 1994 by 39%.

For Immediate Release

Tuesday, March 28, 1995

Contact: Lisa Butler McDougal, 202/662-3615
Stella Ogata, 202/662-3609



Children's Defense Fund

REPORT SAYS ONE-THIRD OF AMERICA'S CHILDREN IN DANGER

***CDF Calls Permanent Destruction of Federal Safety Net For Children
Nation Defining Moral & Political Choice***

WASHINGTON, D.C. -- One in three children growing up today will fall into poverty, drop out of school, or be abused or neglected before reaching adulthood, according to a new report from the Children's Defense Fund.

"At a time when nearly 16 million children are poor, almost three million are abused and neglected, and 400,000 drop out of school, Congress should be strengthening rather than permanently shredding federal child protections and recklessly slashing child investments," CDF President Marian Wright Edelman said. "There appears to be no moral line House leaders will not cross in their reckless rush to reinvent American social policy and values."

According to CDF, the unfair, massive, \$46 billion assault on child nutrition, child care, foster care and adoption services, and income assistance to poor and disabled children passed by the House of Representatives goes beyond just budget cuts. The group called the House's action a permanent dismantling of the guaranteed safety net for needy and disabled children regardless of the state in which they live.

CDF's annual report, *The State of America's Children Yearbook 1995*, chronicles the conditions facing children on a range of indicators of child health and well-being. Among its startling conclusions:

- ◆ Child poverty peaked last year at the highest level since 1964. Nearly 16 million children in America are poor -- one in every four.
- ◆ The number of children reported abused or neglected in 1993 was almost three million -- triple the number in 1980.
- ◆ In 1994, one in four homeless people was a child under the age of 18.

-more-

25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787
Fax 202 662 3510

- ◆ 5,379 children and teens were killed by gunfire in 1992 -- one child every 98 minutes.
- ◆ While 60% of mothers with children under age six are currently working, 35% of homes providing family child care were found in 1994 to be of such poor quality that they were likely to harm children's development.
- ◆ A record level of 14.2 million children relied on food stamps to eat in 1993 -- up 51% since 1989.
- ◆ More than 9.4 million children had no health insurance in 1993, an increase of more than 800,000 from 1992.

"These shameful numbers have small, individual faces and feelings and suffering," Edelman said. "It is unAmerican that millions more children will be left behind if the House leaders succeed in ripping apart federally guaranteed child protections. When the elderly were the most endangered group of Americans, we guaranteed that they would not go hungry or lack basic medical care. Now our children -- the poorest group of Americans -- are in danger and they need the same health, safety, and social security we provide to seniors."

Edelman urged the Senate to resist "policymaking by slogan" and to reject proposals that make children poorer and cripple families ability to work. "When a disabled child is born into a poor or middle class family who want to keep him at home rather than place him in an institution, they should not be told their nation has taken away and will not ensure cash assistance to help them do that. When a recession or natural disaster hits and you find you have lost everything, you do not want your chance to get immediate relief to depend on the wealth and willingness of your local and state government to provide it. When a child is sick and poor and has no health insurance, immediate access to health care is crucial and ought to be available for every child wherever they live."

CDF said that not a single proposal has come out of the House that gives families the tools to work -- not a single new job for a parent, no additional child care for working families, and no new health coverage for children has been offered.

Children Likely to Slip Through Holes in 50 Safety Nets

According to CDF, the House leaders' efforts to replace child entitlements with block grants that give states lump sum payments will cause countless children across the country to be left behind. The end of children's entitlement status and move to block granting money for states means that if there are more children in need at times of recession or natural disaster, states will be forced to reduce benefits or reduce the number of children served by health care, feeding, or child care services. Under the House bill, states and localities would not even be required to continue their own inadequate levels of spending on children.

"This shift from entitlement to block grants represents a fundamental, radical shift of America's commitment to children," Edelman said. "Children in many places may be faced with a triple-whammy threat of simultaneous cuts in federal, state, and local budgets and will result in millions of children being denied crucial services."

CDF said destroying guaranteed federal investments in children could have devastating consequences:

-more-

- ◆ When a child is being abused or neglected, she needs to be helped now -- not placed on a city or state waiting list.
- ◆ When a child is hungry, he needs to be fed -- in Mississippi or in Massachusetts. He doesn't need to be told there is no money left for school lunches or summer meals because the federal government decided he was no longer entitled to food.
- ◆ When a parent loses a job and has to go on welfare to keep the family from being put out on the street, the last thing they need to hear is we can't help you because there is no money left.

"We have a promise to keep to all children that whether or not they will eat or go to bed hungry won't depend on whether they live in New York, or California, or Mississippi," said Edelman. "These are American children and their well-being and futures should not be determined by where they are born."

Children Picked On While Powerful, Wealthy Interests Are Left Untouched

Children in many states would feel the effect of the sweeping entitlement cuts quickly, as states would begin receiving fewer dollars in FY 1995 and 1996. Fewer dollars for child care assistance would mean that by the year 2000, the parents of at least 378,000 children could face not getting a job or losing one because they don't have safe day care for their children. More than two million children would lose school lunches and one million would lose child care lunches and snacks -- often the only nutritious meals children eat in a day. Among the most vulnerable, 1.3 million poor children would lose the cash assistance their families need to pay the rent and utilities.

"We cannot allow these millions of children to get lost in the shuffle of politicians in Washington who talk only about block grants and state flexibility without talking about the harmful effect their decisions will have on millions of children and families," Edelman said. "While we do not oppose thoughtful change, indiscriminate and reckless change which undermines the bedrock of American values and justice is unacceptable. We oppose so-called welfare reform that puts children out on the streets and into the cold."

CDF favors welfare reform that decreases child and family poverty, prevents dependency, and encourages work. In addition, the organization says block grants can be crafted that maintain child entitlements while increasing state flexibility, improving effective service delivery, and maintaining at least current levels of child investments. CDF opposes block grants that simply destroy child protections, slash child services, and give states carte blanche to reduce services to children.

"We welcome a careful examination of what works and what doesn't work, and believe such a review of social programs should include aid to rich farmers, wealthy individuals and corporations, and defense contractors," Edelman said.

The Children's Defense Fund exists to be a strong and effective voice for the children of America who cannot vote, lobby, or speak for themselves. CDF pays particular attention to the needs of poor, minority, and disabled children. The organization's goal is to educate the nation about the needs of children, and encourage preventive investment in children before they get sick, drop out of school, suffer family breakdown, or get into trouble. A private non-profit organization supported by foundations, corporate grants, and individual donations, CDF has never accepted government funds.

Note: Final publication copies of The State of America's Children 1995 will be available late April and can be purchased for \$14.95. Check should be sent to CDF, Attn: Publications, 25 E Street, NW, Washington, DC 20001.

HOUSE BLOCK GRANTS = PERMANENT & IMMORAL NATIONAL CHILD NEGLECT

*Shredding of Federal Safety Net for Poor, Neglected, Abused and Disabled
Children is a Nation Defining Moral and Political Choice*

EMBARGOED

3/28. 9:40 a.m.



THE BLACK COMMUNITY
CRUSADE FOR CHILDREN

A Brief Entitlement Primer



Children's Defense Fund

25 E Street, NW
Washington, DC 20001
Telephone 202 628 8787

There appears to be no moral line House leaders will not cross in their reckless rush to reinvent American social policy and values.

Under the guise of welfare reform, House Republican leaders would permanently tear up the 60-year old federal safety net for poor, disabled, abused, and hungry children and replace it with a policy of national child neglect. If they succeed, millions more children will be left behind and be denied a Healthy Start, a Head Start, a Fair Start, and a Safe Start in order to pay for tax breaks for rich corporations and individuals.

Whether our nation will affirm caring and fairness or callousness and neglect for all American children is a nation defining political and moral choice. While we abhor the fact that 67% of the \$17 billion in budget rescissions House leaders have passed fall on children and that a massive \$46 billion in budget cuts to finance tax breaks for the rich fall on children, these unfair assaults pale in comparison to the proposed permanent dismantlement of children's entitlement to AFDC if they are poor, school lunches and other nutritional programs if they are hungry; child care if their parents need to work and get off welfare; and assured foster care and adoption subsidies if they are abused or neglected.

H.R.4, the Personal Responsibility Act passed by the House of Representatives, would destroy the national foundation of guaranteed support for children and leave millions more children poor, hungry, and unsafe.

When a child is being abused or neglected, she needs to be helped now -- not placed on a city or state waiting list.

When a child is hungry, he needs to be fed -- in Mississippi as well as Massachusetts -- now. He doesn't need to be told there is no money left for school lunches or summer meals because the Congress decided he was no longer entitled to food.

When a parent loses a job and has to go on welfare to keep the family from being put out on the street, the last thing they want to hear is we can't help you because there is no money left.

When a disabled child is born into a poor or middle class family who want to keep him at home rather than place him in an institution, they should not be told their nation has taken away and will not ensure cash assistance to help them do that.

When a recession or natural disaster hits and you find you have lost everything, you do not want your chance to get immediate relief to depend on the wealth and willingness of your local and state government to provide it. You want it assured, regardless of where you live.

When a child is sick and poor and has no health insurance, immediate access to health care is crucial and ought to be available for every child wherever they live.

What is an entitlement?

An entitlement is assured help -- an unbreakable promise the federal government makes to its poor and disabled children, its elderly, and its citizens wherever they live in times of need if they meet certain eligibility requirements. Entitlement programs ensure that eligible children in need can be served and that help is available when recessions and natural disasters hit. Proposed block grants to states would take away this assurance, and either tie the hands of states during recession or disasters or leave state and local taxpayers to pick up the tab.

<u>Programs Losing Entitlement Status</u>	<u>Dollars Lost Over 5 Years</u>	<u>Children Losing Benefits in the Year 2000</u>
Cash Assistance to Poor Families (AFDC)	\$ 7.2 billion	1.3 million (3-5 million in later years)
Assistance for Disabled Children (SSI)	\$10.9 billion	348,000
Foster Care and Adoption Assistance	\$ 2.8 billion	59,155
Child Care Assistance to Families Who Work or Receive Training	\$ 2.5 billion	378,000
School Lunch	\$ 1.6 billion	2.2 million
Food for Children in Head Start and Child Care (CACFP)	\$ 4.5 billion	1.0 million
Food Stamps for Families with Children	\$16.0 billion	State option to eliminate en- titlement status

What is a Block Grant?

A block grant is a fixed amount of money that may or may not be sufficient in times of need. When states run out of money, help will simply not be available to eligible needy children as it is now. In fact, children face a potential triple whammy of budget cuts: block grants with \$46 billion less in federal funding may be exacerbated by state and local budget cuts since there is no

requirement that states and localities maintain their current funding levels for children's services. When recessions and emergency arise, states will have to choose whether to deny tens of thousands of needy children help, drastically reduce their benefits, pay for increased needs out of their own declining revenue or increase state and local taxes. Waiting lists may replace immediate assistance. As Richard Nathan, a welfare expert and staff member in the Nixon White House, said recently in a New York Times interview: "If you have a recession, if you have rapid inflation, if you have the courts suddenly requiring more money be spent for foster care and group homes, then you're going to run out of money. And come April or May, someone's going to apply for welfare or child assistance, and what are you going to say, 'Sorry, we're all out'?"

Will These Block Grants Keep Pace with Future Needs?

It is unlikely. History shows that block grants tend to shrink over time since Congressional interest in them wanes. From 1982 to 1995, for example, the Community Services, Title XX Social Services, Preventive Health, and Chapter II Education block grants shrank 49%, 28%, 7%, and 53%, respectively in inflation-adjusted dollars.

Are the House Republicans Really Cutting Benefits to Children or Just Future Rates of Growth in Entitlement Programs as They Claim?

Millions of children will be denied needed benefits under the House Republicans' proposals. Even under the most optimistic assumptions, administrative savings achieved through block grants will be small. For example, the total administrative cost of providing cash assistance to poor families represents only about 10 percent of all AFDC costs. Yet states would have received **32 percent** less AFDC money in 1995 than they received under current law if the proposed welfare block grant had been put in place in 1990 according to the U.S. Department of Health and Human Services. In this and every other area where the House Republicans propose to eliminate entitlements, states would be left with too little money to meet children's needs and eligibility or benefit levels for children would have to be slashed.

Can You Have Block Grants and More State Flexibility Without Destroying Entitlements?

Absolutely. One has little to do with the other. Through the waiver process, many states are already being given additional flexibility. We should monitor carefully whether these waivers result in more effective state services. Entitlements are not inherently inflexible just as block grants are not necessarily flexible. Entitlements can be structured to give states more flexibility in appropriate areas, and block grant funding can be burdened with many restrictions (as seen in the House Republican

plan's restrictions on benefits to teens and legal immigrants). Entitlements are simply a funding commitment to ensure that children get help when they need it.

Is CDF Opposed to All Block Grants?

No. Not if they are designed to help and not hurt children, to strengthen rather than destroy child protections, and to increase rather than decrease investments for children and the poor. The House Republican block grants would shred the federal safety net and put nothing in its place: no new jobs, no additional child care, no comparable or better food programs, and no guaranteed help for abused or neglected children. No attempt has been made to distinguish between programs that work and not work or to determine -- based on evidence -- whether states have shown they can do a better job than the federal government in specific areas. While many states will act responsibly, not all will at all times. In the past, some states have denied aid on the basis of race or national origin. Others have denied aid in recent times to working poor families or two-parent families or have erected huge barriers to child support enforcement services for children born out-of-wedlock.

Can All States Handle These Additional Responsibilities?

There are grave concerns about some states' ability to handle the massive additional responsibility under the proposed new block grants. At a time when 20 states have been brought to court for severe shortcomings in their efforts to help abused and neglected children and when state child support enforcement agencies are able to collect payments for only one in five of their current cases, block grants may be a recipe for disaster for countless children.

Congress Should Pick on Someone Their Own Size and Stop Picking on Children

Shamefully, children have been singled out for a massive budget assault and unfair sacrifice. Not a single wealthy corporation or farmer or defense contractor has been threatened. Not a single entitlement for military or non-needy Americans has been dismantled or cut. Congress is picking on children who do not vote or lobby because they think they can although federal entitlements for children and the poor constitute a very small portion of the federal budget. Worst, they are cutting children and the poor to fund tax breaks for the rich and to increase defense spending. It is a fundamental perversion of American values of fairness and common sense.

The Children's Defense Fund favors thoughtful change but will oppose thoughtless, indiscriminate, precipitous change that undermines the bedrock foundation of American values of fairness. We favor welfare reform that prevents dependency and encourages

work. We reject welfare reform that simply puts children and parents out in the street with no positive alternatives. We favor thoughtfully crafted block grants which maintain child entitlements, increase effective service delivery, and maintain at least current levels of child investments. We reject block grants that simply destroy child protections, slash child services, and give states carte blanche to cut services for children. We welcome examination of what works and doesn't work in social programs. We oppose destruction of programs that do work. That is what the House "Contract with America" will do.

file CDF

The State of **AMERICA'S** **CHILDREN** *Yearbook*

PRE-PUBLICATION
PRESS EDITION



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This book is dedicated to
the memory of three
extraordinary human beings and
child advocates:

Elizabeth Glaser, co-founder of the Pediatric AIDS Foundation,

James P. Grant, UNICEF executive director, 1980-1994,

and

*Jean Childs Young, International Year of the Child,
former CDF board member, and friend*

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INTRODUCTION

PROGRESS OR PERIL? COMMUNITY OR CHAOS? AMERICA'S UNFINISHED SYMPHONY FOR FREEDOM AND JUSTICE

If we are to teach real peace in this world and if we are to carry on a real war against war, we shall have to begin with children; and if they will grow up in their natural innocence, we won't have to struggle; we won't have to pass fruitless, idle resolutions, but we shall go from love to love and peace to peace, until at last all the corners of the world are covered with that peace and love for which, consciously or unconsciously, the whole world is hungering.

Mahatma Mohandas Gandhi
November 19, 1931

America, you must be born again! We have a task and let us go out with a divine dissatisfaction. Let us be dissatisfied until America will no longer have a high blood pressure of creeds and an anemia of deeds. Let us be dissatisfied until the tragic walls that separate the outer city of wealth and comfort and the inner city of poverty and despair shall be crushed by the battering rams of the forces of justice. Let us be dissatisfied until those that live on the outskirts of hope are brought into the metropolis of daily security. Let us be dissatisfied until slums are cast into the junk heaps of history, and every family is living in a decent sanitary home. Let us be dissatisfied until the dark yesterdays of segregated schools will be transformed into bright tomorrows of equal, integrated education. Let us be dissatisfied until integration is not seen as a problem but as an opportunity to participate in the beauty of diversity. Let us be dissatisfied until men and women, however black they may be, will be judged on the basis of the content of their character and not on the basis of the color of their skin. Let us be dissatisfied. Let us be dissatisfied until every state capitol houses a governor who will do justly, who will love mercy and who will walk humbly with his God. Let us be dissatisfied until from every city hall, justice will roll down like waters and righteousness like a mighty stream. Let us be dissatisfied until that day when the lion and the lamb shall lie down together, and every man will sit under his own vine and fig tree and none shall be afraid. Let us be dissatisfied.

And men will recognize that out of one blood God made all men to dwell upon the face of the earth. Let us be dissatisfied until that day when nobody will shout 'White Power!' — when nobody will shout 'Black Power!' — but everybody will talk about God's power and human power.

Martin Luther King, Jr., 1968

Where Do We Go From Here: Chaos or Community?

We hold these truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain Inalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness.

The Declaration of Independence

In 1968, Dr. King asked our nation a prescient, urgent, and timely question: Where do we go from here: chaos or community? In this post-Cold War era of unbearable dissonance between promise and performance, between good politics and good policy, between America's racial creed and America's racial deed, between professed and practiced family values, between calls for community and rampant individualism and greed, and between our capacity to prevent and alleviate child deprivation and disease and our political will to do so in a world in which one in five people lives on less than a dollar a day and one in five children lives in poverty in the richest nation on earth, his question demands our answer with more urgency than ever.

The overture of our nationhood was the Declaration of Independence. Abraham Lincoln's Emancipation Proclamation and the 13th, 14th, and 15th amendments completed the first movement of America's symphony of freedom and justice. Charles Houston, Thurgood Marshall, Dr. Martin Luther King, Jr., Rosa Parks, Fannie Lou Hamer, and thousands of unsung White, Brown, and Black heroes and heroines, who tore down the walls of legally sanctioned American apartheid, composed the second movement.

I believe our national symphony is awaiting its next movement — a movement that is mighty and *positive* and transforming. A movement which returns us to our founding truths that "All men are created equal," and "are endowed by their Creator with certain inalienable rights," and among them are "life, liberty and the pursuit of happiness." Our ensuing centuries of struggle to extend these truths to women, racial and other minority groups, and to children must continue even, indeed especially, in this time of

national moral confusion, family and community breakdown, economic fear, and political volatility. If we are going to prevent America's dream and future from becoming a nightmare and from destructing in a collision at the dangerous national intersection of race, poverty, violence, and greed, we must not sign any new political "contracts" before we review our Old and New Testaments and our American covenant.

God's message through the prophet Zechariah "to see that justice is done, to show kindness and mercy to one another, not to oppress widows, orphans, foreigners, who live among you or any one else in need" does not change with political fashion. The injunction from Isaiah, fulfilled by a poor, homeless child Christians call Savior, to bring good rather than bad news to the poor and to set at liberty those who are oppressed, cannot be overruled by political or media pundits anymore than America's enduring values of fairness and opportunity can. God's call to heal and to care is clear and unchanging. And never has that call been more urgent than now.

Since Dr. King's death, over 1 million Americans have been killed violently here at home, including tens of thousands of children; more than 875,000 (75 percent) of the Americans killed by violence were White. Almost 17 million children have been born out of wedlock; 8.5 million (50 percent) of them were White. Over 13 million children have been born to teenage mothers; of them, 9 million (69 percent) were White. And at least 16 million babies have been born into poverty, of whom over 9 million (59 percent) were White.

An American child is reported abused or neglected every 11 seconds; is born into poverty every 32 seconds; is born to a teen mother every 62 sec-

onds; is arrested for a violent crime every four minutes; and is killed by guns every two hours.

These shameful numbers have small individual faces and feelings and suffering, like that of eight-year-old Gail, who said:

"In my neighborhood there is a lot of shooting and three people got shot. On the next day when I was going to school I saw a little stream of blood on the ground. One day after school me and my mother had to dodge bullets. I was not scared.

"There is a church and a school that I go to in my neighborhood. There are robbers that live in my building, they broke into our house twice. There are rowhouses in my neighborhood and a man got shot, and he was dead. On another day I saw a boy named Zak get shot. By King High School Susan Harris got shot and she died. It was in the newspaper. When me and my mother was going to church we could see the fire from the guns being shot in 4414 building. I was not scared. In my neighborhood there are too many fights. I have never been in a fight before. There are many trees in my neighborhood.

"God is going to come back one day and judge the world. Not just my neighborhood.

"I know these are really really bad things, but I have some good things in my neighborhood. Like sometimes my neighborhood is peaceful and quiet and there is no shooting. When me and my mother and some friends go to the lake we have a lot of fun. Sometimes the children in my building go to Sunday School with me and my mother. Also the building I live in is so tall I can see downtown and the lake. It looks so pretty.

"I believe in God and I know one day we will be in a gooder place than we are now."

All across our nation, children like Gail are struggling to survive in a living hell, clinging to their faith and their families, and praying that one day they will be in a "gooder" place.

In a decent, sensible, democratic, and moral nation, children shouldn't have to pray and wait in fear. I believe that we are called, as people of faith, to be active participants in working to manifest that "gooder place" right here and right now for all of our children and to become a nation worthy of the children God has granted us.

With a new century only five years away and a new millennium only six years away, the overarching

challenge America faces is rebuilding a sense of community and hope and future and civility and caring and safety for all our children.

No child is physically, economically, and morally safe in 1995's America. The cultural glorification of violence, sex, and materialism; the pervasive breakdown of family, community, and moral values among all race and economic groups; growing economic inequality between rich and poor; and an increasing criminalization of the economy and scapegoating of minority male youths as the new enemies of society pose grave dangers to our social equilibrium. While 15.7 million children live in poverty, 9 million lack health care, preschool vaccinations lag behind some Third-World countries, and millions of children begin life and school not ready to succeed, the top 20 percent of American households increased their share of our national income by over \$116 billion between 1967 and 1992 — about equal to the total gross national product of Saudi Arabia.

Can we compose and perform together another great movement of America's unfinished symphony of justice and opportunity? Can you and I act to move our nation back from the brink of violent chaos, racial regression, and class warfare Dr. King warned about? Can we find a critical mass of citizens who are willing to stand up and say no to the killing of children by guns and poverty? Can we find a critical mass of political leaders who will care more about the next generation than the next election?

Before the new millennium, you and I must and can compose this third movement by putting the social and economic underpinnings beneath the millions of African American, Asian American, Latino, White, and Native American children left behind when the promise of the civil rights laws and the significant progress of the 1960s and 1970s in alleviating poverty was eclipsed by the Vietnam war, economic recession, and changing national leadership priorities.

And there was real progress. Some things did and do work despite today's political mythology and simplistic, indiscriminate attack on all social programs. While it is healthy to sort out what works and does not work, to engage in a thoughtful debate about the roles of federal, state, and local government, the private sector, and families in caring for children, and to take steps to make government more effective and accountable, it is essential to be specific, careful, and to resist policy by slogan. Human lives and the nation's future are at stake. Programs that began in the 1960s and 1970s, like Medicaid and WIC, have

improved babies' chances of being born healthy and surviving: During those two decades, low-birth-weight births were reduced by more than 10 percent and infant deaths (Black and White) were reduced by more than 50 percent. Comprehensive health care for mothers and children, including cost-effective vaccinations and prenatal care, makes a difference. We need to ensure it for everyone beginning first and immediately with universal coverage for children rather than seeking to deny millions of children health coverage and to repeal initiatives to vaccinate children. Child poverty decreased from 26.9 percent in 1959 to 13.8 percent in 1969, reducing the number of children in poverty by 9 million. Today alleviating child poverty rather than eliminating child supports should be the goal. Millions of children have begun school ready to learn thanks to Head Start and tens of thousands of youths got a chance to go to college thanks to targeted government support. Investments in quality early education and opportunities for all our children to learn and succeed must be expanded rather than eroded. Child and family nutrition programs, which virtually eliminated hunger during the Nixon years, must remain a high national priority. Let's cut childhood hunger and homelessness rather than school lunches and essential child welfare services.

Let's build on rather than recklessly and indiscriminately tear down the foundation of progress and hope we have begun but not completed. Let's thoroughly debate any proposals that may increase rather than decrease the gap between Black and Brown and White and between rich, middle-class, and poor children in America at a time when millions of children lack the basic necessities of life. And let's prod our great nation to decide that our racial diversity will be its greatest strength rather than its fatal weakness and to make our democratic ideals a banner of hope rather than a profile of hypocrisy.

Let's pray that God's spirit will be born anew within and among us and help us mount a crusade across our land to stop the killing and neglect of children and to heal our racial, class, age, and gender divisions. Every American leader, parent, and citizen personally and collectively must commit to reclaim our nation's soul and give our children back their hope, their sense of security, their belief in America's fairness, and their ability to dream about, envisage, and work toward a future that is attainable and real.

What you can do

The first thing all adults and parents can do is be accountable — to conduct a personal audit to determine whether we are contributing to the crisis our children face or to the solutions they urgently need. Our children don't need or expect us to be perfect. They do need and expect us to be honest, to admit and correct our mistakes, and to share our struggles about the meanings and responsibilities of parenthood, citizenship, faith, and life. Before we can pull up the moral weeds of violence, racism, materialism, and greed in our society that are strangling our children, we must pull up the moral weeds in our own personal backyards. So many children are confused about what is right and wrong because so many adults talk right and do wrong in our personal, professional, political, and public lives.

- ◆ If we are not supporting a child we brought into the world as a father or as a mother with attention, time, love, discipline, money, and the teaching of values, then we are a part of the problem rather than the solution.
- ◆ If we are using and abusing tobacco, alcohol, cocaine, or other drugs while telling our children not to, then we are a part of the problem rather than the solution.
- ◆ If we have guns in our home and rely on them to feel safe and powerful, then we are a part of the problem rather than the solution.
- ◆ If we are spending more time worrying about our children's clothes than about their character, about the kinds of cars they are driving than about where and with whom they are driving, then we are a part of the problem rather than the solution.
- ◆ If we are spending more time on our children's recreation than reading, on their dance steps than their discipline, then we are a part of the problem rather than the solution.
- ◆ If we are more worried about our children's earnings than their honesty, about their acceptance than about their achievement, and about their status than their service, then we are a part of the problem rather than the solution.
- ◆ If we think it's somebody else's responsibility to teach *our* children values, respect, good manners, and work and health habits, then we are a part of the problem rather than the solution.
- ◆ If we send rather than take our child to Sunday school and worship services, and believe that the Sermon on the Mount, Ten Commandments,

and the Koran pertain only to one day worship but not to Monday through Sunday home, professional, and political life, then we are a part of the problem rather than the solution.

- ◆ If we or our organizations are spending more money on alcohol and entertainment than on scholarships, books, tutoring, rites of passage, and mentoring programs for youths, then we are a part of the problem rather than the solution.
- ◆ If we'd rather talk the talk than walk the walk to the voting booth, school board meetings, political forums, and congregation and community meetings to organize community and political support for our children, then we are a part of the problem and not the solution.
- ◆ If our children of any race know more about Dr. Dre than about Dr. W.E.B. DuBois and are more exposed to the obscene music that disrespects women than they are to the inspirational lives of Mary McLeod Bethune and Dorothy Day, then we are a part of the problem and not the solution.
- ◆ If Black, Brown, or White children think that being smart and studying hard is acting White rather than Black or Brown and don't know about the many great minority as well as White achievers who overcame every obstacle to succeed, then we are a part of the problem rather than part of the solution.
- ◆ If our children learn racial slurs from us and think that race rather than God's grace determines our sanctity and worth, then we are a part of the problem rather than the solution.
- ◆ If we are not voting and not holding political leaders accountable for voting relative pennies for Head Start and pounds for the defense budget, and for opposing welfare for poor mothers and children while protecting welfare for rich farmers and corporate executives, then we are a part of the problem rather than the solution.
- ◆ If we think corrupt and unaccountable Black and Brown leaders who neglect our children and communities are better than corrupt and unaccountable White leaders who neglect our children and communities, then we are a part of the problem rather than the solution.
- ◆ If we think we have ours and don't owe any time or money or effort to help those left behind, then we are a part of the problem rather than the solution.

- ◆ If we think being American is about how much we can get rather than how much we can give, and that things and not thought, cash and not character make the person, then we are a part of the problem rather than the solution.

The second step is to hold our public leaders accountable for fair, just, and effective policies for children. With every major federal, state, and local reform and budget change, citizens should ask our leaders whether it helps or hurts children, and which children. Will it make more or fewer children poor, hungry, and homeless? Will it make parents and families more or less self-sufficient? Will it help families stay together or break them up? Does it reward work or wealth or benefit the few who have much or the many who have little? Is it as fair to women as to men? To children as to adults? To domestic needs as to the military? Does it save or cost money in the short and long term? Increase or decrease fair opportunity and personal responsibility? Will it increase or decrease the tension and gaps between racial, gender, age, and income groups?

We must challenge those who claim that front-end investments in Head Start and child care and immunizations and prenatal care and summer jobs don't work, and demand they prove that higher back-end prison costs, out-of-home care, unemployment, and ignorance do. We are now the world's leading jailer. Yet fear permeates our psyches, and guns and violence proliferate in our homes and on our streets. The child neglect tax of prisons, police, unemployment, and school failure costs tens of billions of dollars a year.

A nation that would rather send someone else's child to prison for \$15,496 a year or to an orphanage for over \$36,000 a year than invest in \$300 worth of immunization and \$1,000 worth of prenatal care to give that same child a healthy start, \$4,343 to give that child a year of quality Head Start experience, or \$1,800 to give that child a summer job to learn a work ethic, lacks both family values and common and economic sense.

The third step is for us to pray that our nation may regain its moral and common sense and act to put our children first.

Wm. Linger E.D.

A Prayer for Children*

O God, we pray for children who woke up this morning in dens of dope rather than in homes of hope, with hunger in their bellies and hunger in their spirits, without parents or friends to care, pay attention to, listen to, morally guide, affirm, and lovingly discipline them.

Help us to welcome them in our hearts and communities and nation.

We pray for children who have no one to pray for them or protect and guide them and who are being abused or neglected right now by parents who often themselves were abused or neglected.

Help us to welcome them in our hearts and communities and nation.

We pray for children who are sick from diseases we could have prevented, who are dying from guns we could have controlled, and who are killing from rage we could have averted by loving attention and positive alternatives.

Help us to welcome them in our hearts and communities and nation.

We pray for children struggling to live to adulthood in the war zones of our cities, who plan their own funerals and fear each day will be their last. We mourn for the thousands of children whose life journeys already have ended too violently and too soon.

Help us to welcome them in our hearts and communities and nation.

We pray for children who are born with two, three, or more strikes already against them — too tiny to live, too sick with AIDS, too addicted to alcohol or cocaine or heroin to thrive.

Help us to welcome them in our hearts and communities and nation.

We pray for girl children having children without

husband or steady friend or lifeline of support, who don't know how to parent and who need parenting themselves. And we pray for teen and adult fathers to take full responsibility for their children.

Help us to welcome them in our hearts and communities and nation.

We pray for children who will be born and grow up in poverty without a seat at America's table of plenty; for youths who believe their only hope for employment is drug dealing, who believe their only belonging and source of love is found in gangs, who believe their only haven is the streets, and who think their only tomorrow is prison or death.

Help us to welcome them in our hearts and communities and nation.

We pray for children and youths in every community struggling to make sense of life, confused by adults who tell them one thing and do another; who tell them not to fight but who fight and tell them not to take drugs while taking drugs.

Help us to welcome them in our hearts and communities and nation.

We pray for children from whom we expect too little and for those from whom we expect too much; for those who have too little to live on and for those with so much they appreciate little; for children afflicted by want and children afflicted by affluence in a society that defines them by what they have rather than who they are — Thy loving gift.

Help us to welcome them in our hearts and communities and nation.

We pray for ourselves as parents, teachers, preachers, and leaders, that we will help solve rather

*From *Guide My Feet*, a meditation guide by Marian Wright Edelman, to be published by Beacon Press.

than cause the problems our children face, by struggling to be worthy of emulation, remembering we teach each minute by example.

Strengthen us.

We covenant to work to protect our children's dreams.

Strengthen us.

We covenant to work to rekindle our children's hopes.

Strengthen us.

We covenant to work to rebuild our children's families.

Strengthen us.

We covenant to teach our children family and moral values by precept and example.

Strengthen us.

We covenant to work to ensure our children's futures.

Strengthen us.

We covenant to work to reinstill in our children a knowledge and appreciation of their traditions and heritage.

Strengthen us.

We covenant to work together, organize, and vote to ensure every child a Healthy Start, a Head Start, a Fair Start, a Safe Start, and a Moral Start in life.

Guide us.

We covenant to work together, mobilize, and vote to make it un-American for children to be the poorest group of citizens among us or to be killed by guns, poverty, abuse, or neglect we have the power to prevent.

Guide us.

We covenant to collaborate and work with each other and to seek common ground with any friend of children and to reach out to, try to transform — and oppose when necessary — any foe whose proposals and actions will make more children destitute, hungry, homeless, uneducated, uncared for, unsafe, or orphaned.

Guide us.

We covenant to build and work for an America that judges all children by the content of their character rather than by the color of their skin, economic or family status, gender, or disability and to raise our voices against those who seek to divide us.

Guide us.

We covenant to work together and mobilize to create a nation that welcomes and values every child, whose leaders and citizens place children first in word *and* deed, and where the "streets of the city shall be full of boys and girls playing in its streets."

Guide us.

We covenant to work to Leave No Child Behind.

1995: THE NEW FEDERAL CLIMATE

Prospects for improving the lives of America's children worsened dramatically last November with the election of new ideological majorities in both the Senate and House of Representatives. The newly elected House leadership proposed a radical legislative agenda that would rip away basic public support for America's children and families and tear up long-standing social compacts between generations of Americans.

The "Contract with America" and related legislation endorsed by the House leadership would destroy commitments the federal government has made with bipartisan support for decades regarding the treatment of children: commitments, for example, *not* to allow children to become hungry and destitute, *not* to allow children to remain in abusive or neglectful homes, and *not* to permit our poorest children to suffer from untreated illnesses and disabilities. Such commitments to protect the health and welfare of children are the hallmarks of wealthy, civilized societies.

These federal compacts to protect children regardless of the community or state in which they live also acknowledge that healthy, educated children are vital to a strong, productive national future.

Only a nation bent on weakening itself and subverting its future would make assistance for ill, hungry, destitute, or endangered children the *first* and *primary* items to be cut in a quest to provide tax reductions for the rich or reduce the national deficit. Yet that is exactly what the Contract with America and related proposals would do.

These proposals pose a far greater threat to children and to the nation than the budget cuts of the early 1980s. Simple budget cuts can be reversed. The Contract with America, on the other hand, would alter the very structure of the federal government's response to children's needs, severely restricting the nation's ability to produce healthy, well-educated, well-cared-for children far into the future. Through three strategies — a constitutional amendment requiring a balanced federal budget, repeal of the entitlement status of key child survival programs and their commitment to help all those in need, and program consolidation and block granting — the Contract would change fundamentally the relationship between the federal government and the states, shifting back to the states many costs and unfunded liabilities for maintaining the nation's safety net. Such a shift would leave low-income children and

families vulnerable as they have not been since the Great Depression to the vagaries of the states' economic fortunes and budget battles.

Balancing the federal budget is a worthwhile goal. It can be accomplished thoughtfully and fairly without jeopardizing the health and welfare of America's children — but not by following the approach outlined by the congressional leadership. Their plan for shrinking the federal government is an unprecedented and grossly unfair attack on the poor and powerless, especially children. At press time, House committees had slashed tens of billions of dollars in investments in child survival programs. But no wealthy farmers were yet facing proposals to cut the billions the nation spends on farm subsidies. No military or civil service retirees — or members of Congress — had seen proposals to reduce their paychecks or retirement benefits or health insurance coverage. No wealthy elderly Americans were being asked to pay a larger part of their Medicare premiums. Far from asking wealthy Americans to make sacrifices to help balance the budget, the Contract with America aims to promote the economic interests of the wealthy by, among other things, cutting the capital gains tax and cutting taxes on the most affluent seniors' Social Security income.

In contrast, by the end of February 1995, committees and subcommittees in the House already had voted to shred the federal safety net for families with children by eliminating the federal guarantee of basic lifeline benefits under Aid to Families with Dependent Children (AFDC) and throwing an estimated 1.7 million children off the program by the year 2000. Ending the guarantee of federal funding for children who must be placed in foster care also had been approved, along with a one-quarter cut in the amount of funding. House committees also had voted to end guaranteed federal funding for meals for children in child care and for school meals for low-income children. More than 500,000 children with disabilities were facing possible denial of help under the Supplemental Security Income (SSI) program. And the portion of Medicaid that pays for acute medical care for children also was on the chopping block. At press time it was impossible to know the final outcome of these and other pieces of legislation inspired by or outlined in the Contract with America. But if even a portion of the anti-child provisions in the Contract and related legislation were to be enacted, the rich in America would get richer as the budget was being balanced, while low- and middle-income children and their families

would pay the price. And — most certain of all — the poorest children in America would be vulnerable to destitution, hunger, homelessness, and untreated illness on a scale unknown in half a century.

Balanced budget amendment

A constitutional amendment to balance the budget by 2002 is the most far-reaching proposal in the Contract to harm the middle-class and the poor and to shift costs and unfunded liabilities back to the states. To comply with such an amendment, Congress would have to reduce federal expenditures over seven years so that by the seventh year spending would not exceed federal revenue. Every year thereafter, revenue and spending would have to balance unless Congress took extraordinary measures to permit a deficit. (Although the Senate rejected the amendment in March, Majority Leader Robert Dole [R-KS] vowed to keep trying to find the votes for passage.)

In the current political climate, such an amendment would have a particularly harsh effect on poor children and families because the leadership in Congress has pledged to balance the budget *without* cutting Social Security or defense spending, *without* raising taxes, and *despite* enactment of certain very large tax *cuts* proposed by the Contract with America. Revenue losses from the proposed tax cuts alone — most of which would benefit taxpayers with incomes of more than \$100,000 — would amount to \$205 billion over the next five years and \$726 billion over the next 10 years, according to preliminary estimates of the U.S. Department of Treasury Office of Tax Analysis.

Such an approach would dictate very deep cuts in the rest of the budget, including programs for poor and low-income families with children. To balance the budget under such conditions by 2002 would require slashing all other federal programs by an average of 30 percent. Yet it is almost certain that a handful of expensive, politically powerful programs would be cut *less* than 30 percent. If Medicare, unemployment compensation, federal law enforcement, and benefits for veterans and military and civil service retirees were cut by only 10 percent, for example, the rest of the government would have to be cut *46 percent* to achieve a balanced budget. These huge across-the-board cuts would lay much of the costs of balancing the budget on poor and middle-income families and children. If enrollments in programs primarily serving this population were reduced 46 percent:

- ◆ 3,055,250 babies, preschoolers, and pregnant women would lose infant formula and other WIC nutrition supplements.
- ◆ 6,530,100 children would lose food stamps.
- ◆ 11,599,000 children would lose free or subsidized School Lunch Program lunches.
- ◆ 10,126,800 children would lose Medicaid health coverage.
- ◆ 7,870,800 cases now served by state child support agencies would lose help to establish paternity or collect child support.
- ◆ 4,387,750 children would lose AFDC benefits.
- ◆ 354,400 blind and disabled children would lose Supplemental Security Income (SSI).
- ◆ 320,600 or more children would lose the federal child care subsidies that enable parents to work or get education and training.
- ◆ 340,600 children would lose Head Start early childhood services.
- ◆ 964,800 children in child care and Head Start would lose Child and Adult Care Food Program meals.
- ◆ 2,945,400 children would lose remedial education through Title I.

Children's and families' needs will not shrink or disappear simply because the budget is balanced, however. In fact, the need for assistance is almost certain to increase as reduced federal spending leads to job loss and greater unemployment. At the same time, federal spending cuts of this magnitude would have a devastating impact on state budgets. The U.S. Department of the Treasury estimates that balancing the budget by 2002 under the conditions outlined above would require federal grants to states to be cut by \$97.8 billion in 2002. Other federal spending that directly benefits state residents would be cut by \$242.2 billion in 2002. As states receive fewer dollars from Washington to help them meet the needs of their citizens, the pressures on state budgets are bound to intensify.

And it isn't just state budgets and poor children that would feel the economic pinch. Reduced federal spending would create layoffs in the public and non-profit sectors and would mean less income flowing into communities, dampening economic growth in general and hurting everyone. Most economists warn that a perfectly balanced budget is not the right goal in all economic circumstances. Short-term deficit spending during business recessions and national emergencies is sometimes necessary, but once in place, a constitutional amendment would restrict the

government's ability to respond quickly and flexibly to unforeseen situations.

Fiscal responsibility is important, and the federal deficit can and should be reduced. But the balanced budget amendment would accomplish these goals in a way that will damage the Constitution and the economy. Other avenues exist to control the deficit, as our experience since the 1992 election has shown. Locking the balanced budget into the Constitution forever is an abdication of legislative responsibility that would tie the nation's hands for decades to come.

Eliminating the entitlement status of child survival programs

The assault on the "entitlement" status of the nation's child survival programs — Aid to Families with Dependent Children (AFDC) and child care for children in AFDC families, food stamps, foster care and adoption assistance, child nutrition, Medicaid, Supplemental Security Income (SSI), and child support enforcement — represents another major threat to children's well-being. For decades the federal government has assured funding sufficient for these "lifeline" programs to help all children or families who meet the criteria of need established in the legislation authorizing these programs. This is basically what an "entitlement" is — a promise that all those meeting the criteria will be served rather than be put on waiting lists or turned away arbitrarily. These basic survival services are guaranteed because the cruel consequences of not doing so — widespread childhood destitution, hunger, homelessness, illness, neglect, and children unable to leave abusive homes — are unthinkable in a wealthy nation that aims to be a model for the rest of the civilized world. Just as we do not put 75-year-old retired workers on waiting lists for Social Security, we should not put hungry children on waiting lists for food or sick children on waiting lists for health care. Yet we now seem to be on the verge of forgetting why child survival programs are funded on this "entitlement" basis.

A variety of proposals before Congress would strip these programs of their automatic funding, either placing spending caps on the individual programs or folding them into large capped "block grants" to be distributed to the states. Both approaches would leave states with dramatically less money to meet the same or growing needs and harm millions of poor children.

The structure of need-based entitlement programs allows the funding to grow when need grows

— during economic recessions, for example — and shrink when need declines. This elasticity not only permits our human services to respond humanely in hard times, but it also acts as an economic stabilizer, automatically channeling federal spending into areas that most need the economic boost that such spending provides. For example, AFDC and food stamp expenditures in the typical (median) state increased by 42 percent between FY 1988 and FY 1993, largely because of the recession. If a capped block grant had been substituted for these entitlements in FY 1988, the typical state would have received \$181 million less in federal funds in FY 1993. A rigid block grant formula also would misdirect the federal allocations that were made available: states hit hard by recession would get no additional funding, while states with vibrant economies would get no less.

Moreover, without the entitlement mechanism it would be extremely difficult if not impossible for Congress to devise funding formulas for block grants that would treat all states fairly. Some states have been far more aggressive than others in taking advantage of the federal funding available to them in the foster care and adoption assistance areas, for example. Should those active states get larger "grandfathered" block grant allocations and states that have been less active be penalized? Or should all funds be distributed based on the number of children, or poor children, in the state, so inequities across states won't be locked in? If the latter option is chosen, states that have tried harder immediately would have to cut back their efforts.

Without the assurance of automatically increasing federal entitlement spending during recessions, states would be caught in a serious bind. Either they would have to pay for the full cost of growing welfare, food stamp, Medicaid, and other caseloads out of their own declining revenues, or they would have to turn away tens and hundreds of thousands of needy applicants, sharply reduce lifeline benefits for everyone, or employ a combination of these strategies.

One likely result is long waiting lists for subsistence benefits such as AFDC, food stamps, and Medicaid. Yet American ideals of fair play are violated by the prospect of families and children who meet strict eligibility rules being denied benefits simply because they applied for help after funding ran out, or live in a county where the need is especially high, or face some other arbitrary barrier unrelated to their need or the program's purposes.

Most states act responsibly, but we know from experience that not all states do so at all times. The early history of the food stamp program is a case in point. In the late 1960s doctors found that low-

income children in some areas of the South were suffering from malnutrition comparable to that found in children in underdeveloped countries. At that time, states set their own income and benefit limits for food stamps, even though the program was completely federally funded. Many states set very low benefit limits and some of the poorest counties declined to run the program at all.

The doctors' findings shocked the nation and led President Nixon to institute national food stamp standards. When doctors returned 10 years later to the areas they had studied, they found hunger and malnutrition had been reduced dramatically and credited the food stamp program for the progress.

If some states failed to meet the needs of their children when the federal government was willing to foot the entire bill, states are even more likely to skimp on meeting children's needs under a limited block grant that leaves them to pick up the slack. And we know that even *with* the moderating influence of the entitlement programs, America's poorest and least powerful citizens still are treated very differently from state to state. State-set benefit levels for Aid to Families with Dependent Children, for example, vary far more among the states than objective economic differences can explain. Converting key child survival programs into discretionary block grants or otherwise capping their funding would undo decades of progress toward ensuring American children in every state a basic level of protection and subsistence.

We are all one nation, and all citizens, regardless of where they live and when they need help, must be assured certain minimal guarantees. Making sure that children are healthy and adequately nourished and cared for must be as much a national priority in Mississippi as in Minnesota, in New Mexico as in New York. Ensuring these basic guarantees is the heart of the federal government's responsibility, and the entitlement programs are the mechanism through which the government discharges that responsibility. No other jurisdiction can assume the federal government's unique role in smoothing out the worst inequities among citizens nationally by directing special help to those who need it most, wherever they happen to live.

Block grants and consolidation of selected discretionary programs

The new Congress has an opportunity to improve the delivery of essential services to children and families in a number of program areas by consolidating selected federal programs that are not entitlements. Thoughtful consolidation of pro-

Contract with America

While the "Contract with America," unveiled by Republican members of and candidates for the U.S. House of Representatives in September 1994, contains some policy proposals that may have positive results, many would have disastrous and unfair effects on millions of America's children and families.

- ◆ **The Fiscal Responsibility Act:** An amendment would be added to the U.S. Constitution requiring a balanced federal budget, and the president would be given new "line-item veto" authority to eliminate specific appropriations or targeted tax provisions without vetoing the entire bill in which they're contained.
 - ◆ **The Taking Back Our Streets Act:** Criminal penalties would be stiffened and the crime prevention initiatives in the recently enacted 1994 crime bill would be repealed, with resulting savings used to build more costly prisons and hire more police.
 - ◆ **The Personal Responsibility Act:** The current Aid to Families with Dependent Children (AFDC) program would be revised and cut dramatically through a combination of new time limits on welfare benefits, work requirements, and other eligibility restrictions that would end assistance to an estimated 5 million to 6 million poor children — up to two-thirds of all children currently receiving help through AFDC.
 - ◆ **The Family Reinforcement Act:** A broad range of largely unrelated policies affecting families — including tougher child support enforcement, tax incentives for adoption, new parental consent requirements for many federally funded surveys involving children, stronger child pornography laws, and expansion of the elderly dependent care tax credit — would be put into federal law.
 - ◆ **The American Dream Restoration Act:** A \$500 per child tax credit would help middle- and upper-income families with children, the so-called "marriage penalty" in the federal income tax code would be repealed, and new tax-exempt savings accounts similar to Individual Retirement Accounts (IRAs) would be established for retirement savings, purchase of a first home, college expenses, and medical costs.
 - ◆ **The National Security Restoration Act:** Defense spending would be boosted sharply, the Reagan-era effort to build a costly new missile defense system would be revived, and U.S. troops would be barred from serving under United Nations command.
 - ◆ **The Senior Citizens Fairness Act:** The earnings limit on Social Security would be nearly tripled, 1993 tax increases on more affluent Social Security recipients would be rolled back, new tax breaks would be created for individuals who purchase long-term care insurance, and new loopholes allowing housing discrimination against families with children would be created by allowing more housing communities to qualify as senior citizen retirement communities under current fair housing laws.
 - ◆ **The Job Creation and Wage Enhancement Act:** The capital gains tax that primarily helps the wealthy would be cut in half and numerous other steps would be taken to reduce taxes on business and restrict the ability of the federal government to impose new mandates or regulations on states, communities, or private companies.
 - ◆ **The Common Sense Legal Reform Act:** A series of legal reforms would be enacted to limit product liability claims and attempt to discourage "frivolous" lawsuits.
 - ◆ **The Citizen Legislature Act:** Term limits would be imposed on members of Congress so that U.S. senators could serve no more than 12 years consecutively and representatives could serve no more than six or 12 years (two different proposals for term limits on representatives will be considered).
- In the days before federal standards were applied, state and local governments often denied aid to poor families on the basis of race and national origin. This kind of discrimination is far less likely today but not impossible to imagine, as the 1994 California ballot initiative seeking to deny health care and education to children of illegal immigrants reminds us.

grams with similar goals and purposes in such areas as child care, job training, and child abuse prevention and treatment can improve the quality of services and increase program accountability while reducing administrative complexity and duplication of effort. When these consolidated programs are funded through a block grant, the result may be greater state flexibility to design initiatives that respond effectively to children's unique needs.

On the other hand, as the nation's early experience with the food stamp program illustrates, block grants and entitlements without federal leadership and state accountability are recipes for ineffective government. It would be tragic for the nation to ignore that lesson in a headlong rush for change. The nation can increase the likelihood that consolidation accomplishes positive purposes by adhering to a few basic principles when considering establishing new block grants:

- ◆ **Consolidation should not be a Trojan horse for funding reductions.** The goal should be to help government invest most efficiently and effectively in future generations. At the least, consolidations should maintain federal funding at current levels.
In the past, however, maintaining funding for block grants has been difficult. Whether because their purposes become diluted, or because it is hard to sustain federal funding for a program in which states make all the decisions, block grants tend to shrink. The block grants established in 1981 initially were funded at levels 25 percent below the combined appropriations of the individual programs, and over the following 13 years their funding typically plummeted to between one-quarter and one-half of the original appropriations.
- ◆ **Consolidation should build on, not dismantle, our past successes.** The unique mission of entitlement programs should not be ended by including them in block grants. In addition, national programs of proven effectiveness such as Head Start and the Job Corps must not be dismantled or absorbed in ways that dilute their focus and high standards.
- ◆ **Consolidation should promote clarity of purpose.** Only programs that already share common goals and are targeted to similar populations should be combined. Block grants should specify clearly the purposes for which they are to be used and the intended beneficiaries.

- ◆ **Consolidation should ensure help for those most in need.** A commitment to caring for those least able to care for themselves must be maintained in any block grant. States must be required to specify how they plan to reach low-income children and families or other children with special needs and must be able to document their practice.
- ◆ **Consolidation should require accountability based on outcomes.** States must be required to set forth the outcomes they wish to achieve in each program area, specify how they intend to achieve their goals, and report periodically on the use of funds to achieve those goals. Regular federal audits also are essential.
- ◆ **Consolidation should safeguard children's health and safety and protect them against unfair treatment.** States must be required to meet basic standards for the quality of services delivered under each block grant and should describe the procedures they will use to monitor and maintain service quality. Laws governing block grants should prohibit discrimination and provide for fair and timely review of complaints.
- ◆ **Consolidation should require public participation in planning and delivery of services.** Community and client involvement will help ensure that children's and families' needs are respected and addressed effectively.
- ◆ **Consolidation should require states to maintain at least their current level of contributions to consolidated services.** States must be held accountable for continuing to invest their own resources in services for children and families. They must not be allowed to replace state money with federal money and use the resulting savings for purposes unrelated to the block grant.

At the beginning of 1995, the most publicized consolidation proposals did not appear to reflect these principles. In fact, they seemed little more than ideologically driven attempts to cut back funding for programs serving low-income children and families. Proposals called for arbitrarily collapsing disparate and unrelated children's programs — including entitlement programs — into a few massive block grants funded with far less federal money than currently is spent on the individual programs.

There was talk of assuring states that, after the initial cuts, they would receive a constant level of block grant funding for a specified number of years. But level funding translates into a cut when inflation and growing need are taken into account. Moreover,

despite its promises, Congress would be free to reduce block grant appropriations further if the entitlement status of the major programs were eliminated. Indeed, as pressures to reduce the federal deficit mount in 1996 and beyond, block grant funding for states could well be slashed repeatedly to meet annual federal budget targets. At the state and local levels, these cutbacks would pit children against far more powerful special interests in the competition for state funding, with potentially disastrous results for our most vulnerable citizens.

Although the promise of greater flexibility attracts governors' support for block grants, the block grants envisioned by the congressional leadership actually may contain new federal mandates, especially regarding welfare benefits. States may have little or no flexibility to decide how to deal with such controversial issues as time-limited benefits, teenage child-bearing, or paternity establishment. Forced by the terms of the block grants to deny federally funded aid or emergency services to whole categories of needy

children and families, states, counties, or local communities may find themselves solely responsible for helping these citizens. Under these circumstances, any flexibility states theoretically may gain with the block grants is likely to be more than offset by new burdens imposed by unfunded liabilities.

There is no question that a thoughtful debate about the respective roles of federal, state, and local governments is long overdue. Government can and should operate more effectively, and the federal deficit can and should be brought under control. But all of this change must be achieved responsibly, not through reckless tinkering with our Constitution, and not on the backs of the poor and the young. Shifting costs and unfunded liabilities to the states through the balanced budget amendment and ending federal assurances that children and families will receive the most basic survival assistance when they are in need or jeopardy will worsen dramatically the nation's most pressing problems, not solve them.

FAMILY INCOME

Although 1994 marked the third year of recovery from the 1990-1991 recession, the general economic upswing was hardly noticeable to millions of Americans. Lagging wages, underemployment, loss of job security, and eroding health insurance coverage left many middle- and lower-income families anxious and frustrated. For those at the bottom of the economic ladder, the news was grim: new poverty figures available in 1994 showed that the number of poor children in the United States in 1993 — 15.7 million — was the highest in 30 years.

Despite this bleak economic outlook for many workers, the Federal Reserve Board sought to rein in economic growth by raising interest rates six times in 1994. This tightening of the nation's money supply drove up the cost of borrowing, slowed job creation, and threatened to exacerbate the economic struggles of many young and lower-income families. Even at its lowest point in December 1994, the unemployment rate was 5.4 percent and nearly 7.2 million people were looking for but unable to find work.

The struggle of so many Americans to support themselves and their families through work provided a bitterly ironic backdrop for an increasingly harsh welfare reform debate. Proposals premised on the belief that families receiving welfare lack only the motivation to work and a sense of personal responsibility dominated welfare discussions at the national and state levels in 1994. Although Congress failed to act on pending welfare reform bills, punitive state initiatives and tough election-year rhetoric set the stage for a 1995 battle over welfare plans that may end assistance to as many as 5 million to 6 million poor children.

One positive development in 1994 was the first in a series of Earned Income Credit expansions for low-income workers, approved in 1993, giving families a much needed boost in meeting their basic needs. On the other hand, without action to raise the federal minimum wage in 1994, families with one full-time minimum-wage worker continued to earn just \$8,840 a year, significantly below the federal poverty line.

Growing hardship among children and young families

The U.S. child poverty rate rose from 22.3 percent in 1992 to 22.7 percent in 1993 (the most recent year for which figures are available), leaving 15.7 million children in poverty. The federal poverty line for 1993 was \$14,763 for a family of four.

Very young children were most likely to be poor: 27 percent of children younger than three lived in poverty in 1993. Minority children also were disproportionately poor: more than 46 percent of all Black children and 41 percent of all Latino children lived in poverty in 1993, compared with 14 percent of non-Latino White children.

Most poor children — 61 percent — lived in families in which someone worked during 1993. And nearly one in four poor children — 23 percent — lived in families in which parents worked full time throughout the year. Poverty was far more prevalent in mother-only families: 54 percent of children living only with their mother were poor, compared with 12 percent of those living with married parents, in part because of absent parents' failure to pay child support.

The sharply declining economic fortunes of America's young families with children — those headed by someone younger than 30 — fueled much of the continuing growth in child poverty. Analyses of data from the Census Bureau's Current Population

Survey by CDF and Northeastern University's Center for Labor Market Studies in 1994 revealed that the median income of young families with children plunged 34 percent between 1973 and 1992 after adjusting for inflation. By 1992, 42 percent of children in young families were poor, more than double the percentage 20 years earlier. Half of the nation's 6 million young families lived on less than \$18,420 in 1992.

The loss of well-paying manufacturing jobs and the growth of low-wage retail and service employment, the erosion of the minimum wage, and the growing number of young single-parent families all have helped drive median incomes lower and poverty higher among young families with children. And even though the economy grew faster in 1994 than it had in 10 years, families with children continued to feel the effects of these trends. The unemployment rate declined from 6.7 percent to 5.4 percent during 1994, but average hourly wages were lower, after adjusting for inflation, than before the recession. Moreover, men finding work after a period of unemployment are earning on average 20 percent less than in their previous jobs, according to Census data.

Help for working poor families

The Earned Income Credit for low-income working families was expanded in 1994 in the first stage of a three-year expansion approved

Key Facts

- ◆ 15.7 million U.S. children were poor in 1993 — the highest number in 30 years.
- ◆ The inflation-adjusted median income of young families with children plunged 34 percent between 1973 and 1992.
- ◆ Poor children are three times more likely than nonpoor children to die from all causes.
- ◆ Between 1983 and 1992 the percentage of child support cases in which states collected any payments inched from 14.7 percent to 18.7 percent. At that rate of progress, it would take more than 180 years for even partial child support to be collected in all cases.

by Congress in 1993. The total expansion represents the largest single step taken in 20 years to bolster the incomes of low-income families and children. In 1994 a family with two or more children supported by a full-time minimum wage earner was eligible for a tax credit of \$2,528. The credit will continue to rise for such a family to \$3,370 in 1996. Six states augmented the federal EIC with a state counterpart in 1994.

Once again, the year passed without a proposal to increase the minimum wage, stuck at \$4.25 an hour since 1991. At the start of 1995, however, President Clinton proposed a 90-cent increase over two years, which would bring full-time, minimum-wage earnings to \$10,712, or 85 percent of the projected poverty line for a three-person family in 1996. Although the role of minimum wage hikes in triggering job losses has evoked heated debates among economists for decades, backers of the president's proposal cited several new studies supporting the proposed increase. One showed, for example, that fast food restaurants in New Jersey hired *more* workers in 1992, when the state increased its minimum wage to \$5.05 an hour, than did similar restaurants in nearby Pennsylvania, where there was no minimum wage hike.

Costs of child poverty

In 1994 a groundbreaking book by CDF revealed the extraordinarily high costs of child poverty to the nation. Prepared with guidance from a distinguished advisory panel chaired by Nobel Prize-winning economist Robert M. Solow, *Wasting America's Future: the Children's Defense Fund Report on the Costs of Child Poverty* estimates that every year of child poverty at current levels will cost the economy between \$36 billion and \$177 billion in lower future productivity and employment among those who grow up poor. These costs, moreover, do not include the billions of additional dollars that will be spent on special education, crime, foster care, and teenage childbearing resulting from child poverty.

By summarizing existing research in several academic disciplines on the far-reaching effects of poverty, the book also confirms that the human costs of child poverty are devastating. Low-income children are, for example:

- ◆ Two times more likely than other children to die from birth defects;
- ◆ Three times more likely to die from all causes combined;
- ◆ Four times more likely to die from fires;

- ◆ Five times more likely to die from infectious diseases and parasites; and
- ◆ Six times more likely to die from other diseases.

The research also documents that poor children are two or more times as likely as other children to suffer from such problems as stunted growth, severe physical or mental disabilities, fatal accidental injuries, iron deficiency, and severe asthma.

These outcomes are not the result of poor families' attributes, such as race, low levels of parents' education, or character "flaws," but result from poverty itself, according to *Wasting America's Future*. For example, even among families that are White and have two parents and have a mother who finished high school, poor children are more than twice as likely as nonpoor children never to finish high school.

Poverty itself hurts children by leading to parental stress and less effective parenting, poor nutrition, housing problems and homelessness, and residence in deteriorating and dangerous neighborhoods, and by reducing children's access to good quality child care, schools, positive extracurricular activities, and college. These and other problems, large and small, accumulate and interact to leave poor children less resilient and more vulnerable to elevated risks of every kind.

Yet the report makes clear that child poverty is not inevitable. Many other countries of comparable wealth have far lower rates of child poverty. The United States can choose to reduce child poverty

through direct job creation, tax credits for low-wage workers, increasing access to affordable child care, increasing the minimum wage, and creating a national system of child support enforcement and assurance.

Welfare reform debate heats up

The nation seemed united in 1994 in the belief that the current system for providing cash assistance to children and families without adequate means of support needed overhauling. Almost everyone, including welfare recipients themselves, acknowledged that the Aid to Families with Dependent Children (AFDC) program often undermines family stability and does far too little to help families move from welfare to employment at family-sustaining wages. Yet the search for practical solutions to these problems was stymied by partisan jockeying for election-year political gains and ideological prescriptions that frequently related very little to the everyday struggles of poor families.

After more than a year of drafting and internal debate, the Clinton administration unveiled its comprehensive welfare reform plan in June. The plan included a proposal to phase in a two-year time limit on AFDC benefits that would be followed by a public sector job for those unable to find work in the private sector. It also emphasized tougher child support enforcement, new teenage pregnancy prevention ef-

forts, and additional federal investments in child care and job training, while giving states options to expand AFDC eligibility for two-parent families, change the treatment of earnings and assets to encourage work, and deny benefits to children born to mothers already receiving AFDC.

A number of other welfare reform proposals were advanced by both liberals and conservatives in Congress, with increasingly harsh and punitive approaches gaining the spotlight as the year progressed. Several bills, including one advanced by Rep. Robert Matsui (D-CA), stressed steps that would expand opportunity and reduce barriers to employment, including new investments in job creation, child care, education and training, and child support enforcement. Yet many others would have relied far more heavily upon expanded work requirements and rigid time limits on aid (without regard to the availability of public or private sector jobs) to move parents receiving AFDC into the labor force.

In the fall of 1994, the potential for achieving broad, bipartisan consensus on welfare reform faded as House Republican members and candidates used their "Contract with America" to call for the complete elimination of AFDC benefits to millions of poor children and their families. Then at the beginning of 1995, the House leadership joined with a few Republican governors in endorsing an almost complete dismantling of the AFDC program as well as sweep-

ing changes and budget cuts in other child survival programs (see 1995: *The New Federal Climate*). The most prominent threats to children in the Personal Responsibility Act (PRA) forged by the House leadership included: repeal of entitlement funding that guarantees states will have enough money to help all children or families eligible for assistance; federal mandates requiring states to deny AFDC benefits to children born to unmarried teens younger than 18 and those born to parents already receiving AFDC benefits; and the imposition of time limits on AFDC eligibility in an effort to force parents off of welfare and into the work force.

Repeal of entitlement funding for AFDC. The Personal Responsibility Act would eliminate AFDC's entitlement status, substituting a capped block grant that would transfer a specific amount of money to the states each year. If a recession or natural disaster caused states to run out of federal block grant funds before the end of the year, states would have to change welfare eligibility so that fewer people would qualify, reduce everyone's benefits to stretch the money further, or find additional state dollars to fill the gap. Since the last choice is the least likely when recessions cut into state revenues, it seems inevitable that many needy families would be left without welfare assistance or with reduced assistance if the welfare entitlement were ended.

The threat of losing the nation's basic safety net for poor children and their families drove up the stakes dramatically in the welfare reform debate. If the federal government abandons its long-established promise that sufficient funds will be available to help children in times of need, the toll on children — measured in terms of increased destitution, hunger, homelessness, abuse, and neglect — will be enormous.

New federal mandates on states. Even as Republican governors sought almost unlimited flexibility and little accountability in welfare matters, the PRA proposed sweeping new mandates in controversial areas affecting children. For example, based on the belief that welfare benefits are responsible for decisions by many unmarried teenagers to have children, this bill originally would have barred assistance permanently to children born to minor mothers. A later version would deny benefits to unmarried teen mothers and their children while the mothers are younger than 18. States also would be required to deny welfare benefits to children born to women already receiving AFDC in an effort to discourage welfare mothers from having additional children.

Research evidence suggests that these new mandates, if approved, would have little or no effect on childbearing among teens or mothers receiving AFDC but would push poor children even deeper into poverty. These proposals also have drawn strong opposition on the grounds that they may encourage

pregnant teens and mothers receiving AFDC to seek abortions in greater numbers. A more sensible alternative to rigid mandates in such untested areas would be to await the results of "child exclusion" experiments in several states that already have received waivers to test the effects of denying additional benefits to a mother receiving AFDC if she has another child.

Time limits and work requirements. The PRA would allow states to set their own time limits on AFDC eligibility, terminating all benefits even after a few weeks or months if they so choose. However, states would be required to cut off aid to families after a lifetime total of five years of AFDC benefits. In addition, after a maximum of two years, all parents receiving welfare would be required to work, participate in on-the-job training, or conduct a job search each week, with the requirements growing from 20 hours per week in 1996 to 35 hours in 2002. (Given the low level of AFDC benefits, at 35 hours a week, welfare mothers typically would work off their grants at the rate of \$2.43 per hour.)

States would be required to have half of the entire AFDC caseload participate in one of these activities by 2003, when the program is fully phased in — an enormous increase over current participation rates. Yet the PRA does *not* guarantee child care to children whose parents are forced to work, and it cuts federal funding for child care by \$2.5 billion over five years. Moreover, existing federal requirements that states

provide education and training opportunities for parents receiving welfare would be eliminated. And those required to work could *not* take a training course to fulfill their 20- to 35-hours-per-week obligation.

Arbitrary time limits on AFDC eligibility raise fundamental questions of fairness in the treatment of parents who "play by the rules" but cannot find stable employment. Particularly in the absence of substantial job creation efforts and expanded child care investments, time limits threaten simply to punish poor parents for circumstances beyond their control. "Workfare" schemes that require parents to "work off" their AFDC grants also may make it impossible for many parents to take badly needed steps to enhance their education or job skills.

States experiment with welfare

In the absence of federal action to change the welfare system, states continued to seek federal approval for experimentation on their own in 1994. Current law allows the U.S. Department of Health and Human Services (HHS) to approve departures from federal requirements as long as the demonstration projects promote the purposes of the AFDC program and are "cost-neutral." The latter requirement makes it more difficult for states to design efforts to increase eligibility or assistance than to restrict benefits, an inherent bias in the waiver process that has encouraged the development of

harsher and more punitive welfare reform measures at the state level.

The Clinton administration has been extremely receptive to state waiver requests of all kinds, and HHS approved 23 requests between February 1993 and the end of 1994. Many waivers granted by HHS had the effect of restricting benefits or punishing families for certain behaviors or lapses:

- ◆ Seven states received permission to reduce family benefits if parents fail to participate in a work program after a specified time period, and three other states have similar requests pending.
- ◆ Wisconsin and Indiana were granted permission to end assistance altogether after two years whether or not work is available in the private sector.
- ◆ Three states were given permission to reduce family assistance if children are not immunized.
- ◆ Six states were allowed to require school attendance or certain school performance levels as conditions for continuing assistance for a child.
- ◆ Three states were allowed to deny aid for children conceived while the family was receiving AFDC benefits.

Considering the difficulties posed by the cost neutrality requirement in the waiver process, however, a surprising number of current state waivers seek to increase family income for families with earnings. For example, five states received approval to allow

families to keep more of the child support collected on their behalf, and two states — Virginia and Connecticut — were given permission to launch experiments on child support assurance. Eleven states were given permission to allow families moving from welfare to work to keep more of their earnings, and the same number received approvals to allow AFDC recipients to have more savings or assets, such as a car, before being deemed ineligible for benefits.

Child support enforcement continues to lag

Congress took no action in 1994 to improve child support enforcement, although most welfare reform proposals included measures to improve child support collections to help reduce reliance on welfare.

The need for a vastly improved system of child support enforcement was underscored by CDF research published in *Enforcing Child Support: Are States Doing the Job?* The 1994 study is based on data reported by state child support enforcement agencies to the federal government. While states have improved some aspects of enforcement in recent years, the bottom line — the percentage of children who ultimately get child support — has improved little. In 1983 states collected at least some child support in 14.7 percent of cases; by 1992 that figure had edged up to just 18.7 percent. At that rate of progress, said

the report, it would take more than 180 years before even partial child support could be guaranteed in each case.

One reason for states' generally poor record on child support is a staggering increase in demand for services, according to the report. The number of non-welfare families seeking enforcement help grew fourfold between 1983 and 1992. State resources barely kept pace with the increase, and in some parts of the country, caseloads exceeded 1,000 cases per worker.

Between 1983 and 1992, states improved their performance in establishing paternity and locating noncustodial parents, two crucial steps in obtaining support. But states did not significantly improve their record in establishing support orders: the median state obtained a support order in just one-third of cases requiring one. Nationwide, just 58 percent of custodial mothers had child support orders in 1990, according to the Census Bureau.

Based on four performance indicators — percentage of cases in which some support was collected, average amounts collected in cases with collections, paternities established, and support orders established — the 10 states doing the best job, according to the report, are Delaware, Massachusetts, Michigan, Minnesota, Montana, Pennsylvania, South Dakota, Utah, Washington State, and Wisconsin. Performing the worst are Arizona, the District of Columbia,

Illinois, Indiana, Louisiana, Mississippi, New Mexico, Tennessee, and Texas.

Enforcing Child Support urged that any welfare reform plan include steps toward a system of child support assurance so children would receive a minimum level of support from their noncustodial parents. If a noncustodial parent could not or would not provide that support voluntarily, the government would provide the assured benefit and pursue the noncustodial parent for reimbursement. The report also recommends that all child support enforcement be centralized in a federal agency such as the Internal Revenue Service, freeing up state resources to establish paternity and child support obligations.

If federalizing enforcement is not possible immediately, the report recommends strong interim measures to improve the current state-federal system. Although the PRA jeopardizes children's welfare generally, it does contain strong positive child support measures that would improve state systems.

SSI for children with disabilities

Supplemental Security Income (SSI), which provides cash benefits for 847,000 needy children with severe disabilities or chronic illnesses, came under attack in 1994. The program's critics charged that children without serious disabilities were being awarded benefits and argued that, instead of cash benefits, eligible children should receive some services and medically necessary equipment. However, eliminating the cash benefit would place a severe hardship on the families of children with serious disabilities. Parents' responsibilities for caring for these children restrict their opportunities to earn a living, yet they incur many extra expenses related to their children's conditions.

The contention that significant numbers of children without disabilities were receiving SSI was not supported by studies released in 1994. After reviewing 617 disability decisions, the Social Security Administration found only 13 cases in which children might have been coached to appear mentally disabled. Among these cases, just three had been approved, and even those had evidence in the case record substantiating disability.

A General Accounting Office (GAO) study determined that most of the growth in the children's SSI program since 1991 occurred because of pent-up need for the program, which did not previously reach many children with serious disabilities. Some increased participation resulted from a 1990 Supreme Court ruling requiring the Social Security Admini-

stration (SSA) to consider a child's level of functioning as well as medical condition in determining eligibility, said the GAO, yet 70 percent of the new awards "went to children whose impairments were severe enough to qualify on the basis of SSA's old standards."

Provisions to set up a commission to study SSI were part of the 1994 law establishing the SSA as an independent government agency. Yet by the end of the year it was unclear whether Congress would await the findings of this commission before considering SSI reforms. For example, the House Republicans' PRA proposed to eliminate SSI cash benefits for all but a handful of children with disabilities so severe that they would have to be institutionalized if cash assistance were not provided. At least 150,000 poor children with disabilities would lose all SSI assistance. Most of the remaining caseload, instead of receiving cash assistance, would receive some medical and related goods and services.

An innovative response: Project Match

Since 1985 Project Match in Chicago has provided long-term job counseling and related services to welfare recipients as they move toward stable employment and economic independence. Project Match's 800 clients live in Chicago's Cabrini-Green public housing project, one of the most economically disadvantaged communities in the country.

The project employs an experimental approach to helping families move off of welfare, tracking and studying its participants' work experience month by month and using this information to develop and refine strategies that seem promising. For most women, leaving welfare is not a simple single event, but an uneven, nonlinear process characterized by false starts, setbacks, and incremental gains, says Director Toby Herr. And especially for women with low basic skills, participating in traditional adult basic education or GED programs as a first step does not always lead to progress, Herr says. A more successful route often begins with employment, for it is only after holding low-paying jobs with few opportunities to advance that many welfare recipients understand the link between school and work and make a commitment to school.

For others, both school and paid work represent too big a first step. These individuals, says Herr, need to begin with smaller steps, such as volunteer work at Head Start or participation on tenants' councils —

activities that develop habits and self-perceptions required in the world of work.

This "ladder" approach is the basis of a special employment program at a Cabrini-Green Head Start program that Project Match developed with a grant from HHS. Many participating parents begin with "low-rung" activities such as following through on medical appointments for their children and doing some unscheduled volunteering at Head Start. As they "climb" the ladder, parents commit in advance to regular, scheduled volunteer activities. Gradually these parents progress along a continuum of increasingly work-like community and Head Start activities with specified time commitments, until they have accumulated a portfolio of skills and habits that qualifies them for successful participation in the regular work force.

Many welfare reform experts would like to see the Head Start/Project Match program become a model for similar efforts in public housing projects, family support programs, and schools, believing it has a much greater chance of success in moving welfare recipients permanently into the work force than do arbitrary time limits on welfare benefits. Herr acknowledges the challenges of implementing the approach on a larger scale, but she hopes the final welfare reform legislation will be flexible enough to allow interested states to experiment with the model.

All clients of Project Match may receive services for five years. Because as many as 70 percent lose their initial job within the first year, the project emphasizes post-employment services. Follow-up assistance gets people quickly into second or third jobs, training programs, or education programs, and staff members continue to track participants month by month, remaining available to help clients advance to better jobs or move into or out of education programs, as appropriate.

A study of 259 Project Match participants (not including those in the Head Start project), showed that 38 percent had jobs in the third month after enrollment, whereas 56 percent were working at the end of three years — a 47 percent increase in employment. In addition, participants' average wages increased by 23 percent between the first and third years of employment, confirming that Project Match's long-term, individualized approach does pay off.

Recommendations

The year ahead poses extremely serious threats to the well-being of poor children. Contract with America proposals, if enacted, would

break the promise that all eligible children and families that need assistance may receive help and would further impoverish millions of children and their families. While much of advocates' work in 1995 must be devoted to opposing this unprecedented assault on children, other important initiatives to help lift families and children out of poverty deserve support. Advocates can make a difference by:

- ◆ **Opposing attempts to unravel the already meager safety net for poor children and their families.** Let federal and state lawmakers know that it is unacceptable to reduce or eliminate basic survival assistance for children such as AFDC, food stamps, school lunch and breakfast programs, and SSI.
- ◆ **Pushing for real welfare reform plans that reduce child poverty.** Make sure lawmakers at federal and state levels focus on strategies that create jobs, expand access to child care and health coverage, increase opportunities for education and training, and supplement earnings from low-wage work so that working parents can bring their children out of poverty.
- ◆ **Promoting measures to ensure that all children have the support of two parents.** Work on behalf of federal measures to strengthen child support enforcement efforts. Support initiatives to streamline paternity establishment, but oppose attempts to withhold welfare payments to children whose mothers are cooperating fully in identifying the father. Encourage states to adopt model child support enforcement practices and mount demonstration projects to test child support assurance so that no child suffers as a result of spotty collections.
- ◆ **Advocating for a major increase in the federal minimum wage.** Urge lawmakers to approve a series of incremental hikes in the minimum wage to halt the erosion of its inflation-adjusted value, thereby making it more likely that earnings from full-time, year-round work will lift families out of poverty.
- ◆ **Launching aggressive state and community outreach efforts to publicize the newly expanded Earned Income Credit.** Many families whose earnings are too low to require filing a tax form do not realize that they can receive hundreds of dollars or more from the EIC. Help mount outreach campaigns that engage employers, service providers, congregations, and state and local agencies in getting out the word. (Eligible families and individuals must file a federal income tax return to receive the credit.)

HEALTH

Health reform efforts took center stage in 1994. Yet badly needed changes in the U.S. health care system were not achieved. Lack of consensus on the type of reform that was needed, combined with special interest politics and the intensely partisan climate created by the 1994 election, contributed to the failure. Congress may revisit at least limited aspects of the health reform debate in 1995. In the meantime, the health care needs of millions of vulnerable children and families go unattended.

Data released in 1994 on key maternal and child health indicators such as low-birthweight births, immunization rates, and prenatal care showed little improvement, again confirming the glaring inadequacies of our current health care system. Even more alarming was news that the number of children without health insurance increased dramatically in 1993 (the most recent year for which there are figures), a warning signal that children's health will be in even greater jeopardy in the future unless the nation takes bold action.

Not all attempts to address children's health problems stalled in 1994, however. The Clinton administration's Childhood Immunization Initiative,

including the new Vaccines for Children program, was launched in an effort to raise the country's shockingly low rates of childhood immunization. And throughout the year, states engaged in their own health reform efforts — some more promising than others — searching for workable solutions to rising health care costs and increasing numbers of children and families with unmet health care needs.

Increasing numbers of uninsured children

Figures released in 1994 showed that a growing number of children and families lack even the most basic health insurance coverage. The number of children without health insurance rose by a staggering 806,000 in 1993, the largest increase since 1987. In 1993 almost one in every seven children — more than 9.4 million children nationally — as well as an estimated 500,000 or more pregnant women were uninsured. Children accounted for 79 percent of the rise in the total number of uninsured persons in 1993. Between 1990 and 1992, nearly one-third of all children went for at least one month (and often far longer) without health insurance.

The rapid disintegration of employer-based health insurance coverage for children has been the driving force behind their rising uninsuredness. If current trends continue, less than half of the nation's children will be covered by employer-based health insurance in the year 2000, according to new CDF research. This research shows that the percentage of children covered by health insurance through a family member's job fell from 64.1 percent in 1987 to 57.3 percent in 1993. Had the percentage of children covered stayed at the 1987 level, 4.7 million additional children would have employer-based insurance today. The decline in employer-provided coverage among children is not due to a drop in employment, but rather to fewer employees being able to afford coverage and fewer employers offering or subsidizing health insurance plans that include coverage for dependents. The percentage of children who lived in families with at least one worker was virtually the same in 1992 as in 1987.

If public health insurance coverage for children and pregnant women had not been expanded substantially through the federal Medicaid program, the recent rise in uninsuredness would have been far greater. Yet the growth in Medicaid simply has not kept pace with the unravelling of the private health insurance system.

The health of America's children

The nation's failure to ensure access to essential health care for all children takes a serious toll on children's health. Despite the fact that the United States has one of the most innovative and advanced health care systems in the world, many American children are growing up without the health care necessary for a healthy start in life. The most recent data show that in 1992:

- ◆ Out of every 1,000 babies born, 8.5 died during their first year of life. This infant mortality rate places the United States behind at least 21 other nations, including Japan, Germany, and Canada.
- ◆ Out of every 100 babies born, 7.1 were low birthweight babies (less than 5.5 pounds), placing them at greater risk of infant death or long-term disability.
- ◆ A baby born in 1992 was more likely to be born at low birthweight than a baby born in 1980.

Health outcomes are even worse for Black children. In 1992, 17 out of every 1,000 babies born to Black mothers did not live to see their first birthday. Not only is this rate more than twice that of White infants, but it also ranks behind the overall rates of almost 40 other nations, including Cuba, Malaysia, and Sri Lanka. More than 13 in every 100 Black babies were born at low birthweight. This alarming

Key Facts

- ◆ More than 9.4 million children were without health insurance in 1993, an increase of more than 800,000 from 1992.
- ◆ The overall infant mortality rate in 1992 was 8.5 infant deaths per 1,000 live births; Black infants died at twice that rate: 17 deaths per 1,000 live births.
- ◆ About 7 percent of all babies were born at low birthweight (less than 5.5 pounds) in 1992.
- ◆ More than 13 percent of Black babies were born at low birthweight, a rate that has shown no improvement for more than 20 years.

rate, more than twice that of White infants, has shown no improvement for more than 20 years.

America's poor record in promoting and protecting children's health in recent years means that only two of the Surgeon General's Goals for the year 2000 — those for overall infant mortality and neonatal mortality — are likely to be reached on schedule. Other goals, including those for low birthweight and prenatal care, will remain elusive in the absence of decisive new child health initiatives.

Children's immunization rates also remain at levels far below acceptable standards, although rates have increased in the past few years. The improvements came largely as a result of stepped-up outreach and public education after the measles epidemic of 1989, which struck nearly 60,000 Americans, more than 40 percent of whom were preschool children. Yet despite new immunization campaigns in communities across the country, only 67 percent of American two-year-olds were fully immunized against preventable childhood diseases in 1993, leaving more than 1 million two-year-olds vulnerable to a host of preventable diseases such as measles, tetanus, polio, and hepatitis B.

Vaccination levels are lowest among low-income, urban, and non-White children. Black two-year-olds, for example, were less likely to be immunized than White infants. Lack of a regular medical home for children and missed vaccination opportunities in pri-

vate physicians' offices and public clinics both contribute to these low immunization rates.

The demise of national health reform

The effort to enact comprehensive national health reform in 1994 uncovered some deep political divisions regarding the goals of reform and the best means of achieving them. On one end of the reform spectrum, proponents of a Canadian-style "single-payer" system wanted to achieve health care coverage for everyone by having the federal government pay all Americans' health care bills through increased tax revenues. On the other end were those who believed that nothing was fundamentally wrong with the nation's current health care system and that only the most minimal changes in rules governing the health insurance industry were needed.

Between those extremes, the Clinton administration and many members of Congress sought to ensure affordable health benefits for all Americans by expanding and strengthening the nation's employer-based health insurance system. The administration's Health Security Act would have required all but the smallest employers to provide health care insurance for employees and their families and to cover at least 80 percent of the cost. To restrain escalating health care costs while preserving families' choice of health

care providers, the plan also would have established a new system of managed competition, with regional consumer alliances bargaining with area health plans to ensure that consumers had access to the most comprehensive coverage at the lowest possible cost.

Along with the administration's plan, many other health care reform bills were introduced in Congress, including several modifying the administration's proposal. An approach supported by many conservative Democrats and moderate Republicans sought to achieve 90 percent coverage through a system of insurance market reforms, voluntary purchasing pools for small employers, and limited subsidies. Later in the year, as it became clear that the administration's plan faced insurmountable opposition in the Senate, then-Majority Leader George Mitchell (D-ME) attempted to craft a compromise bill that relied upon a combination of insurance industry reforms and federal subsidies to help some low-income people pay for insurance. If the subsidies and reforms failed to bring the proportion of Americans with health insurance up to 95 percent by 2002, the Mitchell plan then would have required employers to provide their employees with health insurance.

Opposition to comprehensive health reform in any form proved overwhelming, however, as powerful lobbies and interest groups mounted well-financed and highly publicized campaigns to defeat the major plans. The National Federation of Independent Businesses, for example, spent almost \$40 million (ap-

proximately two-thirds of its budget) to wage war against provisions in the administration's plan that would have required employers to pay the majority of health insurance costs for their employees. And the Health Insurance Association of America, which opposed the administration's proposed mandatory consumer alliances, spent \$14 million on "Harry and Louise" TV advertisements suggesting that the Health Security Act would mean fewer choices and diminished quality of health care.

By the fall it had become clear that a plan ensuring universal, comprehensive, and affordable health insurance would not pass Congress in 1994. In the closing weeks of the congressional session, some members responded by pursuing the less ambitious but still crucial goal of securing health insurance coverage for all children and pregnant women. This "children first" proposal sought to achieve universal coverage for children by leaving Medicaid intact and helping low- and moderate-income families pay their health insurance premiums. Full subsidies would have been offered to families with incomes of less than 200 percent of the poverty line and partial subsidies to those with incomes between 200 and 400 percent of poverty. The "children first" plan also would have required that all private health plans pay 100 percent of the costs of preventive services for all pregnant women and children. Unfortunately, the approaching election dimmed prospects for bipartisan accord on

the "children first" proposal, and Congress adjourned without taking action on the measure.

State managed care plans under Medicaid

While federal reform was being debated, many states continued with their own reform experiments in 1994. Among the most significant was the move to put Medicaid beneficiaries into managed care programs. Under a typical managed care system, a defined package of services is furnished to enrollees for a pre-set monthly fee. Managed care programs hold the promise of yielding savings that can be used to expand access to comprehensive medical services to a greater number of poor and minority persons — especially children and their parents, the main beneficiary group enrolled in Medicaid managed care. However, they also carry the threat of becoming a vehicle for inappropriately restricting children's access to essential services, particularly those to which they currently are entitled through Medicaid's Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program.

The push toward Medicaid managed care is reshaping the face of Medicaid's health coverage for poor children and their families: one-quarter of all Medicaid recipients and more than half of all AFDC recipients now are enrolled in managed care plans. All but eight states had Medicaid managed care programs

in place in at least some communities as of June 1994, a reflection of the growing belief among state officials that managed care is the best way to contain rising Medicaid costs.

By the end of 1994, seven states — Oregon, Hawaii, Rhode Island, Kentucky, Tennessee, Florida, and South Carolina — had been granted permission by the U.S. Department of Health and Human Services (HHS) to conduct statewide demonstrations that include mandatory managed care enrollment for all Medicaid families. It remains unclear whether these experiments, which deny families the ability to choose which doctor or provider they see, will increase or diminish children's access to good quality health care. Properly implemented managed care can avoid problems associated with fragmented health care interventions by multiple providers and generate cost savings that can be used to finance expansions of Medicaid coverage to currently uninsured children or adults. At the same time, however, poorly run or profit-driven managed care plans that fail or refuse to provide services to enrollees can restrict dramatically poor children's and families' access to essential health care.

The controversy surrounding Tennessee's foray into the world of Medicaid managed care offers a case in point. Tennessee launched its TennCare program at the beginning of the year to cover an additional 301,000 uninsured individuals through managed care. TennCare supporters point to the

expansion of Medicaid coverage to hundreds of thousands previously without health insurance, a step that the state would not have taken without the savings generated through managed care. At the same time, critics warn that the state's failure to plan adequately for the shift to managed care has compromised the quality of and access to services. They note, for example, that managed care organizations were unable to give consumers the required lists of providers, services, and procedures for obtaining services when TennCare began.

Additional states are likely to seek federal waivers as part of their efforts to expand or preserve health insurance coverage. In 1994 Minnesota applied for a federal waiver that would allow the state to expand its state-subsidized health plan, MinnesotaCare, to reach its ultimate goal of universal coverage. MinnesotaCare currently covers 75,000 people (who do not qualify for Medicaid or AFDC) on a sliding fee basis, including more than 30,000 children up to age 18 and their parents with incomes up to 275 percent of poverty, as well as single people and families without children with incomes up to 125 percent of poverty. The waiver would allow the state to fold MinnesotaCare and all federally subsidized health programs into a single managed care program that would strive to cover as many as 225,000 additional uninsured individuals.

Some Medicaid experts believe that greater federal supervision of statewide managed care programs may become the norm as more and more states receive waivers for such programs. South Carolina received a federal waiver in 1994 allowing it to implement a statewide Medicaid managed care plan and use resulting savings to cover an additional 230,000 low-income residents under its Medicaid program. Yet the waiver approval by HHS included provisions for closer scrutiny by federal officials than is typical for other states now operating Medicaid managed care programs under similar waivers.

The potential pitfalls of Medicaid managed care programs were highlighted in a CDF review, completed in 1994, of states' managed care contracts in 23 states and the District of Columbia. CDF's study examined the extent to which these contracts adequately specify the obligations of managed care plans to provide crucial services to which children are legally entitled under Medicaid's EPSDT program. To the extent that states fail to detail service obligations in these contracts, children are less likely to receive EPSDT's comprehensive care, with its emphasis on prevention and early intervention services. CDF found that:

- ◆ While a large majority of the contracts (82 percent) refer generally to EPSDT, the language seldom reflects the importance of EPSDT services for children's health or the services as among those that must be provided.
- ◆ Of the contracts that refer to EPSDT, only 59 percent require plans to furnish periodic screenings, the most basic EPSDT service. Only a small minority identify all of the screening components.
- ◆ Despite the fact that childhood immunizations are among the most important preventive pediatric services and thus should be explicitly required, only 12 contracts do so; eight others give providers the option of providing immunization services, with three directing providers that chose not to offer immunizations to refer children to public health departments.
- ◆ Seventy percent of contracts require the medical case manager to have some type of medical credential, yet no contract contains language requiring that primary care providers be pediatricians.

These findings raise doubts that current Medicaid managed care contracts will ensure that low-income children receive the full range of services to which they are entitled by law. The study highlights the need for state Medicaid agencies to improve their contracting procedures and for the federal Health Care Financing Administration (HCFA) to provide the assistance and oversight necessary to ensure that states meet their EPSDT obligations under Medicaid.

The administration's Childhood Immunization Initiative

The Clinton administration launched its Childhood Immunization Initiative in 1994 — a multi-pronged effort to increase immunization rates against preventable childhood diseases to 90 percent by 1996. The initiative focuses on improving immunization services, increasing community participation and education, improving monitoring of disease and vaccination coverage, and reducing vaccine costs to families.

The cost barrier is addressed by the Vaccines for Children (VFC) program, enacted in 1993 and launched in the fall of 1994. Under the VFC, the federal government provides free vaccines for all uninsured, Medicaid-eligible, and Native American children under 18 years of age through their regular physicians. Children with insurance that does not cover immunizations — "underinsured" children —

also can receive free vaccines under the VFC program by going to community, migrant, or homeless health centers. Public health clinics continue to receive and provide free vaccines to any child regardless of insurance status.

Before the VFC program began, families without insurance coverage that sought to have their children immunized in private physicians' offices faced bills of more than \$270 per child for the cost of vaccines alone. This cost, prohibitive for many working families, often prompted physicians to refer families to public clinics and resulted in delayed or missed immunizations.

While the launch of the VFC program in October 1994 produced immediate benefits for children and states (states enjoy offsetting Medicaid savings as a result of the distribution of free vaccines), its early implementation was marred by technical problems and continuing resistance to the program by drug manufacturers. Ambiguity in VFC's authorizing legislation and the manufacturers' refusal to cooperate fully in negotiations with HHS on federal purchase and distribution of free vaccines both hampered timely implementation of the program in all states. Although by early 1995 every state was receiving free vaccines for use in public clinics, only 26 states had distribution systems in place for delivery of free vaccines to private physicians' offices. Until these remaining barriers are overcome, the full potential of the VFC program will not be realized.

Community response: Increasing Medicaid enrollment in New York City

As many as 250,000 low-income children in New York City are eligible for but not enrolled in the Medicaid program. CDF's New York City office (CDF-NYC) has been working to change that statistic by collaborating with two community health centers and the pediatric ward of a local hospital to simplify the Medicaid enrollment procedure. In the process, CDF-NYC also has demonstrated effective ways of reaching out to families to encourage them to enroll in Medicaid and thus gain comprehensive health care services for their children.

CDF-NYC launched its initial pilot project to test a simplified application form in 1993, after discussions with the city's Human Resources Administration (HRA) and an agreement with the Deputy Commissioner for Medical Assistance. The result was a two-page form that gathered the necessary informa-

tion but was less complicated and significantly less time-consuming to complete than the traditional six-page application.

CDF-NYC then worked with schools and community-based organizations to test the new forms. Schools with large numbers of medically uninsured children were asked to be pilot sites at which Medicaid enrollment would be encouraged at special health fairs or regular school-sponsored events such as grandparents' or literacy days. Schools sent flyers home to parents notifying them of the opportunity to apply for Medicaid at these school events. The flyers explained in simple language Medicaid's eligibility requirements and listed the documents necessary to apply.

When CDF-NYC informed city and state officials of the positive responses to the simplified form from families and Medicaid officials alike, the state legislature agreed to mandate use of a simplified form throughout the state, starting in July 1994.

In response, CDF-NYC launched a second pilot project in January 1994 to improve the form even further. Working with statewide advocacy groups, CDF-NYC and the Nutrition Consortium convinced the state Department of Social Services that the new application form should be designed to enroll pregnant women and young children not only in Medicaid but also in the Special Supplemental Food Program for Women, Infants, and Children (WIC); the Prenatal Care Assistance Program (PCAP); and Child Health Plus, the state insurance program for children. Then the simplified Medicaid form was whittled down to a one-page "Growing Up Healthy" form in both English and Spanish. This application generally takes only about five minutes to complete in contrast to the 45 minutes the traditional Medicaid form required. The documentation to prove eligibility also was reduced greatly, further simplifying enrollment. CDE, Medicaid, and WIC staff then trained workers from community organizations to prescreen Medicaid applicants and help eligible families complete the simplified form.

While the form was being tested with the Medicaid population, CDF-NYC began working with HRA to remove a number of informal rules that impeded the Medicaid enrollment process. HRA agreed to lift its limit on the number of Medicaid applications a community program could submit to HRA each week. And since the simplified form made the enrollment process less complicated, HRA no longer required community-based organization staffs to review completed applications with Medicaid officials. The applications now are sent directly to a

central Medicaid office, leaving the staffs of community-based organizations more time to enroll other children and pregnant women in the Medicaid program.

In July, CDF-NYC helped draft a "Growing Up Healthy" brochure and pressed the state Department of Social Services to print and distribute it to families and community groups to publicize the four programs and procedures for enrolling in them. By the end of 1994, 26,541 new one-page forms had been completed in New York City and submitted to Medicaid — a good start on increasing the number of Medicaid-eligible children who are getting the health care they need.

Looking ahead to 1995

Unlike 1994, when advocates were working at the national level to secure expanded health care coverage for children through comprehensive reform, 1995 will be a year in which advocates will need to defend aggressively the basic structure of and funding for existing federal child health programs. It is possible that both the guarantee of Medicaid coverage for those who meet federally defined eligibility criteria and federally defined benefits will be eliminated. In early 1995 House leaders were discussing proposals to give states a capped amount of federal funds for Medicaid along with the flexibility to set their own eligibility and benefits standards. It also is possible that states will have to assume full responsibility for funding and design of an acute care program (primarily for children and women), while the federal government assumes responsibility for the funding of services for the disabled and those requiring long-term care services. Decisions about eligibility and benefits for children under the acute care services program also would be left to states.

In either case, this abdication of federal responsibility for children's health insurance coverage would negate recent hard-won expansions in eligibility for children and pregnant women, as well as mandated health care services for children contained in the EPSDT program. Medicaid spending caps almost certainly would prevent states from expanding eligibility in order to cover more children through the Medicaid program.

Children's access to comprehensive health care also could be threatened by congressional attempts to repeal the VFC program. If not eliminated, the program may be absorbed into a large block grant that also would include the Maternal and Child Health

Block Grant; mental health, community, and migrant health centers; the Centers for Disease Control and Prevention; and other public health programs. A consolidation of this nature would eliminate the clear focus on immunizing preschool-age children as a top national priority and may well be accompanied by large cuts in federal investments in all aspects of maternal and child health.

Although these threats loomed large at the beginning of 1995, opportunities to expand children's access to comprehensive health care may remain. Incremental reforms that would increase the proportion of children covered by either public or private health insurance still may be possible through bipartisan action, particularly because universal health insurance coverage for children could be achieved at surprisingly modest cost. In the event that the new congressional leadership allows legislation containing private market insurance reforms to move forward in 1995 or 1996, children's advocates must be ready to mount aggressive efforts to secure approval of companion measures that would expand children's health insurance coverage.

Recommendations

With potentially devastating threats to programs essential to children's health emerging in 1995, child advocates must work together to protect the basic health safety net for children. At the same time, federal action on even the most modest health reform measures may create new openings to promote children's healthy growth and development. Advocates should pursue both goals by:

- ◆ **Demanding that Congress protect recent gains in health insurance coverage for children through Medicaid.** Educate lawmakers about the key role that the Medicaid program plays as the primary insurer of poor and low-income children and urge them to reject major cuts in Medicaid eligibility or expenditures.
- ◆ **Working to attain a health reform plan that at least insures all children and pregnant women.** The coverage should include a comprehensive benefit package for children and pregnant women, as well as a full array of services for children with special needs. Stress the importance and cost-effectiveness of preventive services.
- ◆ **Working to ensure that Medicaid managed care programs at the state level are imple-**

mented effectively. Monitor carefully the managed care plans in your state to ensure that they provide the broad range of needed health services to which children are entitled under Medicaid's EPSDT program, including preventive services and services for children with special needs.

- ◆ **Encouraging states to take full advantage of the federal Vaccines for Children program.** Push state and local health officials to broaden the scope of VFC programs as quickly as possible, encouraging the participation of doctors and clinics and getting the word out to parents that free vaccines are available for eligible children. Urge

your governor, state health officers, and members of Congress to retain this vital initiative to eliminate cost as a barrier to immunizing all children.

- ◆ **Organizing local efforts to ensure that all children are fully immunized.** Mount vigorous outreach and mobilization campaigns to raise immunization rates in your state or community. Encourage local organizations that have daily contact with young children — whether they be day care centers, schools, or local WIC sites — to use every contact with a child and parents as an opportunity to educate parents about the importance of immunization.

CHILD CARE AND EARLY CHILDHOOD DEVELOPMENT

As a group, America's youngest children remained in serious jeopardy in 1994. A distinguished task force appointed by the Carnegie Corporation warned that poor quality child care, inadequate health care, and increasing poverty were creating a "quiet crisis" among children younger than three. The task force's conclusion was confirmed in part by several new reports in 1994 showing that many children are cared for in unsafe and unstimulating child care situations, while only a small fraction receive high quality care.

Quite apart from parents' concerns about the quality of their children's child care, larger numbers of low-income working families found themselves waiting longer and longer for child care assistance in 1994, as states used an increasing portion of their child care funds to assist welfare families. Potential legislative developments in 1995 could make it even harder for low-income working families to find child care assistance in the future. The threats include the elimination of guaranteed child care assistance for families receiving welfare and the consolidation of federal child care programs into block grants with reduced funding.

Against this grim backdrop, however, 1994 brought some tangible gains for young children. The federal government expanded and strengthened Head Start, the nation's flagship early childhood education program, and took modest steps to improve the quality of federally assisted child care. Several states also moved ahead to expand their own preschool programs to give more children a better chance of entering school prepared to succeed.

Strengthening Head Start

In May, on Head Start's twenty-ninth birthday, President Clinton signed a four-year reauthorization that will further strengthen the program. Based on many of the recommendations made by a national Head Start advisory panel in 1993, the new law requires Head Start's performance standards to be updated to reflect current best practices in early childhood development and in meeting the complex needs of today's families. Head Start programs not meeting performance standards after special help from the Head Start Bureau in the Department of Health and Human Services (HHS) will be dropped from the program and new grantees will be sought to replace them. New grantees will receive intensive

monitoring and assistance to make sure they have the necessary support to mount effective programs.

Among other improvements, the new law establishes a mentor-teacher program to identify and reward outstanding teachers who will provide on-the-job guidance to less experienced teachers through role modeling, observation, and feedback. In addition, Head Start grantees for the first time not only will be able to own but to construct buildings for their programs when necessary, making it more likely that children will attend Head Start programs housed in appropriate facilities.

Recognizing the critical importance of a child's first three years and the paucity of services to families with infants and toddlers, the Head Start legislation creates a new Early Head Start Program for children younger than three. A special advisory committee will help guide planning for the new program, which will incorporate Head Start's trademarks of parent involvement and comprehensive services that include health, education, and social services. Current Head Start grantees and other local providers will be able to apply for Early Head Start funds to begin serving infants and toddlers in 1995.

The legislation also provides for the appointment of a Head Start liaison in every state to facilitate closer collaboration between Head Start and state and community agencies.

The push toward full funding for Head Start stalled in 1994, largely because of tight spending caps on discretionary programs resulting from the drive to reduce the federal budget deficit. In 1995 Head Start's budget will reach \$3.53 billion, a \$210 million increase from 1994. However, most of the new funds will be used for the new Early Head Start program, required spending on quality improvements, and increased program costs due to inflation, leaving little possibility of expanding the number of children participating in the regular Head Start program in 1995.

Partnerships between Head Start and child care programs in numerous communities are improving the child care options of many low-income families, according to a study CDF conducted in 1994. By working together, Head Start and child care programs (both family child care providers and centers) can offer children in both programs full-day high-quality comprehensive services year round. (Head Start programs typically are part-day, while many full-day child care programs do not offer comprehensive services comparable to Head Start's.) In addition, these combined programs make it possible for children of employed parents to participate in Head Start, allow Head Start to avoid incurring start-up costs and making new investments in expensive facilities, allow Head Start students and their younger siblings to be cared for in the same location, and create new training and support opportunities for child care staff.

Key Facts

- ◆ More than 60 percent of married women with children younger than six are in the labor force.
- ◆ Nearly 650,000 children participated in Head Start in FY 1994.
- ◆ Thirty-five percent of the family child care homes sampled in one survey were found likely to harm children's development because of poor quality care.
- ◆ By 1992, 32 states supported prekindergarten initiatives.

Other improvements in federal early childhood policy and programs

Congress acknowledged Head Start's high quality comprehensive services as the benchmark for other early childhood programs by requiring states using Title I funds for preschool programs to make sure those programs comply with Head Start performance standards by October 1996. This change was made as part of the reauthorization of the Elementary and Secondary Education Act, which includes the Title I program (formerly Chapter 1) that provides federal funding for compensatory education for poor children. The new requirement points to a growing recognition that all early childhood programs, regardless of their funding source, should offer low-income children and families a similar package of high quality, comprehensive services.

Measures to strengthen federally assisted child care programs also were included in the 1994 bill reauthorizing several child nutrition programs, including the Child and Adult Care Food Program (CACFP), which reimburses participating child care providers for food costs. In the past, child care agencies, resource and referral agencies, and other nonprofits that channel CACFP reimbursements to family child care providers have offered these providers training about nutrition. The new law will allow sponsors to play an even

stronger role in program improvement by offering training in health and child development, as well. The new law also makes children in Head Start automatically eligible for CACFP if their family income is below the poverty line. However, as 1995 began, it appeared that CACFP would be folded into a block grant and lose its entitlement funding.

The Clinton administration proposed changes to federal child care regulations in 1994 that would improve child care services by allowing states to use federal funds to pay higher rates for higher quality child care. Other changes would make it easier for families leaving welfare as a result of increased earnings to receive one year of child care assistance under the Transitional Child Care (TCC) program, as the law guarantees. As the year ended, however, it appeared that these regulations might never take effect if Congress moves ahead in 1995 on proposals to combine the major federal child care programs into one block grant that significantly reduces the federal role in assuring program quality and accountability.

State preschool initiatives

The number of states supporting prekindergarten initiatives nearly tripled between 1979 and 1992, according to a CDF study, *First Steps, Promising Futures: State Prekindergarten Initiatives in the Early 1990s*. Most of the 32 states that

invest in prekindergartens target four-year-olds considered at risk of school failure. Although these children often come from low-income families, states' income guidelines for prekindergarten programs usually are broader than Head Start's general requirement that family income fall below the federal poverty line. In 1992, however, the vast majority of states were not able to provide prekindergarten services to most of the children deemed eligible. Kentucky, Texas, and South Carolina were among the handful of states serving more than half of the eligible children.

While few state initiatives offered comprehensive services comparable to Head Start's, a significant minority demonstrated a commitment to assuring families a variety of health and social services as well as education. Oregon, Washington State, California, Iowa, New York, and New Jersey (specifically its Urban Prekindergarten Program) were among these states. In some states, notably Kentucky, Colorado, Oregon, and New Jersey, the state prekindergarten programs were coordinating their efforts with child care, Head Start, or other family service providers in the community.

Most states, however, offered only part-day, part-year programs, and many did relatively little to meet the needs of parents who work or go to school full time and who cannot take advantage of stand-alone, part-day programs.

Child care quality comes under scrutiny

The piecemeal gains achieved during the past year do not balance new evidence of the nation's inadequate investment in protecting and nurturing young children. One sobering 1994 report by the HHS Inspector General's office, for example, was based on a four-state review of child care centers' compliance with state health and safety standards. The review found that significant numbers of centers were not meeting state standards and thus were placing children at risk of harm. The study also revealed inadequate enforcement efforts by state licensing agencies, often due to insufficient resources, staffing levels, and training. For example, at the time of the survey each licensing inspector in North Carolina had responsibility for 160 child care centers and Head Start facilities, making it difficult for inspectors to visit each site regularly and follow up effectively.

The New York-based Families and Work Institute's three-city survey of family child care found that 35 percent of a sample of 226 providers who care for children in their homes offered such poor quality care they were likely to harm children's development. Only 9 percent offered care considered to be good enough to promote development. The remaining 56 percent of homes were rated as custodial, neither enhancing nor harming development.

The survey found that 65 percent of parents who looked for alternatives when choosing child care felt they had few good options. Twenty-eight percent of the mothers said they would use other care were it available. In general, low-income children were found to be in lower quality care than their higher income peers, and minority children were in somewhat lower quality care than others.

The Families and Work Institute recommended improving the quality of family child care by making government and business funding available for training; developing national, state, and local associations to offer providers support and technical assistance; increasing state and business efforts to encourage providers to become licensed and making sure the system helps providers improve the quality of care they offer; and increasing government and business efforts to help families pay for child care.

One of the first in-depth reports on how the child care system has responded to cultural and linguistic diversity found that in California, where such diversity is the norm, child care providers and centers are ill-prepared to meet the challenges or take advantage of the opportunities that diversity presents. While 96 percent of the 450 California centers surveyed serve children from two or more racial groups, and 81 percent serve children from two or more language groups, child care workers themselves do not reflect this diversity, according to *Affirming Children's Roots: Cultural and Linguistic Diversity in Early Care and Education*, pub-

lished at the end of 1993 by California Tomorrow. What's more, said the report, the fragmented child care system has no mechanism for ensuring that child care workers receive education and training about how to respond to diversity, and existing training materials do not provide enough information about specific actions child care workers can take to make their programs more culturally and linguistically appropriate.

Competition for child care assistance

Child advocates and child care experts grew increasingly concerned in 1994 about the growing competition for scarce child care assistance between working poor families and families receiving welfare. The U.S. General Accounting Office (GAO) found that more and more federal and state child care funds are targeted to families receiving welfare or moving off welfare into the work force, at the expense of working poor families. Many states are using state funds previously used to assist the working poor to draw down AFDC child care entitlement funding, which requires matching funds from the state. Other states are taking advantage of the fact that the Child Care and Development Block Grant (CCDBG) does not require a state match and are using these funds — intended to serve low-income working families — to provide child care assistance to AFDC families.

Waiting Lists

States with more than 10,000 children on child care assistance waiting lists

Georgia	41,000
Texas	35,692
Illinois	20,000
Florida	19,757
Alabama	19,699
New Jersey	14,000
North Carolina	13,000
Kentucky	10,000

Source: Children's Defense Fund survey of state child care administrators, 1994.

The GAO report said, "the well-intentioned emphasis on providing services to assist welfare recipients in leaving welfare has overshadowed the importance of the provision of child care to prevent welfare dependency. The current systems may also inadvertently create an incentive to go onto welfare for those needing child care to become employed."

CDF research in 1994 uncovered more evidence that child care dollars increasingly are drained away from the working poor and targeted to AFDC families. For example:

- ◆ In Illinois no families on the waiting list for CCDBG assistance except teen parents and children who need protective services had moved off the list in the prior 18 months. It had been a full year since child care funds were available for former AFDC families losing their one year of Transitional Child Care (TCC) benefits.
- ◆ In Colorado child care administrators placed a temporary freeze on all new low-income applicants for child care assistance, starting in December 1994. Administrators estimated that within two to four years the state would have enough child care funding only to provide assistance to former AFDC families.
- ◆ In Connecticut the only new families receiving child care assistance since August 1994 were those headed by teen parents in school and families leaving the TCC program.

"I feel that because of the high cost of my day care I will be forced in the next few weeks to quit my job and go on welfare," said one mother responding to a 1994 survey by the Rhode Island Department of Human Services of mothers on the state waiting list for child care assistance. "It's unfortunate that the government makes it easier to live on welfare than to try to work and support [our] families." Another mother said, "When I asked several agencies what other options I had to help pay these child care expenses, I was told to quit my job and go on welfare."

State response: North Carolina's Smart Start

In 1994, 18 counties in North Carolina used \$40 million in funding from the state's new Smart Start initiative to make sure the counties' young children start school healthy and ready to learn. Enacted by the state legislature in 1993, Smart Start gives state grants to counties to create local nonprofit partnerships for children made up of community organizations and agencies. Each county partnership oversees delivery of a broad range of coordinated services to county preschoolers and their families. The initiative was passed with the understanding that the state gradually would extend the initiative to all 100 counties. Gov. Jim Hunt's state budget proposal for 1995-1997 includes funding to raise the number of participating counties to 56 by 1997.

Each county decides what specific steps it will take to accomplish Smart Start's overall goal of giving young children the best possible start in life. The partnership in Orange County, where Chapel Hill is located, used its first allocation of \$388,000 in 1994 to eliminate waiting lists for child care assistance and raise the cut-off for family eligibility to \$25,000 of annual income. Those actions assured that virtually every child in the county who needed a child care subsidy received one.

After consulting with the child care community, the partnership decided to use part of its second 1994-1995 allocation of \$2.3 million for several new initiatives, including a competitive grant program to help quality-conscious child care providers expand the kinds of child care in short supply. The partnership hopes to increase the supply of infant care and evening and weekend care, especially for low-income children and those with special needs, by about 250 slots. The new money also will be used to make vision and dental screenings available to children at all of the county's child care programs and to pay for a nurse/health educator to visit each child care program monthly.

To support and guide the county partnerships, the Smart Start initiative created the statewide North Carolina Partnership for Children, a private nonprofit body appointed partly by the governor and partly by the General Assembly. The state partnership educates the public about Smart Start's mission, encourages participation by the private sector, raises private funds to supplement state funding, and helps select the order in which counties are brought into the initiative.

Smart Start also seeks to strengthen the quality of existing child care services in all 100 counties. The initiative was passed with companion legislation that improved staff-child ratios in licensed child care programs, added funding for 10 more inspectors to improve child care licensing compliance, and provided continuing education stipends for day care teachers. To help families afford good child care, the state increased on a sliding scale the amount of the state's child care tax credit for families earning less than \$40,000 annually.

In 1994 the legislature approved an additional \$4 million for the state child care subsidy program to help low-income families pay for child care. Another \$4.6 million in grants went to help counties, towns, and neighborhoods develop innovative school-age child care programs.

Looking ahead to 1995

At the beginning of 1995, Congress was considering proposals to combine many key federal child care programs and some related programs, including the Child and Adult Care Food Program, into two block grants and reducing the total amount of funding available for the combined programs. Congress also was entertaining proposals to eliminate the guarantee of child care assistance for AFDC recipients participating in work or training, and for families leaving AFDC (see pages 17-26).

Losing CACFP would mean the end of assurances that children will receive nutritious meals and snacks while they are in child care and Head Start. Many children spend 10 to 12 hours a day in child care and thus receive the majority of their nutrition from the meals available through the CACFP. Other features of the child care block grant Congress was considering in January 1995 would result in more children being cared for in unsafe and poor quality settings. These features included: ending the guarantee of child care assistance for AFDC families and families leaving welfare, eliminating assurances (now contained in the CCDBG) that federal funds would be reserved for improving the quality and increasing the supply of child care, eliminating assurances that parents would be reimbursed at rates high enough to allow them a genuine choice among child care providers, and ending requirements that states enforce minimal health and safety standards for all publicly funded child care.

Thoughtful consolidation and adequate funding of selected federal child care programs could be a positive step, but wrapping up CACFP, the child care entitlements, and all other child care programs into block grants with reduced funding would undo the progress the nation has made in recent years toward making decent, affordable child care available to America's most vulnerable families.

Recommendations

Advocates can help prevent severe damage to the programs that enable parents to work knowing their children are well cared for by:

- ◆ **Helping Congress understand that responsible block granting of child care programs must:** increase funds for child care assistance for low-income working families, ensure that federal funds are used in safe child care settings, ensure that funds are set aside to help states strengthen the quality and build the supply of child care, and

ensure that families receive adequate reimbursements so they have a genuine choice of providers.

- ◆ Urging Congress to make sure that all eligible children in child care and Head Start continue to get nutritious meals and snacks through the Child and Adults Care Food Program.
- ◆ Promoting guarantees of quality child care help for families receiving AFDC that are affected by federal or state welfare reform plans. Make sure lawmakers include explicit assurances of child care assistance to protect children while their parents are participating in work, education, or training activities under new

welfare reform schemes. Take steps to ensure that reimbursements are adequate to pay for safe, good quality care.

- ◆ Encouraging states to maintain and build upon their investments in child care and pre-kindergarten programs to help families work and children succeed.
- ◆ Encouraging local leaders in child care, Head Start, prekindergarten, and other early childhood programs to work cooperatively to improve early childhood services for children. Also encourage your community to improve child care quality by offering providers incentives to improve and expand services.

HUNGER AND NUTRITION

The nation made modest progress in 1994 toward ensuring that no child in America goes hungry. As part of the reauthorization of the nation's childhood nutrition programs — the WIC supplemental nutrition program, the school meals and summer food programs, and child care-related food programs — Congress made some improvements that will increase the number of needy children being served. In addition, 1993 changes in outdated food stamp eligibility rules began taking effect in 1994, meaning that more poor families are able to feed their children adequately.

On the other hand, Congress did not keep the WIC program on track toward full funding by 1996, as child and nutrition advocates had urged, and the year ended with indications that much of the ground gained in child nutrition in recent years may be threatened in 1995. As the Americans who depend the most on food stamps and other nutrition assistance, children would be the hardest hit if Congress enacted proposals raised at the end of 1994 to shrink overall funding for food assistance programs and eliminate the assurance of benefits to eligible children.

Childhood hunger

Poverty is the root cause of inadequate nutrition in the United States. In 1993, 15.7 million children were poor, meaning that a huge number of American children were at risk of inadequate nutrition.

The federal food stamp program is the nation's most widely used public food assistance program, and its enrollment patterns are a good reflection of the risk of hunger in the United States. The number of children receiving food stamp benefits has increased steadily during the 1990s, reaching a record level of 14.2 million children in the summer of 1993 (the latest available data). That figure represents a 51 percent increase in enrollment since 1989. More than half of all food stamp recipients are children, although children make up only slightly more than one-quarter of the U.S. population.

Contrary to popular belief, most children receiving food stamp benefits in mid-1993 were White — 42 percent, compared with 35 percent African American, 17 percent Latino, 3 percent Asian, and 1 percent Native American. The average size of a household receiving food stamps, according to the U.S. Department of Agriculture (USDA), was 2.6 individuals

(counting children and adults), which belies the common notion that families receiving food stamps generally have large numbers of children.

Research shows that children who experience even temporary spells of malnutrition during infancy or childhood may suffer health and learning setbacks that limit their potential growth and development. Poor nutrition can retard physical growth, brain development, and cognitive functioning permanently.

The U.S. Conference of Mayors' *Status Report on Hunger and Homelessness in America's Cities: 1994* shed light on the demand for emergency food assistance this past year. Officials in the 30 surveyed cities estimated that requests from families with children had increased by an average of 14 percent since the 1993 survey, with 79 percent of the cities registering an increase. More than half of the cities reported that emergency food assistance facilities didn't have enough food to meet the need, and the overall level of public resources available for emergency food assistance decreased by 4 percent during the year. On average, 15 percent of the requests for emergency assistance went unmet, but in four cities, between 30 and 50 percent of requests could not be met.

Second Harvest, the nation's largest network of private hunger relief agencies, reported that its 70,000 food pantries, soup kitchens, homeless shelters, and other programs served 26 million individuals in 1993, with children accounting for a disproportionate 43 percent of the total. The Second Harvest

study revealed that many children experience hunger despite their parents' best efforts to provide for them through work. Nearly one-third of all households using Second Harvest's food programs had at least one employed member, and half of all those served worked full time. As the value of earnings among low-income U.S. workers has eroded, many families find it impossible to stretch the family budget to cover all of their food needs in addition to rent, clothing, transportation, and other basics. And even those who receive assistance often live on the edge of hunger. When Second Harvest asked client households about their meal patterns, more than 10 percent said their children had missed meals in the past month because of the family's lack of food and money.

The Second Harvest network reports turning away about 61,000 people each year for lack of food, illustrating the limitations of private charities' ability to feed the nation's hungry children.

Food stamp reforms

During 1994 five states received approval to issue food stamp benefits electronically in some counties instead of using coupons, bringing to 11 the number of states experimenting with the electronic system. Under Electronic Benefits Transfer (EBT), recipients receive a plastic card similar to a money machine card, which is used to debit individuals' personal food stamp accounts as pur-

Key Facts

- ◆ A U.S. Conference of Mayors survey of 30 cities found that emergency food requests from families with children increased by an average of 14 percent between 1993 and 1994.
- ◆ A record level of 14.2 million children received food stamp benefits in 1993 — up 51 percent since 1989.
- ◆ WIC provided nutrition assistance to 6.5 million women, infants, and children in 1994, about 65 percent of those eligible.
- ◆ At least 2.1 million children were served by the Summer Food Service Program in 1994, less than 9 percent of those who participated in the school lunch program.

chases are made. EBT decreases costs to retailers and banks and reduces fraud, according to a 1993 USDA study of EBT in two counties. Proponents say EBT is popular among recipients because the card is safer to use and helps remove the stigma associated with food stamps.

As EBT took hold in some states, others showed interest in converting food stamp benefits into cash grants, arguing that giving recipients a check rather than coupons is less demeaning to recipients and cuts administrative costs. However, "cash-outs" may both weaken the food stamp program and result in poorer nutrition for children. With rare exceptions, the current system assures that food stamp benefits are used for food, while turning the benefits into cash invites landlords, creditors, check-cashing businesses, and others to demand part of families' food stamp grants. An early USDA study of cash-out demonstrations showed that they resulted in a 5 percent decrease in families' food expenditures, which is not surprising given the many legitimate but competing expenses low-income families must juggle every month without any cash cushion for emergencies. Advocates fear, however, that public support for the program would weaken, as would political support from agricultural interests, if the benefit could be used for nonfood purchases, leaving the program increasingly vulnerable to cutbacks.

By the end of 1994 USDA had granted waivers to 17 states to conduct cash-out demonstration pro-

jects and appeared ready to approve other waiver requests without waiting for assessments of the existing demonstrations. Arguing that more demonstrations were unwise and unnecessary, child and anti-hunger advocates persuaded Congress to include in the legislation reauthorizing the child nutrition programs a one-year moratorium on cash-out demonstrations, pending a fuller review of the ongoing experiments.

Implementation of important improvements in the food stamp program also began in 1994. Scheduled to be phased in gradually over several years, these changes were enacted as the Mickey Leland Hunger Relief Act in 1993. They amend a number of outdated eligibility rules that had ignored the economic realities confronting today's low-income families, opening the way for more poor families and children to receive food stamps. The changes include, for example, raising the amount of housing costs that low-income families with very high rents can deduct in determining eligibility and benefit levels, raising the value of vehicles that food stamp recipients may own and remain eligible for benefits, and allowing families that must share housing but do not purchase and prepare food together to be considered separate households in applying for food stamps. Starting in the fall of 1995, parents paying child support for children living in other households are to be allowed to deduct these payments in determining their eligibility for food stamps.

Improved child nutrition programs

Congress made improvements in several of the child nutrition programs in 1994. The modifications were part of the Healthy Meals for Healthy Americans Act, which reauthorized the school breakfast and lunch programs, the Summer Food Service Program (SFSP), the Child and Adult Care Food Program (CACFP), and the Special Supplemental Food Program for Women, Infants, and Children (WIC).

Under the new law, families that apply for WIC's supplemental nutrition benefits now can receive benefits for 60 days while their nutritional risk assessment is being processed. Previously, families had to wait until this procedure was completed before they could start receiving benefits. In addition, some families' nutrition will be improved through greater access to fresh fruits and vegetables as a result of a modest boost in authorized funding for the WIC Farmers' Market Nutrition Program, which gives WIC enrollees vouchers to use at local farmers' markets in participating states.

Unlike the other child nutrition programs, WIC is not an entitlement program. WIC served 6.5 million women, infants, and children in 1994, about 65 percent of those eligible. On the basis of research showing that every dollar spent on WIC saves \$3.13 in Medicaid costs for low-birthweight babies, advocates recently have pressed for full funding by 1996,

a goal the Clinton administration also has embraced. After appropriating a substantial downpayment on full funding in 1993, Congress backed off in 1994, appropriating an increase of just \$260 million for FY 1995, bringing its budget to \$3.5 billion.

The new nutrition legislation also modified CACFP to make children enrolled in Head Start automatically eligible to receive benefits if their family income is below the poverty line. Previously, parents and Head Start sponsors had to file sometimes burdensome paperwork for children to receive the food. (As an entitlement program, CACFP automatically reimburses participating child care providers for the cost of food and snacks. However, in early 1995, CACFP was facing the possible loss of guaranteed funding.)

The reauthorization law also authorized USDA to create demonstration programs to deliver CACFP benefits to 13- to 18-year-olds. Expanding the age eligibility beyond the current limit of 12 years will encourage after-school mentoring, tutoring, and cultural enrichment programs to serve both young and older children.

As a result of important changes in SFSP, private nonprofit organizations wishing to operate feeding sites during the summer now will find it easier to qualify as sponsors and receive full federal reimbursement for meals served to eligible children. The new law ends the preferential status previously en-

joyed by public sponsors such as schools and parks and recreation departments by eliminating the one-year waiting period for nonprofits applying to serve summer meals and giving preference to nonprofits that already have participated successfully in the program over public institutions applying for the first time. These changes will help address the shortage of summer food sponsors in hard-to-serve areas, a significant cause of low participation rates by children in the great majority of states.

To encourage SFSP sponsors to engage children in positive summer activities in addition to feeding them, the 1994 law requires USDA to notify sponsors of sources of federal funds that may be used to operate all-day education and recreation activities at SFSP feeding sites. The SFSP historically has required sponsors to provide four hours of recreation activities each day, and while some sponsors have gone beyond the requirement, building full-day academic and cultural enrichment programs around summer food, other sponsors have made only minimal efforts to comply.

As a result of stepped-up outreach by community leaders and advocates, participation in the summer food program has grown each year since the early 1990s. Preliminary figures for 1994 showed that at least 2.14 million children were served by SFSP in 1994. Yet that number represents less than 9 percent of the 24.7 million children who participated in the free and reduced-price school lunch

program, the most widely used child nutrition program and a strong indicator of the level of need for nutrition assistance for children. (Like the child care food program, however, SFSP was vulnerable to losing its entitlement status as this book went to press.)

Participation in the school breakfast program also increased in the 1993-1994 school year. The number of participating schools was up 10 percent and the number of children receiving free or reduced-price breakfasts increased 8 percent from the previous school year, to 5.8 million.

Healthier school meals

Improving the nutritional quality of meals served in the nation's schools was another focus of activity among child nutrition advocates and the USDA in 1994. Their efforts culminated in a USDA proposal, approved as part of the Healthy Meals for Healthy Americans Act, to reduce the fat, sodium, and cholesterol content of school lunches and breakfasts to conform to the USDA's general dietary guidelines. The law requires schools to meet the guidelines by the 1996-1997 school year and requires the USDA to help them do so. This action followed a 1993 USDA survey of 545 public schools that found virtually none of the schools meeting the agency's dietary guidelines.

Community response: La Pintoresca Summer Food Program

Federal child nutrition programs enable communities to fulfill one of their most basic moral obligations: making sure their children have enough food to eat. And when food assistance is combined with recreation or academic activities, the result can take communities beyond feeding children to boosting their self-esteem and deterring violence and delinquency.

Two years ago, La Pintoresca Park in northwest Pasadena, California, was plagued by shootings and stabbings. Today crime is all but gone from the park, which again is becoming a favorite picnic and outing spot for families and children in the surrounding densely populated low-income neighborhood.

The transformation happened after Pasadena's city and school district officials set up a federal Summer Food Service Program site at the park in the summer of 1993. Every day around lunchtime, a school district van pulled up to serve a simple but healthy meal to any child who showed up. Word spread quickly, and within a few weeks more than 500 children and teens were coming to the park each day. Young toughs, who had been hanging out in the park and who had been pegged "gang members" by police and others, brought younger sisters and brothers to the park for the meals. Some of these older youths got involved in serving the food and supervising the younger children.

The first-year success led Pasadena to expand the program in the summer of 1994. The district started delivering both breakfast and lunch to the La Pintoresca site, and the city hired two full-time staff members to organize children's activities there. The public library adjacent to the park also got involved, hosting puppet shows, story hours, and arts and crafts workshops throughout the day. Taking advantage of the interest in the World Cup Soccer tournament taking place at the time, the library also launched a "Kick Back and Read" campaign to interest children in reading.

Anne Broussard, child care coordinator for Pasadena's Human Services and Neighborhoods Department and a driving force behind the creation and expansion of the La Pintoresca summer program, says it is successful because it provides two things children and teens in the area badly need: food and positive summer activities. There's nothing mysterious about why the crime rate dropped either, says Broussard. "When the good guys come to the park, the bad guys leave." She continues, "I'm not saying there's no more

crime in the area, but there's a lot less crime at the park."

Pulling together the resources and people needed to run a program that provides meals and enrichment activities can be difficult for any one agency to handle, but in the case of La Pintoresca, cooperation between the Pasadena Unified School District and the City of Pasadena makes it possible. The school district, which is the SFSP grantee, does the federal paperwork, prepares the meals, and provides the van, while the city supplies the personnel to help serve the meals and lead the children's activities.

More work lies ahead in Pasadena. City-wide, about 12,000 children receive free or reduced-price school meals during the academic months, but only 5,000 get summer food from La Pintoresca Park and 20 other SFSP sites scattered throughout the city. The La Pintoresca Park experience provides a model for expanding the summer food program in Pasadena — and elsewhere in the nation — so that it benefits all children who need it.

Looking ahead to 1995

As part of a scheduled reauthorization of the food stamp program and the new congressional leadership's announced agenda to reform welfare and cut back federal nutrition programs, Congress is expected to try to alter federal food assistance programs fundamentally in 1995. In early January various proposals were afoot to shrink the overall funding for food assistance; to eliminate the guarantee of food stamps, school meals, child care food, and summer food to all eligible children; and to consolidate food stamps with welfare funding into one capped block grant with few federal requirements attached. If enacted, any of these changes likely would result in a fierce competition for funding at the state level that could pit children's nutrition against other worthy causes. The outcome is certain to be reduced help for poor families and a level of need for food assistance that private charities won't be able to fill. Ultimately, more American children will go hungry and malnourished.

In 1995 anti-hunger and children's advocates must help Congress understand how vital good child nutrition is to the broader national interest and how necessary strong food stamp and child nutrition entitlement programs are to furthering that interest. To prosper in the future, the United States needs all of its children to receive enough nourishment to reach their full physical and intellectual potential.

Recommendations

A number of proposals being considered by Congress would dismantle critical food assistance programs that help provide adequate nourishment to low-income children and pregnant women. Child advocates must take concerted action in 1995 to preserve these programs and combat child hunger at federal, state, and local levels. Advocates can make a difference by:

- ◆ **Urging your member of Congress to protect key federal child nutrition programs.** Educate your lawmakers about the importance of a federal nutrition safety net for children and encourage them to maintain funding levels for crucial programs, including the School Lunch Program, School Breakfast Program, Child and Adult Care Food Program, Summer Food Service Program, Special Milk Program, and WIC.
- ◆ **Demanding that the federal government maintain its commitment to the food stamp program.** Encourage Congress to continue the iron-clad assurance of food stamp aid to all eligible families and preserve expansions of the program enacted in the 1993 Mickey Leland Childhood Hunger Relief Act. Urge lawmakers concerned about possible fraud and abuse to tackle those problems directly, through measures such as those already proposed by the administration, rather than launching an indiscriminate assault on nutritional aid to the needy.
- ◆ **Meeting with state policy makers to promote policies that reduce child hunger.** As state officials develop and implement their own welfare reform plans, work with them to ensure that children's nutrition needs are addressed. Also ask them to exploit opportunities to expand the federally funded School Breakfast and Summer Food Service Program within the state.
- ◆ **Work with local schools to encourage them to serve school breakfasts and participate in the Summer Food Service Program.** Help school administrators understand the importance of these vital nutrition programs for children. Help schools develop creative summer programs that combine summer food services with recreation and academic and cultural enrichment.

VIOLENCE

Gun violence claimed the lives of thousands of American children in 1994. And while the senseless carnage among children helped fuel some of the public's fear and rage about seemingly random violence, adolescents — even very young ones — were viewed more as perpetrators than victims by many Americans. This view tilted policy debates heavily toward tougher punishments for young offenders as opposed to protection and prevention for children likely to find themselves in harm's way.

The perception that young people are largely responsible for violent crime was reinforced in 1994 by extensive media coverage of youth violence, a few horrific and highly publicized acts by children, and harsh election-year rhetoric. Fears of increasing youth violence are understandable: juvenile arrests for both murder and weapons violations more than doubled over the past decade. But violent crime is not the exclusive — or even the primary — domain of the young. According to federal statistics, less than one-fifth of the increase in violent crime since the early 1980s is attributable to juveniles.

Nonetheless, politicians responded to public anxiety about youth crime by devising increasingly

punitive measures directed at young Americans. Both state and federal governments took steps to try younger and younger children as adults and to require schools to expel children caught carrying weapons in school — most often with no provision for alternative education. Such measures not only are unlikely to prevent crime but also may distract public attention from the need to address the risk factors associated with youth violence and crime. These risk factors include poverty, family breakdown, child abuse and neglect, weakening moral guidance, repeated exposure to violence — and, of course, ready access to guns.

On the positive side, the comprehensive crime bill passed by Congress in 1994 did contain provisions to help communities address some of those risk factors. After a bitter congressional debate, significant new funding was approved for after-school, weekend, and summer programs to give children and adolescents positive alternatives to the streets, and a historic ban was imposed on certain types of semi-automatic assault weapons. The year ended, however, with a newly elected and more conservative Congress threatening to repeal these crucial prevention measures.

Firearms: the death toll on children

A total of 5,379 children and teenagers were killed by firearms in 1992, the most recent year for which data are available. Nearly two-thirds (63 percent) of the children died as a result of gun homicides, about 26 percent from gun suicides, and 9 percent from gun accidents. All told, nearly 15 children died of gunshot injuries every day in 1992 — one child every 98 minutes.

While adults' risk of being murdered has increased since 1985 (when murder rates reached a 13-year low), the risk for teenagers has increased far more dramatically. According to a study released in 1994 by the Centers for Disease Control and Prevention (CDC), the murder rate for teenage boys ages 15 to 19 more than doubled between 1985 and 1992, rising from approximately 13 homicides per 100,000 boys to nearly 33 per 100,000. For Black males in this age group, the homicide rate nearly tripled, rising from 47 to 129 homicides per 100,000 between 1985 and 1992. Virtually all of this increase (97 percent) was attributable to the use of guns, according to CDC data.

The victims of gun violence are not limited to those children who die, however. They also include many thousands of children who are physically injured and hundreds of thousands of children scarred emotionally by exposure to violence in their homes, neighborhoods, and schools.

The mounting toll of violence by and against children reflects the fact that young people are using firearms to commit crimes and to settle interpersonal grievances as never before. The number of juveniles arrested for murder increased 168 percent between 1984 and 1993, according to newly released data from the Federal Bureau of Investigation. Similarly, arrests of juveniles for weapons violations such as possession increased by almost 126 percent during that period.

Nevertheless, adults still commit the large majority of crimes: 84 percent of all arrests for murder and 77 percent of all arrests for weapons violations in 1993 involved adults. Statistics from the Office of Juvenile Justice and Delinquency Prevention show that only 19 percent of the increase in violent crimes between 1983 and 1992 was attributable to juveniles.

There is no question that youth violence has become deadlier in recent years as the impulsiveness of adolescence and deteriorating social and economic conditions for youths have intersected with easy access to guns. The Bureau of Alcohol, Tobacco, and Firearms estimates that 200 million firearms were in civilian circulation in the United States in 1989; millions more have been produced since then. More than 40 percent of American households now have at least one gun, and the proportion of households owning handguns has risen from 13 percent in 1959 to about 24 percent at present.

Key Facts

- ◆ Guns killed 5,379 children and teens in 1992 — one every 98 minutes.
- ◆ The number of juveniles arrested for murder increased 168 percent between 1984 and 1993, but adults still account for 84 percent of those arrested for murder.
- ◆ Forty percent of students surveyed in 10 inner-city high schools said they have a male relative who carries a gun.
- ◆ Unlike other dangerous consumer products, firearms are not required to meet *any* health or safety standards.

In several polls released late in 1993, teenagers confirmed that guns are extraordinarily easy to get. In one poll, nearly half of the inner-city boys surveyed said they could "borrow" a gun from friends or family if they wanted one. (The claim seems believable in light of a survey by the National Institute of Justice (NIJ) released in January 1995 in which 40 percent of students from 10 inner-city high schools in California, Louisiana, New Jersey, and Illinois said that male relatives carried guns outside their homes.) In a 1994 poll conducted for the Black Community Crusade for Children (BCCC), 70 percent of Black teens interviewed said that youths having access to guns is a serious problem. And pollster Louis Harris has found that a majority of young people, including many who themselves carry guns, say they would like to see an end to the gun culture.

Prevention measures in the 1994 crime bill

Amidst heated public debate on how best to ensure public safety, the federal government enacted a comprehensive anti-crime law in 1994 that contained an assault weapons ban and included total federal funding over six years of about \$10 billion for prisons, \$8.8 billion to put more police on the streets, and nearly \$6 billion for a broad range of violence prevention initiatives. These federal funds are intended to come out of a special trust fund

created from savings achieved through large mandated personnel cuts throughout the federal government.

The violence prevention provisions that focus on children and youths reflect our best current understanding of the roots of delinquency and the feelings of isolation, alienation, anger, and hopelessness that can lead young people to commit acts of violence. Child development experts and a growing number of law enforcement authorities agree that punishment alone cannot effectively deter anti-social behavior. On the other hand, strong and consistent relationships with caring adults and involvement in positive group activities such as sports do help children develop the life skills and moral armor that make it easier for them to reject risky behavior and the lure of the streets. Although after-school and summer programs cost money, they can save taxpayers' dollars in the long run by averting the far greater costs of juvenile crime, detention, and rehabilitation.

Healing America's Cities, a report published in 1994 by the Trust for Public Land, detailed what many child advocates and law enforcement officials know from experience — that initiatives designed to provide opportunities for positive youth development increase the chances that young people will avoid crime and violence. For instance, the report describes a 28 percent drop in juvenile arrests in Fort Myers, Florida, since the city began its STARS (Success through Academics and Recreational Support)

program for young adolescents in 1990. Similarly, the establishment of a Boys & Girls Club in a public housing complex in Tampa has resulted in a "significant decrease in recidivism, drug trafficking, and drug activity" in and around the complex, according to the director of the Tampa Housing Authority.

Evidence of prevention's effectiveness, however, was ignored by conservative members of Congress as the crime bill became increasingly entangled in last year's election politics. These members attacked the bill's prevention programs as nothing more than "pork barrel" spending. Although the bulk of funds for violence prevention remained in the final bill, the provisions were challenged again immediately after the election by the new congressional leadership. Their ultimate fate was in doubt as the new Congress began its work in 1995.

The three major prevention programs for children and youths created in the 1994 crime law are the Community Schools, the Family and Community Endeavor Schools (FACES), and the Ounce of Prevention programs. A total of \$900 million over the next six years was authorized for these programs in an attempt to help children and adolescents living in communities with high rates of poverty and juvenile delinquency.

In early 1995, community-based organizations were invited to apply for Community Schools grants, which are being administered by the U.S. Department of Health and Human Services. Grants would

allow the organizations to operate community-based sports, academic, and other extracurricular programs after school, on weekends, and on holidays during the school year and summers.

Grant applications for FACES, a similar grant program for schools and other community groups interested in offering school-based prevention programs and social services to at-risk students, also were due in early 1995. The U.S. Department of Education is administering that program, which offers grants of \$250,000 or more to support limited school-day programs as well as after-school, summer, weekend, and holiday programs.

The third major youth prevention initiative is to be directed by a new Ounce of Prevention Council, composed of federal department representatives and headed by Vice President Al Gore. The council not only will fund and oversee community-based violence prevention activities but also is charged with coordinating the range of federal prevention initiatives. Slated to receive only start-up money in 1995, the council is to begin awarding grants in 1996 to cities, towns, school districts, and a wide variety of community-based organizations. Funded activities may include mentoring and tutoring programs, job preparation and placement programs, and prevention and treatment programs to reduce substance abuse, child abuse, and adolescent pregnancy.

Beyond these major youth-focused programs, the crime law created the Model Intensive Grant

Program, beginning in 1996, for comprehensive crime prevention programs in up to 15 high-crime communities selected by the U.S. Attorney General. In addition, the Local Partnership Act will channel \$1.6 billion in funding to all cities and towns based on a formula that takes population and crime rates into account. Local governments will be able to set their own priorities for the use of funds but must invest the money in existing federal programs that combat crime and violence through education, job training, and employment.

Regulating firearms

In addition to youth crime prevention programs, the 1994 crime law also included a long-overdue ban on the manufacture, sale, and possession of 19 types of assault weapons and copycat models, and on ammunition feeding devices capable of holding more than 10 rounds. The ban certainly will help save children's lives. Sen. Dianne Feinstein's (D-CA) office released an analysis in 1994 showing that children accounted for 53 percent of the Americans killed by assault weapons in the seven-month period between passage of the ban in the Senate and in the House.

Even following passage of the Brady bill in 1993 (which requires a five-business-day waiting period and a background check by police for any handgun purchase) and enactment of the assault weapons ban in 1994, the gun industry remains among the least

regulated industries in the United States. Unlike other dangerous consumer products, firearms are not required to meet *any* health and safety standards. Even guns that fire when dropped or have triggers that a toddler can pull are exempt from federal safety rules.

This wanton disregard for public safety prompted the Violence Policy Center in Washington, DC, to publish a report in 1994 calling for Congress to regulate guns and ammunition just as it does virtually every other dangerous consumer product. The report, *Cease Fire: A Comprehensive Strategy to Reduce Firearms Violence*, noted that the lack of regulation is one reason the gun industry has been so successful in developing new products and new markets since the late 1980s, when saturation of the traditional market — adult White males — resulted in a sales slump. To reinvigorate profits, the industry redesigned and expanded its product lines to apply military and law enforcement technology to the civilian market, making cheaper, smaller, lighter, more portable, and more concealable weapons of ever greater firepower.

The industry also turned increasingly to women and youths as potential customers. Its efforts to market guns to those populations were the subjects of two additional reports by the Violence Policy Center in 1994. A report on the industry's strategy for using federal tax dollars to market to children, *"Use the Schools" — How Federal Tax Dollars Are Spent to Market Guns to Kids*, documented how the leading firearms

trade association, the National Sports Shooting Foundation (NSSF), used a \$229,000 federal grant in 1993 to update and expand its school program materials. The report also quoted NSSF advice to gun manufacturers:

There's a way to help insure that new faces and pocketbooks will continue to patronize your business: Use the schools. This is where most of your potential down-the-line shooters and hunters now are....Schools collect...a large number of minds and bodies that are important to your future well-being. How else would you get these potential customers and future leaders together to receive your message...?

Another Violence Policy Center report, *Female Persuasion*, analyzed the gun industry's efforts to market guns to women by playing on their fear of unknown intruders and emphasizing the power associated with owning a firearm. The report reproduced one ad featuring a mother tucking her child into bed. The headline states, "[Y]ou always have a right to protect yourself in your home. Even more important, you have a responsibility to be there for those who depend on you. . . . For protecting yourself and your loved ones, we recommend a dependable...semiautomatic pistol." This ad also appeared in an industry publication under the arrestingly honest headline: "You Might Think This Ad Is About Handguns. It's Really About Doubling Your Business."

Handguns: myth vs. reality

CDF launched a public education campaign in 1994 to alert parents and other adults to the tragic toll of guns on American children and about the risks of keeping guns at home, particularly handguns. While handguns represent only about one-third of all guns in the United States, they were used to commit more than 55 percent of all murders and more than 80 percent of all firearm murders in 1992. Handguns are used in about 70 percent of all adolescent suicides in which a firearm is the suicide weapon, and they account for 50 to 60 percent of all accidental firearm deaths among children.

CDF's public education campaign includes television public service announcements, posters for mass transit systems, and print ads calling attention to the fact that firearms are not regulated as dangerous products and challenging the gun industry's claim that guns make families safer. One ad — bearing the headline "A Gun in the Home Can Mean the Difference Between an Argument and a Funeral" — cites

research showing that a gun in the home is 18 times more likely to kill someone living in the home than to kill an intruder, even when suicides are omitted.

Guns in schools

Violence has invaded schools as well as the streets. The NIJ study at 10 inner-city public high schools in California, Louisiana, New Jersey, and Illinois released in January 1995 found that one in five of the students surveyed (one in three males) had been shot at, stabbed, or otherwise injured with a weapon at school or in transit to or from school in the past few years. Two-thirds personally knew someone who carried a weapon to school and one in four reported carrying weapons while in school. These findings are similar to the results of a 1993 Metropolitan Life survey in which nearly one in four students reported being a victim of violence in or near a school.

In 1994, Congress used both the Clinton administration's new Goals 2000: Educate America Act and the reauthorized Elementary and Secondary Education Act (ESEA) to require school administrators to implement mandatory expulsion rules for gun possession. Each act ties federal funding to state requirements that school districts expel for at least one year any student who brings a firearm to school. The ESEA also requires school districts to refer any student who brings a firearm or other weapon to school to the criminal justice or juvenile justice system.

While it is critical that schools be safe places of learning for all children, mandatory expulsion laws can create new problems if they fail, as those in ESEA and Goals 2000 do, to require alternative education programs for expelled students. It is not in anyone's best interest to remove troubled young people from adult supervision by putting them out on the streets. Taking youths completely out of any structured school environment increases the likelihood they will drop out permanently, putting them at even greater risk of delinquency.

Juvenile justice and the 1994 crime law

The Youth Handgun Safety Act contained in the 1994 crime law makes the possession of a handgun by a minor a federal crime — a provision of great concern to child advocates and juvenile justice experts. While keeping guns out of the hands of juveniles is crucial, federalizing the crime of possession — which is not a crime for adults — is an

ill-conceived policy. First, the federal judicial system is not set up to deal effectively with the large influx of juveniles who may be charged with possession of a handgun under this provision. Second, imprisoning adolescents for gun possession, while refusing to regulate the manufacture, sale, and possession of guns by adults or to take other measures to reduce the flow of guns into society at large, is almost certain to be ineffective and, in the end, only punishes children for unwise public policies made by adults.

Another worrisome provision of the crime law lowers from 15 to 13 years the minimum age at which minors may be tried as adults in federal courts for certain violent crimes committed on federal property. Although juveniles must be held accountable for their actions, their behavior does not change the fact that they are children. Society must continue seeking to rehabilitate *as well as* to punish minors who engage in acts of violence. The juvenile justice system, while itself in need of reform, is still better suited than the adult system to meet this challenge.

The new federal law permitting younger children to be tried as adults in federal court is similar to laws already in place and increasingly employed in a number of states. The *National Law Journal* reported in 1994 that adult certification of juveniles accused of crimes has increased dramatically in the past five years, citing statistics from several major urban prosecutors' offices. In Houston, requests for adult certification increased from 10 cases in 1988 to 102 in the first half of 1994. In Chicago, certifications jumped from 69 in 1989 to 383 in 1992, and in Los Angeles from 245 in 1988 to 622 in 1993. Continuing this trend, in 1994 a number of states, including Tennessee and Michigan, made technical changes to their statutes that could result in many more youths moving through the adult court system.

At the same time, both juvenile court judges and juvenile justice experts highlighted the need for improved rehabilitation programs for juveniles. When the *National Law Journal* surveyed 200 juvenile court judges in 1994 regarding the state of juvenile justice in the United States, fully 84 percent expressed a desire for a wider range of rehabilitation options for the youths that come before them. Three-quarters of the judges said that well-financed, first-rate rehabilitation programs — were they available — would reclaim most youths who come through their courts. Only about 10 percent could not be reclaimed, said nearly half of the judges.

In its 1994 report *Images and Reality: Juvenile Crime, Youth Violence, and Public Policy*, the National Council on Crime and Delinquency (NCCD) recom-

mended that states develop a continuum of rehabilitative programs for young offenders that includes intermediate sanctions (restitution and community service, for example), well-structured community-based programs for those who need more attention, and small secure facilities for the most serious offenders, with sound re-entry and after-care services.

At present, according to NCCD research, less than 14 percent of the young people in the juvenile corrections systems of 28 states were being held for serious violent offenses, although many states claim a shortage of facilities for violent juveniles. More than half of the juveniles in those state correction facilities were there for property and drug crimes.

State response: Caring Communities Program

The Caring Communities Programs (CCP) in Missouri are the kind of prevention-focused integrated service delivery systems that the new federal crime prevention money can help fund. Located at four elementary and two middle schools, CCP aims to strengthen families so they are better able to support and guide their children's development. To ensure that children perform well in school and stay out of the juvenile justice system, CCP offers families early help when children have problems in school and makes sure families get crisis intervention services when necessary.

The first program was started in 1989 at Walbridge Elementary School in an almost exclusively African American neighborhood in north St. Louis, where poverty and unemployment are high and fewer than half of the adults have completed high school. Then, as now, most families enter CCP when the school refers a child, although occasionally a referral comes from juvenile court or another agency. Parents then are invited to attend a parent conference with the child's teachers and CCP staff. During the meeting CCP staff tries to establish a positive, supportive relationship with the family, explaining that any plan to address the child's difficulties will be a team effort involving CCP, the school, and the parents.

Family strengths are identified and nurtured, while family problems such as substance abuse, unemployment, and underdeveloped parenting skills are acknowledged, discussed, and addressed. CCP offers families access to a wide variety of activities and services, and a staff member coordinates and tracks the various pieces of each participating family's service plan. During regular meetings with the CPP

coordinator, the parents and teachers assess the effectiveness of the approaches that are employed.

Following is a sample of the many services and programs available to children and their families through CCP:

- ◆ The Latchkey Program serves breakfast and an afternoon snack, offers before- and after-school activities, and provides a safe place where children can work on and receive help with homework. Parents with children in the program must attend parenting or job training classes.
- ◆ The Day Treatment Program offers school-based counseling and behavior modification for children with behavioral problems.
- ◆ Families First, the state-funded family preservation program, provides intensive in-home crisis intervention and conflict resolution services for families at risk of having a child placed in foster care or another out-of-home setting.
- ◆ Substance abuse case management provides counseling to youths and their families and offers groups for family members to help them deal with co-dependency.
- ◆ The Teen Drop-in Center develops positive peer groups as counterweights to gangs and provides drug-free recreation as an alternative to destructive activities.
- ◆ Health screenings, referral to appropriate treatment, and health monitoring are available to all families.
- ◆ An anti-gang and anti-drug task force, in partnership with the St. Louis police department, involves students, parents, and community activists in setting up and operating Neighborhood Watch programs and picketing known drug houses to make the entire neighborhood a safer, more nurturing environment for children and families. In five years, task force picketing has shut down 18 crack houses in Walnut Park.

A CCP advisory board composed of neighborhood residents, parents, school personnel, and community, civic, and religious leaders assures community input and involvement in the program and in efforts to expand its impact to the larger community.

A preliminary evaluation of CCP at Walbridge was conducted by independent researchers at the end of 1991. Data showed that, although the children who needed the most intensive services — case management and Families First in-home services — had the greatest academic difficulties of all the participants, the children who received these intensive services had large and consistent improvements in their

academic performance. The longer these children were tracked, the greater their improvements.

The Walbridge CCP was replicated in another elementary school and a middle school in the same neighborhood and expanded into an additional middle school and two elementary schools in a second neighborhood. A Caring Communities Project in rural northern Missouri offers many of the basic services available in the urban programs.

As an initiative of the Missouri departments of education, social services, health, and mental health, CCP receives half of its annual budget (about \$500,000 for each participating school) from the state. One-quarter comes from the federal drug and alcohol abuse block grant. The Danforth Foundation and Civic Progress, a St. Louis civic organization, contribute 15 to 20 percent of the budget, and about 10 percent comes from the St. Louis Public Schools.

Recommendations

Concerted actions are required in 1995 to maintain and build on 1994's gains in efforts to reverse the senseless proliferation of guns and growth in gun violence, and to counter the hopelessness and despair that engulf far too many of our young people and contribute to youth crime and violence.

Advocates should:

- ◆ **Fight to retain the 1994 crime bill's major focus on prevention.** It is essential that the new Congress, as it alters many parts of last year's crime bill, maintain the youth violence prevention thrust that was one of the most hopeful parts of the 1994 law. Programs like Ounce of Prevention and Community Schools get children off to a strong start in life and give them alternatives to lives of violence on the streets.
- ◆ **Fight also to keep the Brady bill and assault weapons ban** intact against new congressional attacks and to promote new restrictions on the manufacture, sale, and possession of non sporting firearms and ammunition. Call on federal and state policy makers to stand up to the National Rifle Association and the gun manufacturers' lobby in a comprehensive effort to reduce the deadliness of violence in America and to reclaim the streets for our children and families.
- ◆ **Build constructive alternatives and beacons of hope for our poorest and most disadvantaged children and youths.** Work at the federal, state, and local levels to combat child and family poverty

and expand opportunities for work and learning. Remind lawmakers and community leaders that jobs, training, summer and after-school programs, and high quality schools all are less expensive over time than the spiraling prison, health, and human costs of the carnage now rampant on our streets.

- ◆ **Oppose punitive measures that discard sensible legal protections for children and threaten to**

entrap even more of our young people in the criminal justice system without productive result. It makes no sense automatically to try 13-year-olds as adults for certain crimes. Caution lawmakers against responding to rising public anxiety in ways that will only make matters worse by treating children as hardened adult criminals and thereby producing a self-fulfilling prophecy.

HOUSING AND HOMELESSNESS

The Clinton administration grappled with the problem of homelessness during 1994, but little concrete progress was made toward ensuring all American children safe and stable homes. And although welfare reform was on everyone's mind, the likelihood that sweeping eligibility cuts in welfare would lead to an even greater housing crisis among poor families largely was ignored.

In May the U.S. Department of Housing and Urban Development (HUD) issued a major report and plan to reduce homelessness, along with a proposal to streamline homeless assistance programs. Yet the proposed remedies were sadly anemic compared with the scope of the problem. Then, at the end of the year, the administration announced radical plans to consolidate and reorganize HUD programs, plans that could result in the elimination of thousands of units of low-cost housing and the loss of federal money for housing assistance.

In the absence of significant federal action, a few states created special housing trusts in 1994 to provide a regular, if limited, source of funding for low-income housing and housing assistance. And non-profit organizations, religious and civic groups, and

public-private partnerships continued to devote significant human and financial resources to assisting homeless families and children. Their efforts, while desperately needed, also reinforced the obvious: the housing problems of America's low-income families will not be solved without a national response to deep and pervasive poverty among families with children and significantly greater federal investments in affordable housing.

A snapshot of homelessness

For the past two decades, according to HUD, homelessness has increased faster among families with children than among any other group of Americans. In the 30 cities surveyed by the U.S. Conference of Mayors for its *Status Report on Hunger and Homelessness in America's Cities: 1994*, families with children accounted for, on average, about 39 percent of the homeless population. One in every four individuals reported as homeless was a child younger than 18. And homelessness still is growing. Requests by families for emergency shelter increased in all but three of the surveyed cities in 1994, with an average increase of 21 percent. In contrast, the number of emergency shelter beds for families grew only an

estimated 3 percent. One-quarter of homeless families' requests for shelter went unmet during the year, primarily for lack of resources, said city officials.

Wasting America's Future: The Children's Defense Fund's Report on the Costs of Child Poverty documents that many children without permanent housing suffer physically, emotionally, and educationally. Among the myriad problems they face, homeless children have higher rates of infant mortality, more severe health problems, and a reduced chance of being immunized than other poor children. Homeless children also are at greater risk of missing school.

The housing problems of poor families

Even when their families are not homeless, poor children are likely to be plagued by housing problems. A 1994 paper by HUD economist Kathryn Nelson and co-author F. Stevens Redburn concluded that 2.1 million poor families with children have "worst-case" housing situations: they do not receive housing assistance and either pay more than half of their income for rent, live in substandard housing, have been involuntarily displaced, or suffer a combination of these circumstances. These 2.1 million families make up more than half—57 percent—of all families with children eligible for federal housing assistance, according to Nelson and Redburn. Forty-eight percent of worst-case households

receive Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI), and 60 percent get food stamps.

Housing and employment problems tend to keep poor families on the move. Poor children move about twice as often as nonpoor children, and each move, according to *Wasting America's Future*, is estimated to diminish a child's chances of finishing high school by more than 2 percentage points, when other factors are constant.

Overcrowding, utility shut-offs, and inadequate heating create health problems for poorly housed children. Cockroach and rodent infestation, typical of low-cost housing, causes allergies, respiratory problems, and asthma in children. In addition, poor children are three times more likely than other children to live in homes with peeling paint or falling plaster, which create a danger of lead poisoning. Children between the ages of one and five living in low-income families are three times more likely than those in moderate-income families to have harmful amounts of lead in their bloodstreams.

Separation from their families is perhaps the most devastating impact of poor housing and homelessness on children. In more than half of the cities surveyed by the U.S. Conference of Mayors in 1994, homeless families sometimes had to break up to stay in emergency shelters. And a number of states and localities report that between 15 and 30 percent of children in foster care were removed from their families or re-

Key Facts

- ◆ One in four people reported as homeless is a child younger than 18.
- ◆ Nearly half of poor households pay more than 50 percent of their incomes for housing.
- ◆ An estimated 1.2 million families are on waiting lists for public housing.
- ◆ Claims of discrimination against families with children account for 23 percent of all housing discrimination complaints.

mained in care primarily because of housing problems.

Such reports prompted children's advocates to work hard in 1994 to convince Congress to continue the Family Unification Program, a Section 8 rental assistance program for families with children at risk of entering or remaining in foster care because of homelessness or inadequate housing. The administration had proposed eliminating the program, in which 16 states designated by Congress and HUD currently participate. In 1994 a total of 1,651 Section 8 housing certificates, good for five years, were available through the program to keep families together. In the end, Congress funded the program at almost that same level for FY 1995.

Housing assistance and welfare

Although it is commonly assumed that most families receiving AFDC also receive housing assistance, the opposite is true. Fewer than one-quarter (23 percent) of welfare families also have federal or other housing subsidies or live in public housing, according to the U.S. Department of Health and Human Services (HHS). Nearly two-thirds of AFDC families rent in the private housing market without subsidies. As the value of AFDC benefits has declined, these families have had to spend ever-increasing portions of their AFDC benefits on rent, making them highly vulnerable to eviction and

homelessness. A 1992 study by the HHS Inspector General's Office found that almost 70 percent of all families interviewed in shelters for homeless families were receiving AFDC benefits. New York City has reported that 95 percent of those entering shelter in the city are receiving AFDC. Welfare reform could have an enormous impact on AFDC families' ability to provide shelter for their children. Responsible reform could prevent and reduce homelessness by helping recipients obtain work at decent wages, receive health care and child care assistance, and accumulate the assets needed to move into permanent housing. On the other hand, policies that arbitrarily cut back or deny families welfare benefits could force many families into the streets, overwhelming state and local homeless assistance efforts and exposing many more children to harm. Nonetheless, the major welfare reform proposals of 1994 were largely silent on the issue of housing, and many raised precisely those risks.

New assessments of housing problems

In May the Clinton administration released *Priority: Home! The Federal Plan to Break the Cycle of Homelessness*, developed by a 17-member federal interagency task force. It followed the February release of a congressional task force's report on home-

lessness. The two reports covered much of the same ground and reached similar conclusions.

Both documents discussed the sharp decline in the supply of affordable housing over the past two decades, noting that those with the lowest incomes were most affected. In 1991, according to *Priority: Home!*, the poorest one-quarter of renters totaled nearly 8 million households, yet fewer than 3 million housing units were affordable to this group. This "affordability gap" of 5 million units in 1991 had grown by almost 4 million since 1970. (According to HUD's standard, "affordable" housing is that which costs no more than 30 percent of a household's adjusted income, yet nearly half of poor households pay more than 50 percent of their incomes for housing.)

Large reductions in rental housing assistance to low-income persons also have contributed to homelessness, said the congressional report. A later report from the Congressional Budget Office stated that annual budget authority for housing aid has fallen from \$69 billion in 1977 to \$17 billion in 1995 in inflation-adjusted dollars. The number of additional assisted units funded each year dropped from more than 300,000 in the late 1970s to fewer than 60,000 by 1991.

Although the congressional and administration reports credited the Stewart B. McKinney Homeless Assistance Act for funding emergency services for homeless citizens, they both noted the small amount

of resources distributed under the act, the fragmentation of the federal response under McKinney, and its failure to address the root causes of homelessness. Both analyses called on mainstream programs such as food stamps, job training, and child care assistance to do more to help families avoid poverty and homelessness, and the congressional task force also recommended increasing the minimum wage and improving income support programs such as SSI and AFDC.

The administration's actions

P*riority: Home!* presented a package of legislative and administrative actions to streamline homeless programs, increase local control, and promote the development of local "continuum of care" systems that move homeless people in incremental steps from emergency services to transitional housing and social services to permanent housing. On the legislative front, HUD proposed to reorganize and consolidate the McKinney act programs into one homeless assistance block grant, including the proposal in its 1994 housing reauthorization bill. That bill died in the 103rd Congress, however, putting the block grant consolidation on hold. Nonetheless, Congress did appropriate the \$1.12 billion the administration requested for the McKinney act programs — a 36 percent increase over the combined 1994 level of funding.

Despite Congress' failure to act on the McKinney program consolidation and block grant, HUD implemented new administrative procedures in 1994 to promote program coordination. Titled the Consolidated Plan, the new rules require just one community planning and application process for a variety of HUD's homeless and housing initiatives — including McKinney programs — to be overseen by a local board on which homeless people and their advocates are represented. Federal funds will be distributed according to a formula based on need, once a community's plan is approved. With reduced federal oversight of the planning process, however, there is a danger that local politics may cause federal funding to be diverted from those who most need services.

The second wave of restructuring plans

At the end of the year, HUD's earlier consolidation efforts were eclipsed by its announcement of far more radical plans to reorganize and simplify HUD and revamp federal housing programs, all aimed at heading off proposals to eliminate the department altogether. Secretary Henry Cisneros called for consolidation of 60 of HUD's major programs into three "performance-based grants" by 1998. HUD expects the restructuring, which would cut staff by one-third, to save more

than \$800 million in administrative expenses over five years.

The first performance grant, called "Housing Certificates for Families and Individuals," would combine over three years all rent subsidy programs with public housing construction and renovation programs. All housing assistance would be "tenant based," meaning that tenants would receive housing subsidies to use wherever they chose, and public housing would compete with the private market for tenants.

The second grant, the "Affordable Housing Fund," ultimately would group together homeless assistance programs with programs to increase homeownership opportunities for low-income Americans and those with special needs. The homeless programs, however, would not be folded in until FY 1998. The third grant, the "Community Opportunity Fund," would focus on community development and would include the existing Community Development Block Grant program, other economic development initiatives, and the YouthBuild program.

Designed with little input from tenants, public housing officials, or Congress, HUD's proposal raises fundamental questions about the appropriate roles for federal, state, and local government in addressing housing needs. Although increasing states' ability to use federal funding flexibly to meet local needs is a positive goal, there are serious risks if the federal

government does not insist on enough state and local accountability to ensure the proper use of funds.

Portable housing subsidies for families and individuals could encourage mobility and help reduce high concentrations of low-income families in resource-poor neighborhoods. But that benefit may be offset by the loss of large numbers of low-income housing units. Replacing project-based housing assistance with household-based subsidies would result in less low-cost housing because assistance to individuals does not lead as directly to the creation or maintenance of low-income housing. Moreover, the administration's proposal does not appear to consider the difficulties some housing authorities would face in properly maintaining housing projects if they lost significant numbers of tenants and, with them, significant operating revenue.

It's also likely that many landlords may be unwilling to participate in a household-based assistance program, especially in tight housing markets where they can command rents that may be higher than low-income families can afford, even with subsidies.

Advocates also worry that funding cutbacks are likely to accompany such massive consolidations at a time when current investments do not begin to meet the need for housing assistance. Although funding for Section 8 assistance was more than doubled last year, HUD estimates that 1 million families currently are waiting for Section 8 housing assistance. HUD also estimates that 1.2 million families are on waiting lists for public housing. It seems certain that sharply reduced spending, however efficiently administered, would lead to even greater housing difficulties and more homelessness for poor families.

Housing discrimination

The Contract with America, endorsed by most Republican House members and candidates during the 1994 election campaign, contains a provision that would make it more difficult than ever for low-income families to find adequate housing by weakening the law that protects families against housing discrimination. The 1988 law barring discrimination against families with children exempts housing for older persons if it provides "significant facilities and services" specially designed for older residents. The contract proposes to repeal this "significant facilities" test, making it possible for communities to discriminate against families with children by falsely claiming to be housing strictly intended for senior citizens.

According to HUD, discrimination against families with children continues even with the stronger protections contained in current law. A total of 10,522 complaints of housing discrimination against families with children were filed between early 1989 and the fall of 1994. In FY 1994, 23 percent of all housing discrimination complaints charged discrimination against families with children.

Educating homeless children

Congress reauthorized the Education for Homeless Children Program in 1994 as part of the Elementary and Secondary Education Act, adding new language clarifying that local school districts must, to the extent possible, allow homeless children to attend the schools their parents request.

Meanwhile, Illinois enacted its own education act for homeless children. It requires schools to provide or arrange for transportation to school for homeless children if parents are unable to do so. It also requires schools to enroll homeless children even if the families cannot provide medical records, proof of residency, or other required documents. School officials, rather than parents, are responsible for obtaining a homeless child's records from previous schools.

In a 1994 court case regarding the education of homeless children, the federal appeals court in Washington, DC, ruled that homeless children have an enforceable right to an education under federal law. The original suit against the District of Columbia had charged that the city was violating the McKinney act by failing, among other things, to ensure homeless children access to public school education and transportation to school. The city had claimed the children had no right to sue for enforcement of the act.

New state trust funds for housing

A few states created housing trust funds in 1994 to generate targeted revenues to expand housing for low-income families and individuals. Although the amount of money expected to be generated is modest, the initiatives are a positive sign of growing state interest in innovative solutions to their citizens' housing problems.

In Iowa, the legislature dedicated 5 percent of the revenue collected from a real estate transfer tax to support the state's existing Housing Improvement Fund, which supports low-income housing assistance but previously had no dedicated revenue source. Officials expect approximately \$500,000 in revenue will

be used to provide loans, grants, interest subsidies, or other support to low-income housing sponsors and to individuals.

Missouri created the Missouri Housing Trust Fund in 1994 after six years of work by supporters. A special \$3 fee charged to record officially any legal document is expected to yield as much as \$4 million a year for the fund, which will make loans and grants to a wide variety of initiatives to assist low-income individuals and families with their housing needs. At least half of the money must go toward activities and projects serving households earning 25 percent or less of the state's median income, and none of the funds may be used to aid those earning more than half of the median income.

In Washington State, the city of Spokane was the first to test the public's willingness to use a 1993 state law allowing local jurisdictions to raise property tax levies for 10 years to finance affordable housing for low-income households. Although the measure failed with 45.5 percent of the vote, housing advocates called it a strong first showing. Had it passed, the levy would have generated an estimated \$20 million during its life. The revenue would have provided housing assistance for households earning less than half of the area's median income. The broad-based coalition supporting the measure is expected to try again.

State response: Virginia's Homeless Intervention Program

Finding affordable housing is only part of the battle for low- and moderate-income families with children. When unexpected financial emergencies arise, many families find it a formidable challenge to keep up with rent or mortgage payments so as to maintain their housing.

In 1989, as housing costs soared in Virginia and a growing number of families became homeless as a result of eviction or foreclosure, the state's General Assembly authorized more than \$1 million for a pilot program giving families short-term grants or loans to help prevent homelessness. The program targeted families that previously had been self-sufficient but were experiencing a temporary financial crisis due to an illness, accident, job layoff, or other unavoidable event. The experiment was based on a calculation that it would be more cost-effective for the state to help families get back into or hang on to their homes than to pay for shelters and related costs.

Administered by the Virginia Department of Housing and Community Development, the Homeless Intervention Program (HIP) now works through

a total of 10 (originally eight) local governments, community action agencies, and nonprofit organizations throughout the state, which distribute the HIP loans and grants to eligible households that are homeless or in imminent danger of becoming homeless.

Local service agencies refer individuals and families to HIP offices, where they are interviewed and their capacity for long-term self-sufficiency is evaluated. The HIP staff also verifies applicants' situations with employers, landlords, mortgage holders, and others to guard against fraudulent requests for help. Assistance to those who are eligible is granted on a first-come, first-served basis, accompanied by housing counseling if necessary. Families needing additional social services are referred to appropriate agencies.

Grants, which are paid directly to the landlord, help individuals and families get into or remain in rental housing and need not be repaid. No-interest loans, given for security deposits and mortgage assistance, are to be repaid on a monthly basis, according to the family's income. All money repaid to HIP goes back into the program to help others.

A study of the program's first year, 1990, showed that 1,770 Virginians — of whom nearly half were children — received assistance. About 55 percent of the households receiving help were headed by women, 49 percent were Black, and 47 percent were White. The average family received help for 3.6 months, costing a total of \$1,562, compared with the \$4,403 it costs to shelter a family for the same period of time.

Just as gratifying as the cost savings is the fact that the program spares children the emotional trauma of losing their homes, says Rick Howard, homeless services coordinator for the Alexandria program. In 1994 Alexandria's HIP served 561 individuals, of whom 235 were children. "When a family is evicted from their home and forced into a shelter, their whole life is disrupted," says Howard. "Children, especially, feel alienated if they have to change schools or leave their peers." About 80 percent of households given assistance in 1994 were in stable housing three to four months after receiving help, says Howard.

Alexandria is primarily a rental community, so the program there makes more grants than loans. In 1994 a total of \$283,174 was distributed, with the typical grant amounting to \$1,033. Between 1990 and 1994, 54 Alexandria households received a total of \$44,166 in loans for security deposits or mortgage assistance. At the end of 1994, 13 percent of that total

had been repaid — a repayment record that satisfies HIP, says Howard.

The Virginia legislature has been so pleased with HIP's results it has allocated increased funding each year to expand services. And in Alexandria, the city council has found HIP so effective it has contributed \$100,000 in city funds annually since FY 1993 to enable even more eligible households to stay out of shelters and in their homes.

Recommendations

Advocates have much to do in 1995 to preserve and expand already inadequate housing opportunities for low-income families with children. Proposals to slash housing assistance for millions of low-income families, radical changes in the structure of current housing assistance programs, and proposed eligibility cuts in welfare reform all threaten to increase the housing crisis among poor families even further in the years ahead. Advocates can help by:

- ◆ **Emphasizing the housing needs of poor and homeless families during welfare reform debates.** Take every opportunity to educate and remind both federal and state lawmakers about the consequences of ill-conceived welfare reform on families' housing situations. Welfare plans that sharply reduce eligibility and arbitrarily cut off
- benefits would virtually guarantee increased homelessness among families with children.
- ◆ **Urging the administration and Congress to continue investing in the supply of affordable housing.** Help lawmakers and federal officials understand that cuts in housing assistance programs are counterproductive and would increase homelessness. Bureaucratic waste and inefficiency should be attacked directly, not by reducing the assistance that families desperately need to keep their children adequately housed.
- ◆ **Making sure there is full citizen participation in planning for state and local use of any new housing-related block grants.** Broad community participation in planning and overseeing the use of block grant funds will help ensure that funds are targeted to those with the greatest housing needs.
- ◆ **Supporting efforts in your community to help precariously housed families remain in their homes.** Join with others in your community to encourage the adoption of anti-eviction measures and tenant education programs as well as the creation of emergency funds for families needing temporary housing assistance. Insist on the vigorous enforcement of fair housing laws, and urge members of Congress not to weaken anti-discrimination provisions that protect families with children.

TEEN PREGNANCY PREVENTION AND YOUTH DEVELOPMENT

The welfare reform debate drew renewed national attention to teenage pregnancy and childbearing in 1994. Unfortunately, little of the public discussion was directed toward positive solutions — addressing the bleak environments and lack of hope, opportunity, and school success that contribute to many teenagers becoming parents before they are ready. Instead, the conservative leadership in Congress blamed teenagers for what they inaccurately characterized as runaway dependence on welfare in this country and blamed the current welfare system for encouraging unmarried teenagers to have children. The solution proposed in the leadership's Contract with America — denying welfare assistance to unmarried teens and their children — would do little to deter teenage childbearing but is certain to threaten the well-being and future prospects of both teen mothers and their young children.

Yet the year did bring some reason for hope. The birth rate for teenage girls declined in 1992 for the first time in the previous five years, according to data released in 1994. Advocates hoped the drop signaled the start of a downward trend. Newly launched youth employment and national service programs offered

teenagers expanded opportunities to reach their full potential through work and education. Finally, the community-based crime and violence prevention and youth development programs included in the 1994 crime bill, though under attack by the majority in Congress at the end of the year, still may offer some young people safe havens from often-violent neighborhoods, as well as stronger connections to and guidance from caring adults.

Teen birth rates decline slightly

In 1992 the teen birth rate dropped 2.3 percent from the 1991 level, according to data released by the Centers for Disease Control and Prevention (CDC). However, the proportion of teen births that were to unmarried teens reached the highest level ever recorded.

In 1992 there were 505,419 births to girls ages 15 to 19, for a rate of 60.7 births per 1,000 girls. In contrast, there were 519,577 births to teen girls in 1991, for a rate of 62.1. The drop follows a steady increase between 1986 and 1991, and there is no way to know whether it is a one-time event or the beginning of a downward trend. The rate still is considerably higher than those experienced throughout most

of the 1980s. Virtually all of the decline occurred among teens ages 15 to 17.

In light of recently reported declines in the teenage abortion rate, both the CDC and the Alan Guttmacher Institute (AGI) believe that the drop in the teen birth rate reflects a corresponding decline in the teen pregnancy rate (although teen pregnancy data are only estimates). In its 1994 report, *Sex and America's Teenagers*, AGI estimated a 19 percent decline in the pregnancy rate among sexually experienced teenagers between 1972 and 1990, falling from 254 to 208 pregnancies per 1,000 teenage girls ages 15 to 19. (Because the number of teenagers having sexual intercourse doubled during this time, however, the number of pregnancies remained more or less constant at about 1 million per year.) AGI and CDC data suggest that sexually active teenagers increasingly are likely to use some form of contraception on a regular basis, a trend that may be contributing to declines in both teenage pregnancy and childbearing rates. There is also some evidence that the proportion of teenagers who are sexually active may no longer be rising.

These statistics, as well as a number of recent studies, suggest that family life education may be beginning to make a positive difference in teens' sexual behavior. Two 1993 studies by the World Health Organization (WHO) Global Programme on AIDS found no support for the claim that sex education causes sexual experimentation or increased sexual

activity among adolescents. In fact, the WHO reports — which examined research findings from dozens of separate studies from recent years — concluded that if education programs had any effect, it was in leading teens to postpone sexual activity or to use contraceptives. A 1994 paper by Douglas Kirby titled "School-Based Programs Reduce Sexual Risk-Taking Behaviors" also reported no evidence that sexuality or HIV education programs hasten the onset of intercourse among teenagers or increase the frequency of sexual activity.

Similar to the overall teen birth rate, the birth rate for *unmarried* girls ages 15 to 19 in 1992 fell slightly, to 44.6 births per 1,000 girls from 44.8 births per 1,000 girls in 1991. A total of 365,000 babies were born to unmarried teens in 1992. Although here, too, it is impossible to know whether this small decline is a one-year pause or the beginning of a downward trend, this was the first time since 1978 that the birth rate for unmarried teenage girls had fallen.

For many years the proportion of all teen births that are to unmarried teens has been rising — a trend fueled by rising birth rates and falling marriage rates among teenage girls, as well as declining birth rates among married teens. In 1992, while the birth rate among unmarried teen girls did not rise, births to married teenage girls continued to fall. As a result, the proportion of all teen births that were to unmar-

Key Facts

- ◆ The teen birth rate dropped slightly between 1991 and 1992, to 60.7 births per 1,000 teen girls.
- ◆ Fully 83 percent of teens who give birth are from economically disadvantaged households.
- ◆ Only three in five teen mothers received early prenatal care in 1992; one in 10 received late or no prenatal care.
- ◆ Illegal drug and alcohol use both increased among teens between 1992 and 1993.

ried teens in 1992 reached a record high of more than 70 percent.

Job prospects improve but wages stagnate

The immediate employment outlook for teenagers improved slightly during 1994, with the number of teens with jobs rising by 161,000. While the seasonally adjusted teen unemployment rate in January 1994 stood at 18.5 percent, by December it had fallen to 17.2 percent. Comparisons with previous years are hampered by technical changes made in 1994 in the government's unemployment data, but teen unemployment still appears to be higher than it was at the start of the 1990 recession.

Although slightly greater numbers of young workers are finding jobs, their wages continue to erode. In part because of the federal government's failure to boost the minimum wage, the median hourly wage of workers ages 16 to 19 was \$4.79 in 1993, down by 2 percent from its level a year earlier after adjusting for inflation.

Long-term earning trends for young workers without college education reveal how significantly their economic prospects have deteriorated, particularly among young men entering the work force. Inflation-adjusted wages have dropped steadily for all teens, falling by 24 percent since 1973. Between 1973

and 1993 hourly wages for male entry-level workers with only high school diplomas plummeted 30 percent after adjusting for inflation, according to the Economic Policy Institute. Among male entry-level workers with college degrees, inflation-adjusted wages dropped 8 percent.

Teen drug use rises

Two separate surveys released in 1994 documented an increase in teen drug and alcohol use between 1992 and 1993. The percentage of twelfth-graders who said they had used an illicit drug within the previous 30 days ("current" use) rose from 14.4 percent in 1992 to 18.3 percent in 1993, with marijuana use increasing most sharply, according to the University of Michigan's Institute for Social Research. Among eighth-graders, there was a 60 percent increase in current marijuana use between 1991 and 1993. The National Household Survey on Drug Abuse also showed an increase in the percentage of teens 12 to 17 using illegal drugs, from 6.1 percent in 1992 to 6.6 percent in 1993.

The household survey revealed a 15 percent jump in current use of alcohol among 12- to 17-year-olds between 1992 and 1993, while the University of Michigan survey showed that more than one in four (26.2 percent) eighth-graders and more than one in two (51 percent) high school seniors "currently" drank alcohol in 1993. That year, more than one in eight

(13.5 percent) eighth-graders and more than one in four (27.5 percent) seniors said they had engaged in "binge" drinking, defined as consuming five drinks or more in a row, within the previous two weeks.

New data on causes, consequences of teenage childbearing

Research by Northeastern University's Center for Labor Market Studies (CLMS) and CDF in 1994 provided another reminder that, for many teenagers, the primary cause of early pregnancy and childbearing appears to be a lack of hope and opportunity — problems that require community efforts to create positive life options for poor and minority adolescents who now see no reason to postpone sexual activity, pregnancy, and childbearing.

Poverty and weak basic academic skills, two of the most obvious impediments to hope and opportunity, are linked closely with teenage childbearing. Fully 83 percent of adolescents who give birth, as reported by the AGI, are from economically disadvantaged households, although just 38 percent of all teenage girls are from such families. According to newly analyzed data from the National Longitudinal Survey of Youth (NLSY), as family income rises, the proportion of teens who become teen mothers declines. In fact, four out of 10 poor teens became teen mothers, compared with one out of 10 teens in the highest income bracket.

The same NLSY data reveal that three out of eight teens with the weakest basic academic skills (as measured by the Armed Forces Qualifying Test) became teen mothers, compared with only one out of 20 teens with the strongest skills. The combination of poverty and weak basic academic skills helps explain seemingly large differences in teen birth rates across race and ethnic groups. Using NLSY data, the CLMS calculated in 1994 that all Black-White differences in teen childbearing rates (as well as roughly 70 percent of the difference in out-of-wedlock teen childbearing rates) can be accounted for by greater poverty and lower basic academic skills among young Black mothers.

One of the reasons adolescent childbearing poses a serious threat to the health and development of the next generation is that teen mothers are far more likely than those in their twenties to receive late or no prenatal care and to have babies born at low birthweight. The proportion of teens receiving prenatal care remained shockingly low in 1992 — only three in five teen mothers ages 15 to 19 received prenatal care during the first trimester, while one in 10 either received no prenatal care or obtained such care only in the third trimester. Black and Latina teen mothers in this age group are nearly one and a half times more likely to receive late or no prenatal care than White teen mothers. For all racial and ethnic groups, receipt of early prenatal care is even less likely for the small

but highly vulnerable group of girls younger than 15: only 43 percent got early prenatal care in 1992.

Partly because so many teen mothers fail to receive early prenatal care, the percentage of their babies born at low birthweight (below 5.5 pounds) remains frighteningly high. Nearly one in 10 births to all teen mothers ages 15 to 19 — and more than one in eight births to Black teen mothers in this age group — were at low birthweight. Infants born at low birthweight are 20 times more likely to die in infancy, and those who survive remain at much greater risk of such lifelong disabilities as mental retardation, blindness, deafness, cerebral palsy, and other health problems.

Early childbearing, particularly by unmarried girls, also has an enormous impact on teens' subsequent education, earnings, and poverty status. Analyses of data from the NLSY illustrate some of these consequences for teen parents, including:

- ◆ Limited education. Teen mothers were three times more likely to drop out of school than mothers who delayed childbearing until they were in their twenties.
- ◆ Lower earnings. Unmarried teen mothers had average annual earnings of less than \$7,300 in 1989, compared with nearly \$8,800 for unmarried mothers who did not give birth until they were in their twenties.
- ◆ Higher poverty rates. During the period covered by the NLSY, unmarried teen mothers spent 5.3 years living in poverty, compared with 4.1 years

in poverty for unmarried mothers who delayed childbearing until they were in their twenties.

To reduce too-early pregnancy and childbearing, communities must make sure children grow up acquiring the motivation as well as the knowledge and capacity to prevent pregnancy. Children and their families must have access to jobs that provide a decent standard of living, adequate nutrition and housing, and services to meet special needs. Children must have access to an education that provides them with the solid academic skills on which long-term employability, self-esteem, and confidence in the future are based. For youths who are not doing well in school, non-academic avenues for success are crucial. Children also need links to caring adults who provide positive role models, values, and encouragement. Without such comprehensive supports for children as they grow toward adulthood, there is little chance of achieving a major reduction in too-early childbearing among America's teenagers.

Welfare reform focuses on teen childbearing

During 1994 conservatives used the welfare reform debate to press their claims that Aid to Families with Dependent Children (AFDC) encourages teenage pregnancy and has filled the welfare rolls with unmarried teenagers. In fact,

teenagers younger than 18 account for just 1 percent of all parents now receiving AFDC — fewer than 50,000 out of 4 million parents receiving AFDC nationwide. Nor is the assertion that welfare encourages teenage childbearing supported by research. In June 1994, 76 prominent economists and social scientists who examined the relationship between welfare and out-of-wedlock childbearing issued a joint statement stressing that no significant correlation exists between births to unmarried women and the amount of welfare benefits provided by various states.

Moreover, the large and troubling increase in the proportion of children born to never-married mothers — from 17 percent in 1979 to 30 percent in 1992 — has occurred during a period in which the value of the average AFDC benefit (adjusted for inflation) was reduced by nearly half.

A 1994 study by the Center for Law and Social Policy (CLASP) did confirm that the precarious economic circumstances of many teenage mothers often forces them to turn to AFDC for at least temporary help. In 1990 slightly more than half (51 percent) of all mothers receiving AFDC had their first child when they were younger than 20. Yet the CLASP study challenged the myth that most teen parents remain on AFDC for extended periods. Analyzing data from the NLSY, CLASP found that 40 percent of unmarried teenage mothers leave AFDC within one year, and 70 percent leave within four years.

The Clinton administration responded to concerns about teen parents on welfare by incorporating tough new provisions in its 1994 welfare reform plan. Under that proposal, all minor parents would be required to live at home or in a supervised group setting as a condition of receiving AFDC benefits and would be required to stay in school. Unmarried minor mothers would be required to identify their child's father, and teen fathers would be held responsible for child support. Upon reaching their eighteenth birthdays, mothers who had received benefits for two years would be required to work 15 to 35 hours per week. Teen parents would be provided with caseworkers to assist with living arrangements and obtaining services such as parenting classes and child care. Selected older welfare mothers would serve as mentors to school-age parents. States would have the option to use a combination of monetary incentives and sanctions to help keep teen parents in school, attending GED classes, or participating in parenting activities.

To reduce teen childbearing in the future, the administration also proposed a teen pregnancy prevention campaign that would invest \$300 million over five years in innovative pregnancy prevention programs, focusing on geographic areas with the highest concentrations of middle- and high-school youths at risk of early sexual activity. The program would award grants from \$50,000 to more than \$400,000 to 1,000 schools and community-based

groups across the country. In addition, \$90 million in demonstration grants would be available over five years for seven selected community sites, to provide an intensive array of social, health, and education services to youths ages 10 to 21 to prevent pregnancy.

In contrast, House Republican welfare reform proposals unveiled in the fall of 1994 would have eliminated completely welfare benefits to unmarried teen mothers younger than 18 and *permanently* denied aid to children born to such mothers. The House leadership relented slightly early in 1995 — apparently responding to public concern about the consequences for children — proposing instead to deny benefits to unmarried teen mothers and their children while the mothers are younger than 18. However, states would have the option of denying benefits to children of mothers younger than 21. The money saved would be given back to the states in the form of block grants that could be used to build and maintain orphanages and group homes or to promote the adoption of children who could not be cared for by their parents. (See Family Income chapter for details.)

States expand school-based health centers

The number of school-based health centers nationwide has more than doubled over the past two years, according to findings from a 50-state survey conducted by the Robert Wood Johnson Foundation's Making the Grade project. More than 600 centers now operate in a total of 41 states, providing comprehensive school-based health services for children and youths with unmet health care needs. States as diverse as New York, Louisiana, Iowa, and Virginia have established such centers.

Much of the progress in developing school-based health centers has occurred because states have more than doubled their own investment in centers (from \$9.2 million in 1992 to \$22.3 million in 1994) and have allocated more federal Maternal and Child Health Block Grant funds to such programs. The survey found that 21 states sponsor specific school-based initiatives; eight states promote the model as part of broader school-related health services programs; and five states are considering new steps to support or encourage the development of centers in the near future.

Federal youth employment and service programs get under way

The federal government launched several initiatives in 1994 that will open up new educational and employment opportunities for young people. Young people who do not go directly from high school to college may succeed in gaining a stronger foothold in the job market or postsecondary education as a result of new school-to-work legislation enacted during the year. The School-to-Work Opportunities Act authorizes grants to states to establish innovative job training programs, apprenticeships, and vocational education systems. In July a total of \$43 million in the first round of implementation grants was awarded to eight states — Kentucky, Maine, Massachusetts, Michigan, New Jersey, New York, Oregon, and Wisconsin. Individual state grants ranged from \$2 million to \$10 million (see Education chapter).

In a separate initiative, the U.S. Department of Housing and Urban Development in July awarded \$38 million in grants to 136 organizations in 41 states, Washington, DC, and Puerto Rico to fund YouthBuild programs in cities and rural communities. YouthBuild helps high school dropouts complete their education and gain vocational and construction skills while building affordable housing in low-income communities. Another \$74.1 million has been appropriated by Congress for a second round of grants in 1995, although these funds (and many other federal youth employment funds provided through the Job Training Partnership Act, or JTPA) were in jeopardy as a result of deep budget cuts under consideration by the new Congress as the year began.

Under the auspices of AmeriCorps, the new national service program, 15,000 volunteers started work in all 50 states in September in community service projects that deliver child care, health education, home ownership assistance, and other services in low-income communities. By the end of year, an additional 5,000 AmeriCorps volunteers had been recruited. In exchange for one or two years of service, each AmeriCorps volunteer receives a living allowance of \$7,500 per year; health care; child care, if needed; and an education award of \$4,725 per year of service to help pay for college tuition or pay back a student loan. Volunteers who serve part time and meet certain requirements may receive education awards of \$2,362 per year.

During the summer of 1994, more than 7,000 AmeriCorps volunteers participated in the Summer of Safety program (SOS). Working in 91 public safety

improvement projects in 35 states, the young people helped local police organize Neighborhood Watch programs, conduct violence prevention workshops, and patrol playgrounds and parks.

In 1994, \$155.5 million was distributed to national and state organizations to fund AmeriCorps projects. In 1995, \$262 million is slated for distribution. A total of 100,000 volunteers are expected to participate in the program over the next three years. In early 1995, however, efforts were under way in the House to eliminate the entire 1995 increase for AmeriCorps.

Crime bill debate focuses on youth development

In September President Clinton signed a comprehensive crime bill containing authorization for \$3.6 billion over six years to fund community-based crime and violence prevention programs in areas with high juvenile delinquency and poverty rates. These programs, which may include after-school recreation activities, sports programs, tutoring and mentoring programs, and community service activities, will give youths positive alternatives to gangs, street crime, drug use, and violence. It was expected that 300,000 youths ages five through 18 would benefit from these programs by October 1996. However, with the House considering proposals at the start of the year to fold these youth crime prevention programs into a general law enforcement block grant, the future of these programs was uncertain at press time.

The 1994 crime law contained other provisions that protect the well-being of adolescents and some measures that seriously jeopardize their welfare. Young people will benefit from the 1994 crime law's ban on the manufacture, sale, and possession of 19 types of assault weapons, which have taken a significant toll on the lives American children and adolescents in recent years. At the same time, however, new provisions in the law allowing teenagers as young as 13 to be tried in adult courts threaten to destroy the balance between punishment and rehabilitation that long has been sought through our nation's juvenile justice system (see Violence chapter for details.)

Recommendations

High rates of childbearing and risk-taking among adolescents will persist as long as poor and minority teenagers lack adequate opportunities to learn, work, and develop healthy self-es-

teem. Yet the hope of future success, already too remote to keep many teenagers in school and out of trouble, will be weakened even further in the coming year if investments in key employment, health, and after-school and summer programs are reduced sharply. Advocates can help by:

- ◆ **Urging Congress to reject proposed cuts in summer youth employment, job training, and national service programs for poor and minority teenagers.** Help lawmakers understand that a summer job, community service assignment, or high quality vocational training program can open up possibilities that young people never knew existed. Also, insist that lawmakers resist pressures to reduce investments in proven or carefully targeted programs such as the Job Corps, Youth-Build, and Youth Fair Chance.
- ◆ **Promoting expansion of urgently needed youth development programs that provide constructive alternatives to the streets during nonschool hours and summer months.** Urge members of Congress to preserve the funding set aside in the 1994 crime law for after-school and summer programs offering academic enrichment as well as recreational outlets in poor communities. Emphasize the importance of these activities in reducing risk-taking behavior and reinforcing gains achieved in school.
- ◆ **Establishing and expanding mentoring and tutoring projects in your community.** Urge civic groups, congregations, fraternities and sororities, and other community-based organizations to link poor and minority youths to caring adult role models who can help keep them on track in school and steer them away from too-early pregnancy and childbearing.
- ◆ **Working with state and local officials to build strong family life education programs within schools and adolescent health services that are easily accessible to students.** Build consensus among state and local education and health officials regarding the importance of age-appropriate family life education from elementary through high school. Involve parents to ensure that new initiatives have strong local support and can withstand attacks from small groups of vocal critics. Make sure that health services respond to the full range of teenagers' health and developmental needs.

CHILDREN AND FAMILIES IN CRISIS

New data released in 1994 on child abuse and neglect, domestic violence, illicit drug use, and children in foster care left no doubt that the crises confronting America's most vulnerable children and families are not abating. Yet the year also brought evidence of progress in the manner in which the nation is attacking the complex and interrelated family problems that threaten the futures of so many American children. The federal government, state agencies, private providers, advocates, and families all are beginning to share a common vision of the family-centered, community-based, integrated service systems that are most likely to strengthen fragile families and help them nurture and protect their children.

The year also marked the beginning of a 10-year federal "empowerment zone" initiative to help strengthen poor and distressed communities so that low-income children can grow up in more positive and supportive environments.

Unfortunately, as 1994 ended and the new year began, the Republican Contract with America set forth a welfare reform proposal that would move the nation in the direction of destroying families instead of preserving them. The proposal would deny welfare

assistance to many children and families, dismantle federal child protection services, and leave children with few supports when parents need help to care for them. The proposal would eliminate the guarantee of federal assistance now available for foster care and adoption assistance for children who can't be cared for safely at home and would replace it and other child abuse prevention and treatment services with a capped block grant. This change would put enormous pressures on states to abandon new investments in family support initiatives to replace shortfalls in federal foster care funding.

Children in need of help

Child abuse and neglect remain a major threat to children's well-being, according to data reported in 1994 by the National Committee to Prevent Child Abuse. Authorities confirmed more than 1 million of the nearly 3 million reported cases of abuse or neglect in 1993. Almost half of reported and confirmed cases of maltreatment involve neglect, often the deprivation of necessities, as opposed to physical or sexual abuse. An average of three children die each day from maltreatment. In 1993, 46 percent

of the victims were younger than one year old; 86 percent were younger than five.

Substance abuse by parents is a major contributor to child abuse and neglect, but in 1994 the National Committee to Prevent Child Abuse noted that only 11 states reported having any new initiatives focused on parents' substance abuse and its connection to child abuse. What's more, in 1994 there was new evidence that substance abuse is worsening. In 1993, for the first time in almost a decade, current use of illicit drugs increased among adolescents ages 12 to 17, according to the National Household Survey on Drug Abuse. For young adults ages 18 to 25, 1993 marked the second time current drug use had increased in nearly a decade (the first upturn was in 1991). In 1993, one in four young people ages 18 to 25 reported using illicit drugs in the previous year. This trend not only has worrisome implications for the young people themselves but also for children, since some of these 18- to 25-year-olds already are parents and others soon will be.

A 1994 survey by Peter D. Hart Research Associates, Inc. revealed that the vast majority of Americans believe the nation should be investing more resources in community drug education, treatment, and law enforcement programs and spending less money on drug interdiction. Yet in 1994 the federal government continued to emphasize efforts to control the drug supply and only marginally increased funding for treatment and education.

Efforts to protect children from abuse and neglect resulted in an estimated 464,000 children being cared for in foster family homes, group homes, and residential treatment centers on a single day in 1993. About three-quarters of these children lived with foster families. Although the rapid increase of children in foster care appears to be leveling off, particularly in large urban areas, that good news is offset by the fact that fewer children are leaving foster care. A study published by the Child Welfare Research Center in California in 1994 reported that even very young children are remaining in care for long periods in that state. Twenty-nine percent of children who entered care before their first birthday were still in care after four years.

An estimated 7.7 million children in the United States suffer from serious emotional disorders. Some of the consequences of the nation's inadequate response to their needs were revealed in 1994 by the Chesapeake Institute. Compared with other youths with disabilities, the institute found, students with serious emotional disturbances get lower grades and are more likely to be retained in grade. Forty-eight percent of students with serious emotional disturbances drop out of school between grades nine and 12, compared with 30 percent of students with other disabilities. Among emotionally troubled dropouts, 73 percent are arrested within five years of leaving school.

Key Facts

- ◆ More than 1 million cases of child abuse or neglect were confirmed in 1993, while nearly 3 million children were reported abused or neglected. Almost half of reported and confirmed cases of maltreatment involved neglect.
- ◆ Between 3.3 million and 10 million children are exposed to domestic violence each year. These children are at increased risk of abuse and neglect as well as behavioral and emotional problems.
- ◆ An estimated 464,000 children were in foster family homes, group homes, and residential treatment centers on a single day in 1993. About three-quarters of the children were in foster homes.
- ◆ An estimated 7.7 million children in the United States suffer from serious emotional disorders. Forty-eight percent of these children drop out of school between grades nine and 12.
- ◆ Nearly 4.1 million American children are growing up in neighborhoods in which at least 40 percent of the population is poor.

Legislative activities related to vulnerable children

During 1994 Congress took a number of actions that will aid children with serious emotional disabilities, children affected by domestic violence, and children awaiting adoption. However, Congress included provisions in the 1994 crime law that are likely to impede effective rehabilitation of juvenile offenders.

Children's mental health. Congress gave a significant boost to coordinated community-based services for children with serious emotional disturbances in 1994 by increasing funding for the Child Mental Health Services program from \$35 million to \$60 million. Administered by the Center for Mental Health Services of the U.S. Department of Health and Human Services (HHS), the program provides grants to states, communities, and Indian tribes for collaborative interagency systems of care for children and youths with serious emotional disturbances. In 1994 the program funded 22 initiatives.

Greater recognition of the importance of developing and integrating comprehensive services for children with mental health problems also was evident during the congressional debate on health reform. That debate revealed a remarkable consensus that mental health and substance abuse treatment should be an integral part of a national system of

health care. Major committee bills in both the House and the Senate proposed the establishment of community-based networks of public and private providers offering mental health services to meet the needs of children with serious emotional disabilities and support their families, recognizing that such local service delivery systems most effectively ensure that children's multiple needs are addressed comprehensively. A poll commissioned in 1994 by the Bazelon Center for Mental Health Law revealed enormous public support for immediate health insurance coverage for mental health services for children.

Family violence. In 1994 Congress acted with bipartisan support to assist women affected by domestic violence, passing the Violence Against Women Act, the most comprehensive legislation on domestic violence in U.S. history. Between 3.3 million and 10 million children are exposed to domestic violence each year. These children are at increased risk of abuse and neglect as well as a broad range of behavioral and emotional problems.

Child and spousal abuse also received new attention from the American Bar Association and the American Medical Association in 1994. Both groups urged their memberships to take more leadership in protecting women and children from domestic violence and to promote coordinated and multidisciplinary efforts to reduce domestic violence and its adverse consequences for children. And for the first

time, leaders in the child protection field and those working to stop domestic violence met in 1994 to initiate broader collaboration between their respective constituencies.

Adoption. Congress also took a step in 1994 to address the plight of tens of thousands of children who are free for adoption but linger in foster care because they are members of minority or sibling groups, have disabilities, or are older. To increase such children's chances of finding permanent homes, the new Multi-Ethnic Placement Act requires state child welfare agencies to recruit foster and adoptive families of all races and ethnicities and prohibits state agencies from using the issue of race inappropriately to deny children permanent families.

Juvenile justice. Child advocates observed a sad irony in 1994: the twentieth anniversary of the signing of the Juvenile Justice and Delinquency Prevention Act, enacted with high hopes of improving the nation's ability to address the special needs of juvenile offenders, was marked by passage of the 1994 crime bill, which provides for harsher treatment of some juvenile offenders and allows children as young as 13 to be tried as adults.

These federal policies, which reflect similar trends in many states, ignore evidence of promising new treatment strategies for serious juvenile offenders. These policies also ignore the fact that the vast majority of juveniles are arrested for property crimes and other less serious offenses — not crimes of violence.

Large numbers of these nonviolent offenders nonetheless are separated from their families and confined in juvenile facilities, even though such facilities generally are acknowledged to be breeding grounds for more violent behavior. Few states have developed comprehensive strategies to remedy these counterproductive responses to troubled youths. In fact, the sharp rise in the number of young people in detention increasingly has impaired states' ability even to house and protect these young people adequately, let alone educate and rehabilitate them. A study released in 1994 by the Office of Juvenile Justice and Delinquency Prevention reported that nearly half of the juveniles confined in detention and reception centers, training schools, ranches, farms, and camps across the country were in facilities whose populations exceeded their design capacity. Only 20 to 26 percent of the facilities had adequate bed space, health care, security, or suicide control. Inadequate conditions placed confined juveniles at increased risk of institutional violence, suicidal behavior, and punitive and restrictive discipline measures such as the use of isolation.

Family preservation and support planning gets under way

State planning to implement the most significant national program for helping abused and neglected children and families at risk of abuse in more than a decade got under way in 1994. Under

the Family Preservation and Support Services Program (FPSSP) enacted in 1993, states should receive a total of \$900 million over five years to develop and expand family support and family preservation services and make service delivery systems more responsive to the needs of families. Services will focus on the family as a whole, work with families as members of their communities, and build on families' strengths in an effort to protect children, keep families together, and reduce the need for unnecessary foster care and other out-of-home placements. Family support programs link families to a wide range of voluntary preventive and supportive services that help both parents and children and often are delivered in neighborhood centers or through home-visiting programs. Family preservation services provide more intensive, home-based help for families in crisis.

HHS, which administers the program, issued instructions early in 1994 encouraging states to use the new federal program as a catalyst to develop more comprehensive, coordinated service delivery systems for helping families, building on and extending the best of existing community-based services. States are required first to establish an inclusive planning effort that reaches across agencies and service providers and into communities. The planning group is to assess needs and capacities so it can establish goals for improving services for families and children. It is charged with taking a comprehensive look at services

—beginning before protective services and extending to the point at which a child returns home or moves into an adoptive home. A number of state planning groups have conducted focus groups to hear the views of parents, grandparents, and adoptive and foster parents on changes that are needed in service delivery. Comprehensive Child and Family Services Plans for the Family Preservation and Support Services Program must be submitted to HHS by June 30, 1995.

In Ohio, Missouri, Oregon, and a number of other states, FPSSP planning activities are being incorporated into broader state planning efforts already under way to involve communities in making decisions about the best use of state resources for children and families. In some states, FPSSP planning groups also have forged links with those guiding implementation of the State Court Improvement Program, a federal initiative to help courts assess and reform their own policies and practices in cases relating to child abuse and neglect, foster care, and adoption.

The FPSSP was complemented by a new 10-state demonstration project approved by Congress at the end of the year to heighten the impact of the new reforms. The sites selected by HHS will be able to use their federal foster care, adoption, and child welfare services dollars more flexibly to improve outcomes for children and families and progress toward the FPSSP goals.

Better data to improve services

Several 1994 activities will result in more effective collection and use of data to enhance child welfare services for children and families. During the year, more than three-quarters of the states began making use of increased federal funds available for three years to help states improve their automated data systems for tracking children in the child welfare system.

Advances also were made in refining data collection. One goal of the federally funded Multi-State Foster Care Data Archive at the Chapin Hall Center for Children at the University of Chicago is to supply data that paint a more accurate and complete picture of children in state care. In early 1994 the archive released its first report, presenting five years of data for the five states that together account for nearly half of the children in care — California, Illinois, Michigan, New York, and Texas. These data fully describe the experiences and characteristics of children in care, allowing for the first time comparative analyses of caseloads, rates of entry to care, and the duration of placements. Unlike the annual one-day "snapshots" of children in state care, the data collected by the new data archive do not miss children who move in and out of care quickly and return infrequently.

Two studies released in 1994 also shed more light on the problems and circumstances that bring children and families to the door of the child welfare system in the first place. A detailed analysis of 800 children placed in foster care in the Washington, DC, metropolitan region between February and July 1992 revealed a constellation of problems related to poverty. Forty-eight percent of the children lived in impoverished families with annual incomes of less than \$10,000, according to the study by the Metropolitan Washington Council of Governments. Fifty-six percent had parents who abused drugs or alcohol, and homelessness or inadequate housing had contributed to the foster care placement of one-quarter of the children. Fifty-five percent had siblings in foster care.

A study done for the Alabama Department of Human Resources similarly found that families with children in foster care were likely to have inadequate income and to lack public assistance, including Medicaid; to have a parent who abused drugs or alcohol or had a criminal history; to have a child with serious behavioral problems; and to have had a child previously placed in foster care. Such data reveal the complexity of the problems confronting already distressed families and the need for broad community-based family-focused initiatives.

Building stronger communities

In its 1994 *Kids Count Data Book*, the Annie E. Casey Foundation called attention the millions of children growing up in neighborhoods that are resource poor, overrun by violence, and paralyzed by fear and hopelessness. And an analysis of 1990 Census data by Paul Jargowsky of the University of Texas at Dallas revealed that nearly 4.1 million children live in neighborhoods in which at least 40 percent of the population is poor. Parents in such neighborhoods face terrible odds as they struggle to raise healthy, self-respecting children who are motivated to achieve in school and prepare for productive lives in the mainstream economy. To improve outcomes for children in distressed communities, said the foundation, the nation must combine individual and family-centered services with social and economic initiatives that rebuild community infrastructure.

Responding to poor neighborhoods' need for intensive economic, community, and human services development activities, the federal government in 1993 enacted legislation to funnel new money into selected economically distressed urban and rural areas. At the end of 1994 President Clinton designated eight cities and three rural areas as the nation's first empowerment zones under the 1993 legislation. The empowerment zones will receive millions of dollars in federal grants and tax breaks for businesses to stimulate economic activity and community development efforts. The urban zones — Baltimore, Atlanta, Chicago, Detroit, New York, Los Angeles, Cleveland, and Philadelphia-Camden — will receive between \$90 million and \$125 million in social services block grant funds over 10 years from the U.S. Department of Urban Housing and Development. The rural empowerment zones, eligible for \$40 million in grants, are the Kentucky Highlands; Mid-Delta, Mississippi; and the Rio Grande Valley in south Texas. In addition, 99 other urban and rural areas were designated as "enterprise communities," slated to receive \$3 million grants.

About 500 cities and rural areas competed for the grants by submitting comprehensive revitalization plans to the Community Enterprise Board, co-chaired by Vice President Gore and President Clinton's domestic policy adviser, Carol Rascoe.

State response: Alabama overhauls child welfare system

In 1988 the state of Alabama sent a seven-year-old boy to a psychiatric hospital when his parents divorced because it could not provide alternative community-based services to address the boy's mental health problems. A resulting class action suit charged the state with failing to meet its obligation to provide emotionally disturbed children in or at risk of being placed in foster care with services to help them achieve permanent living situations and success in school.

The state agreed to settle the suit in 1991 through a unique consent decree designed to transform Alabama's child protective services and foster care systems by emphasizing the prevention of out-of-home placement through early intervention and family-focused services in community settings. In the course of carrying out this settlement, the state has become an exciting laboratory in which some of the most promising reforms under way in other states and communities are being implemented in a coordinated fashion. The effort is driven by a commitment to tailor services to meet the specific needs of individual children and families so that children may be kept safely in their homes.

The overhaul is being executed in stages, starting in 1991 with six counties. By the end of 1994, a total of 18 counties had been phased in, and state officials reported that the second-wave counties are changing their systems more quickly than the first six did. The remaining 49 counties will be phased in over the coming four years.

One cornerstone of the reform is an intensive family preservation service program, Family Options, based on the Homebuilders model. Another is Family to Family, a neighborhood-based family foster care program, and a third support takes the form of stepped-up efforts to reunify children with their families and to find adoptive families for children who cannot return home.

Family to Family foster care keeps children in or close to their own neighborhoods so they can maintain a relationship with their birth families even though they live in foster homes. Foster parents are trained to share parenting responsibilities and work closely with birth parents to help bring about the successful reunification of the family whenever possible.

To carry out the new family focus of the family preservation and foster care programs, the state radically changed training for caseworkers and other

agency staff members, emphasizing a highly individualized, family-focused approach. To give caseworkers more time to assist families, the state is hiring new staff and has streamlined administrative and record keeping procedures. The child welfare agency brings in experts from other states to help caseworkers and other staff members work through difficult cases and new administrative challenges.

A variety of strategies have been used to generate additional funding to support these reforms. As required by the consent decree, the state has invested an additional \$18.6 million in child welfare services since FY 1990. And by taking fuller advantage of all federal money available to states for foster care and adoption services and health care, the state increased by \$15.8 million the federal funds it has had to work with during the same period. To make it easier for counties to match dollars with needs, the state also decategorized some funding allocated to counties so they can use the money flexibly.

Such changes already are having a positive effect. In the six counties where reform began and family-focused and community-based services increased, the number of children in out-of-home care dropped 36 percent between 1991 and 1994. While a typical child remained in state care a total of 438 days in 1989, the length of stay in the six reformed counties had dropped to 100 days by 1992. Children in care were less likely than previously to leave their homes, be separated from siblings, or moved frequently. The number of children in group homes, institutions, and other types of congregate care was reduced by 34 percent between 1989 and 1992. In the state as a whole, the number of children in out-of-home care declined by 21 percent between 1991 and 1994.

In 1993, while Alabama was moving ahead on its own reform agenda, Congress enacted the FPSSP. Under this initiative, Alabama received federal money to bring together a broadly representative group to plan for developing and expanding community-based services to support and preserve families. The potential for using the FPSSP planning and funding to expand and complement the ongoing child welfare reforms was obvious.

The FPSSP planning group decided to target some of the new federal money to community initiatives in Birmingham, Huntsville, and Dothan. In Birmingham, at the site of the Family to Family program established under the consent decree reforms, FPSSP funds are supporting a family resource center providing a continuum of family support services for all interested families in the community. Additional family preservation services are also being

developed. In Huntsville, a Healthy Families home-visiting program for families with young children based on Hawaii's model is being established. Dothan is developing a new family service center, and at an additional site in Hale County, planning for a family service delivery system specially designed for a rural area has been started. All of these services are being designed by the communities and families themselves to meet their unique and constantly changing needs.

As the FPSSP efforts and the consent decree reforms move forward together in Alabama, they will complement, extend, strengthen, and support each other. As a result, many more children in Alabama will have a chance at growing up in permanent, nurturing families.

Looking ahead to 1995

The hope of brighter futures for many vulnerable children and families was severely threatened early in 1995 by the House leadership's efforts to destroy the federal entitlement to a foster home, group home, or adoptive family for poor abused and neglected children who cannot live safely with their parents. Under the leadership's proposed Child Protection Block Grant, federal assistance no longer would be guaranteed to states as foster care and adoption caseloads grow.

The proposed block grant would replace about 20 federal programs that serve children who are abused or neglected or at risk of maltreatment. But far from fostering more effective coordination at the local level, the block grant, with its reduced funding, seriously would impair state efforts to expand services to protect children and support families. States' need to use limited block grant funds for foster care for children who are endangered and adoption assistance payments for children with special needs who are already in adoptive families will leave states little, if any, flexibility to expand family support and family preservation services, and may require them to cut back existing ones. Under the block grant, the federal government no longer would have responsibility for making sure that states are taking even the most basic steps to protect children.

At the same time, other provisions in the House welfare reform plan — the Personal Responsibility Act — are likely to increase significantly the demands on state child protection agencies. For example, proposals to deny aid to children born to unmarried teens or mothers already receiving welfare benefits and to children with serious disabilities (see Family Income chapter) would undercut efforts to support and pre-

serve families. Many children with disabilities whose parents now are able to support them at home with cash assistance from the Supplemental Security Income (SSI) program would lose that assistance, forcing some families to turn to the child welfare system for help. In addition, already fragile families would be hurt by proposed reductions in child care assistance, child nutrition programs, and food stamps.

Recommendations

In 1995 advocates must press for expanding and strengthening community-based service delivery systems for families and children, building upon the gains already established. At the same time, advocates must defend against federal efforts to destroy the essential safety net for children, which would inflict great pain and further disadvantage on the most vulnerable families and children and would have a chilling effect on the creation of comprehensive, coordinated, community-based services for these children and families. Advocates also must fight against state efforts to reduce funding for needy families and to shift responsibility, without adequate resources, to the local level.

Advocates can meet these challenges by:

- ◆ **Opposing efforts at the federal level to dismantle the federal safety net programs that offer aid to children who are abused or neglected, hungry, poor, sick, or disabled.** Help lawmakers understand the importance of honoring the decades-old promise that children in need will receive modest help in obtaining the most basic necessities. Work to maintain federal guarantees of foster care and adoption assistance, AFDC, Medicaid, SSI, and child nutrition services and to keep these programs separate from any block grants. Then work with policy makers to consolidate selected programs serving common purposes and similar beneficiaries, to reduce duplication, enhance administrative efficiency, and give states and communities greater flexibility to design more integrated and effective strategies for serving children. At a minimum, such consolidations should require accountability based on outcomes, safeguard children's health and safety and protect them against unfair treatment, and ensure community involvement in planning and delivering services.
- ◆ **Continuing to push for effective implementation of the Family Preservation and Support Services Program at the state and local levels.**

Encouraging broad-based and inclusive community planning and goal-setting will help ensure the implementation of appropriate community-based preventive and supportive services. Help establish partnerships that reach across agencies and systems and link community representatives and initiatives to one another.

- ◆ **Making a strong case for investments in the prevention and treatment of family violence, substance abuse, and homelessness.** Emphasize the importance of building comprehensive service delivery systems in communities that provide help

for victims of family violence, substance abuse, and homelessness, so the impact of other family-focused services can be maximized.

- ◆ **Helping to link reforms in children's and family services with community and economic development initiatives.** Work to ensure that establishing comprehensive community-based initiatives for children and families is part of the agenda in the designated empowerment zones and enterprise communities, as well as other areas in which community revitalization activities are under way.

Children in the Nation

NATIONAL TRENDS

TABLE A1.

POVERTY AMONG CHILDREN*

Year	Number of Children Younger than 18 Who Are Poor	Child Poverty Rate	Number of Children Younger than Six Who Are Poor	Poverty Rate for Children Younger than Six
1959	17,552,000	27.3%	n/a	n/a
1960	17,634,000	26.9	n/a	n/a
1961	16,909,000	25.6	n/a	n/a
1962	16,963,000	25.0	n/a	n/a
1963	16,005,000	23.1	n/a	n/a
1964	16,051,000	23.0	n/a	n/a
1965	14,676,000	21.0	n/a	n/a
1966	12,389,000	17.6	n/a	n/a
1967	11,656,000	16.6	n/a	n/a
1968	10,954,000	15.6	n/a	n/a
1969	9,691,000	14.0	3,298,000	15.3%
1970	10,440,000	15.1	3,561,000	16.6
1971	10,551,000	15.3	3,499,000	16.9
1972	10,284,000	15.1	3,276,000	16.1
1973	9,642,000	14.4	3,097,000	15.7
1974	10,156,000	15.4	3,294,000	16.9
1975	11,104,000	17.1	3,460,000	18.2
1976	10,273,000	16.0	3,270,000	17.7
1977	10,288,000	16.2	3,326,000	18.1
1978	9,931,000	15.9	3,184,000	17.2
1979	10,377,000	16.4	3,415,000	17.8
1980	11,543,000	18.3	4,030,000	20.5
1981	12,505,000	20.0	4,422,000	22.0
1982	13,647,000	21.9	4,821,000	23.3
1983	13,911,000	22.3	5,122,000	24.6
1984	13,420,000	21.5	4,938,000	23.4
1985	13,010,000	20.7	4,832,000	22.6
1986	12,876,000	20.5	4,619,000	21.6
1987	12,843,000	20.3	4,852,000	22.4
1988	12,455,000	19.5	5,032,000	22.6
1989	12,590,000	19.6	5,071,000	22.5
1990	13,431,000	20.6	5,198,000	23.0
1991	14,341,000	21.8	5,483,000	24.0
1992	14,617,000	21.9	5,781,000	25.0
1993	14,961,000	22.0	6,097,000	25.6
Total percent change				
1969-1993	54.4%	57.1%	84.9%	67.3%
1980-1993	29.6	20.2	51.3	24.9
Average annual percent change				
1969-1993	2.3	2.4	3.5	2.8
1980-1993	2.3	1.6	3.9	1.9

*Related children in families.

Source: U.S. Department of Commerce, Bureau of the Census. Calculations by Children's Defense Fund.

CHILDREN IN THE NATION

TABLE A2.

MATERNAL AND INFANT HEALTH

Year	Infant Mortality Rates ¹			Black-White Ratio	Low Birth-Weight ²	Percent of Babies Born to Mothers Who Received Late or No Prenatal Care ³		
	Total	White	Black			Total	White	Black
1940	47.0	43.2	72.9	1.69	n/a	n/a	n/a	n/a
1950	29.2	26.8	43.9	1.64	n/a	n/a	n/a	n/a
1959	26.4	23.2	44.8	1.93	n/a	n/a	n/a	n/a
1960	26.0	22.9	44.3	1.93	7.7%	n/a	n/a	n/a
1961	25.3	22.4	41.8	1.87	7.8	n/a	n/a	n/a
1962	25.3	22.3	42.6	1.91	8.0	n/a	n/a	n/a
1963	25.2	22.2	42.8	1.93	8.2	n/a	n/a	n/a
1964	24.8	21.6	42.3	1.96	8.2	n/a	n/a	n/a
1965	24.7	21.5	41.7	1.94	8.3	n/a	n/a	n/a
1966	23.7	20.6	40.2	1.95	8.3	n/a	n/a	n/a
1967	22.4	19.7	37.5	1.90	8.2	n/a	n/a	n/a
1968	21.8	19.2	36.2	1.89	8.2	n/a	n/a	n/a
1969	20.9	18.4	34.8	1.89	8.1	8.1%	6.3%	18.2%
1970	20.0	17.8	32.6	1.83	7.9	7.9	6.2	16.6
1971	19.1	17.1	30.3	1.77	7.7	7.2	5.8	14.6
1972	18.5	16.4	29.6	1.80	7.7	7.0	5.5	13.2
1973	17.7	15.8	28.1	1.78	7.6	6.7	5.4	12.4
1974	16.7	14.8	26.8	1.81	7.4	6.2	5.0	11.4
1975	16.1	14.2	26.2	1.85	7.4	6.0	5.0	10.5
1976	15.2	13.3	25.5	1.92	7.3	5.7	4.8	9.9
1977	14.1	12.3	23.6	1.92	7.1	5.6	4.7	9.6
1978	13.8	12.0	23.1	1.93	7.1	5.4	4.5	9.3
1979	13.1	11.4	21.8	1.91	6.9	5.1	4.3	8.9
1980	12.6	11.0	21.4	1.95	6.8	5.1	4.3	8.8
1981	11.9	10.5	20.0	1.90	6.8	5.2	4.3	9.1
1982	11.5	10.1	19.6	1.94	6.8	5.5	4.5	9.6
1983	11.2	9.7	19.2	1.98	6.8	5.6	4.6	9.7
1984	10.8	9.4	18.4	1.96	6.7	5.6	4.7	9.6
1985	10.6	9.3	18.2	1.96	6.8	5.7	4.7	10.0
1986	10.4	8.9	18.0	2.02	6.8	6.0	5.0	10.6
1987	10.1	8.6	17.9	2.08	6.9	6.1	5.0	11.1
1988	10.0	8.5	17.6	2.07	6.9	6.1	5.0	10.9
1989	9.8	8.1	18.6	2.30	7.0	6.4	5.2	11.9
1990	9.2	7.6	18.0	2.37	7.0	6.1	4.9	11.3
1991	8.9	7.3	17.6	2.41	7.1	5.8	4.7	10.7
1992	8.5	6.9	16.8	2.43	7.1	5.2	4.2	9.9
Total percent change								
1969-1992	-59.3%	-62.5%	-51.7%		-12.3%	-35.8%	-33.3%	-45.6%
1980-1992	-32.5	-37.3	-21.5		4.4	2.0	-2.3	12.5
Average annual percent change								
1969-1992	-2.6	-2.7	-2.2		-0.5	-1.6	-1.4	-2.0
1980-1992	-2.7	-3.1	-1.8		0.4	0.2	-0.2	1.0

¹ Infant deaths per 1,000 live births. The White and Black rates for 1980 and subsequent years are not comparable with the rates for earlier years.² Less than 5.5 pounds (2,500 grams).³ Care beginning in the last trimester of pregnancy, or not at all.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics. Calculations by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE A3.
ADOLESCENT CHILDBEARING

Year	Total Fertility Rate ¹	Total Unmarried Birth Rate ²	Teen Fertility Rate ³	Teen Unmarried Birth Rate ⁴
1959	118.8	21.9	89.1	15.5
1960	118.0	21.6	89.1	15.3
1961	117.1	22.7	88.6	16.0
1962	112.0	21.9	81.4	14.8
1963	108.3	22.5	76.7	15.3
1964	104.7	23.0	73.1	15.9
1965	96.3	23.5	70.5	16.7
1966	90.8	23.4	70.3	17.5
1967	87.2	23.9	67.5	18.5
1968	85.2	24.4	65.6	19.7
1969	86.1	25.0	65.5	20.4
1970	87.9	26.4	68.3	22.4
1971	81.6	25.5	64.5	22.3
1972	73.1	24.8	61.7	22.8
1973	68.8	24.3	59.3	22.7
1974	67.8	23.9	57.5	23.0
1975	66.0	24.5	55.6	23.9
1976	65.0	24.3	52.8	23.7
1977	66.8	25.6	52.8	25.1
1978	65.5	25.7	51.5	24.9
1979	67.2	27.2	52.3	26.4
1980	68.4	29.4	53.0	27.6
1981	67.4	29.5	52.2	27.9
1982	67.3	30.0	52.4	28.7
1983	65.8	30.3	51.4	29.5
1984	65.4	31.0	50.6	30.0
1985	66.2	32.8	51.0	31.4
1986	65.4	34.2	50.2	32.3
1987	65.7	36.0	50.6	33.8
1988	67.2	38.5	53.0	36.4
1989	69.2	41.6	57.3	40.1
1990	70.9	43.8	59.9	42.5
1991	69.6	45.2	62.1	44.8
1992	68.9	45.2	60.7	44.6
Total percent change				
1969-1992	-20.0%	80.8%	-7.3%	118.6%
1980-1992	0.7	53.7	14.5	61.6
Average annual percent change				
1969-1992	-0.9	3.5	-0.3	5.2
1980-1992	0.1	4.5	1.2	5.1

¹Births per 1,000 females ages 15-44.

²Births per 1,000 unmarried females ages 15-44.

³Births per 1,000 females ages 15-19.

⁴Births per 1,000 unmarried females ages 15-19.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics. Calculations by Children's Defense Fund.

TABLE A4.

**MATERNAL LABOR FORCE PARTICIPATION OF MARRIED
WOMEN WITH CHILDREN YOUNGER THAN SIX**

Year	In the Labor Force	
	Number	Percent
1948	1,226,000	10.8%
1949	1,285,000	11.0
1950	1,399,000	11.9
1951	1,670,000	14.0
1952	1,688,000	13.9
1953	1,884,000	15.5
1954	1,808,000	14.9
1955	2,012,000	16.2
1956	2,048,000	15.9
1957	2,208,000	17.0
1958	2,399,000	18.2
1959	2,471,000	18.7
1960	2,474,000	18.6
1961	2,661,000	20.0
1962	2,884,000	21.3
1963	3,006,000	22.5
1964	3,050,000	22.7
1965	3,117,000	23.2
1966	3,186,000	24.2
1967	3,481,000	26.5
1968	3,564,000	27.6
1969	3,596,000	28.5
1970	3,914,000	30.3
1971	3,690,000	29.6
1972	3,778,000	30.1
1973	4,104,000	32.7
1974	4,274,000	34.4
1975	4,518,000	36.7
1976	4,520,000	37.5
1977	4,547,000	39.4
1978	4,768,000	41.7
1979	4,939,000	43.3
1980	5,227,000	45.1
1981	5,603,000	47.8
1982	5,690,000	48.7
1983	5,859,000	49.9
1984	6,219,000	51.8
1985	6,406,000	53.4
1986	6,573,000	53.8
1987	6,952,000	56.8
1988	6,956,000	57.1
1989	n/a	n/a
1990	7,247,000	58.9
1991	7,434,000	59.9
1992	7,333,000	59.9
1993	7,289,000	59.6
1994	7,723,000	61.7
Average annual change		
1950-1960	107,500	
1960-1970	144,000	
1970-1980	131,300	
1980-1993	178,286	

n/a — Data not available.

Source: U.S. Department of Commerce, Bureau of the Census; and U.S. Department of Labor, Bureau of Labor Statistics. Calculations by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE A5.
YOUTH UNEMPLOYMENT

Year	Total Unemployment Rates			Unemployment Rates, Youths Not Enrolled in School		
	All Ages	Age 16-19	Age 20-24	Less than Four Years of High School	High School Graduate Only	Four Years or More of College
1959	5.5%	14.6%	8.5%	n/a	n/a	n/a
1960	5.5	14.7	8.7	n/a	n/a	n/a
1961	6.7	16.8	10.4	n/a	n/a	n/a
1962	5.5	14.7	9.0	n/a	n/a	n/a
1963	5.7	17.2	8.8	n/a	n/a	n/a
1964	5.2	16.2	8.3	n/a	n/a	n/a
1965	4.5	14.8	6.7	n/a	n/a	n/a
1966	3.8	12.8	5.3	n/a	n/a	n/a
1967	3.8	12.9	5.7	n/a	n/a	n/a
1968	3.6	12.7	5.8	n/a	n/a	n/a
1969	3.5	12.2	5.7	n/a	n/a	n/a
1970	4.9	15.3	8.2	17.2%	9.9%	6.5%
1971	5.9	16.9	10.0	18.0	9.6	6.6
1972	5.6	16.2	9.3	16.8	9.5	7.2
1973	4.9	14.5	7.8	14.9	7.2	4.9
1974	5.6	16.0	9.1	19.2	9.8	5.0
1975	8.5	19.9	13.6	25.3	13.6	8.2
1976	7.7	19.0	12.0	24.7	12.1	7.1
1977	7.1	17.8	11.0	20.6	10.5	8.0
1978	6.1	16.4	9.6	18.8	8.8	6.3
1979	5.8	16.1	9.1	19.2	9.9	5.0
1980	7.1	17.8	11.5	25.3	12.5	5.9
1981	7.6	19.6	12.3	26.9	13.8	5.3
1982	9.7	23.2	14.9	31.8	17.3	9.2
1983	9.6	22.4	14.5	27.3	15.2	7.0
1984	7.5	18.9	11.5	25.8	11.8	5.9
1985	7.2	18.6	11.1	25.9	12.7	5.4
1986	7.0	18.3	10.7	24.3	11.5	4.8
1987	6.2	16.9	9.7	21.8	10.7	5.5
1988	5.5	15.3	8.7	20.0	10.1	4.8
1989	5.3	15.0	8.6	19.9	10.1	5.0
1990	5.5	15.5	8.8	20.0	10.4	5.2
1991	6.7	18.6	10.8	23.1	12.7	6.9
1992	7.4	20.0	11.3	24.9	13.9	6.5
1993	6.8	19.0	10.5	22.8	13.1	6.1
Total percent change						
1970-1993	38.8%	24.2%	28.0%	32.6%	32.3%	-6.2%
1980-1993	-4.2	6.7	-8.7	-9.9	4.8	3.4
Average annual percent change						
1970-1993	1.7	1.1	1.2	1.4	1.4	-0.3
1980-1993	-0.3	0.5	-0.7	-0.8	0.4	0.3

Source: U.S. Department of Labor, Bureau of Labor Statistics. Calculations by Children's Defense Fund.

Children in the States

TABLE B1.
NUMBER AND PERCENTAGE OF PERSONS YOUNGER THAN 18
WHO ARE POOR, BASED ON 1989 INCOME

	All Races		White		Black		Latino*	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Alabama	253,636	24.2%	89,959	12.9%	160,510	47.5%	1,829	23.4%
Alaska	19,284	11.4	8,864	7.4	1,086	14.5	809	12.2
Arizona	212,001	22.0	104,283	14.9	12,813	35.7	89,883	34.9
Arkansas	155,399	25.3	82,932	17.7	70,023	52.0	2,290	31.9
California	1,380,275	18.2	591,097	12.7	195,563	30.7	713,980	27.2
Colorado	129,565	15.3	88,222	12.2	13,677	33.8	48,497	32.7
Connecticut	79,020	10.7	36,963	6.1	23,591	28.9	30,002	41.2
Delaware	19,256	12.0	7,543	6.3	10,600	30.8	1,297	25.0
District of Columbia	28,610	25.5	799	4.9	26,339	29.1	1,677	26.3
Florida	525,446	18.7	252,793	12.0	243,435	41.0	93,288	24.6
Georgia	343,068	20.1	108,825	9.9	227,207	40.0	7,163	24.0
Hawaii	31,944	11.6	8,306	9.9	969	11.7	5,296	17.8
Idaho	49,159	16.2	41,528	14.7	281	22.5	7,705	35.4
Illinois	495,505	17.0	204,276	9.7	233,506	43.3	80,047	25.0
Indiana	203,791	14.2	141,319	11.2	55,984	40.1	7,627	21.8
Iowa	101,661	14.3	89,059	13.1	8,241	50.6	3,253	26.7
Kansas	93,066	14.3	65,528	11.5	18,665	40.3	8,233	23.5
Kentucky	234,012	24.8	193,614	22.7	38,193	47.0	1,803	26.2
Louisiana	380,942	31.4	112,404	15.4	259,228	56.5	5,908	23.3
Maine	41,897	13.8	40,429	13.6	440	25.9	435	16.2
Maryland	128,523	11.3	46,164	6.1	77,002	23.2	4,165	12.3
Massachusetts	176,221	13.2	105,129	9.2	29,547	33.3	49,645	49.1
Michigan	450,426	18.6	239,263	12.4	188,405	46.2	22,103	30.2
Minnesota	146,386	12.7	102,624	9.7	17,394	49.5	6,486	30.7
Mississippi	248,705	33.6	59,138	14.9	186,212	55.6	1,471	30.9
Missouri	230,058	17.7	152,757	13.9	71,928	41.5	4,246	20.3
Montana	44,706	20.5	33,458	17.1	221	31.1	1,874	36.0
Nebraska	58,474	13.8	44,420	11.4	8,761	43.2	3,861	27.9
Nevada	38,232	13.3	22,893	9.9	8,358	33.5	8,491	21.5
New Hampshire	20,440	7.4	19,295	7.2	351	15.3	705	16.4
New Jersey	200,726	11.3	84,110	6.4	81,788	27.8	59,531	27.8
New Mexico	122,260	27.8	67,615	22.1	3,542	35.0	70,158	35.0
New York	799,531	19.1	342,541	11.9	274,947	34.1	269,703	41.9
North Carolina	272,923	17.2	102,034	9.3	158,007	35.9	5,047	24.2
North Dakota	29,732	17.1	23,031	14.4	204	15.1	623	27.5
Ohio	493,206	17.8	315,714	13.4	163,131	45.4	15,910	32.0
Oklahoma	179,283	21.7	105,173	16.6	34,475	44.5	11,950	35.8
Oregon	111,629	15.8	91,249	14.2	5,489	36.3	14,285	33.8
Pennsylvania	432,227	15.7	270,941	11.5	124,859	40.6	38,374	46.7
Rhode Island	30,842	13.8	20,274	10.4	4,425	35.9	6,356	41.3
South Carolina	190,873	21.0	52,430	9.5	136,563	39.6	1,635	19.0
South Dakota	39,896	20.4	25,008	14.7	327	26.7	663	27.8
Tennessee	251,529	21.0	142,418	15.2	106,024	43.0	2,400	24.1
Texas	1,159,710	24.3	612,724	18.3	254,287	39.3	638,905	40.2
Utah	78,041	12.5	64,755	11.1	1,290	34.7	9,213	26.8
Vermont	17,020	12.0	16,435	11.9	211	24.9	143	11.8
Virginia	197,382	13.3	88,370	8.1	102,862	30.9	5,147	11.9
Washington	179,272	14.5	124,632	11.9	14,548	30.5	27,381	34.0
West Virginia	115,073	26.2	106,458	25.4	7,887	50.2	814	34.3
Wisconsin	188,863	14.9	110,939	9.9	53,392	55.8	12,435	33.7
Wyoming	19,190	14.4	15,532	12.6	340	31.5	2,724	28.1
United States	11,428,916	18.3%	5,876,267	12.5%	3,717,128	39.8%	2,407,466	32.2%

*Persons of Latino origin can be of any race.

TABLE B1.

**NUMBER AND PERCENTAGE OF PERSONS YOUNGER THAN 18
WHO ARE POOR, BASED ON 1989 INCOME (CONTINUED)**

	Native American		Asian/Pacific Islander		Other	
	Number	Percent	Number	Percent	Number	Percent
Alabama	1,519	24.6%	1,166	19.0%	482	28.0%
Alaska	8,621	25.7	500	8.3	213	12.6
Arizona	44,607	53.1	2,204	14.9	48,094	38.2
Arkansas	1,053	26.1	648	17.5	743	34.7
California	17,982	26.5	155,493	19.6	420,140	30.2
Colorado	3,008	35.4	3,130	17.6	21,528	36.8
Connecticut	313	21.4	917	6.6	17,236	47.1
Delaware	80	21.5	149	6.6	884	30.0
District of Columbia	55	35.7	232	16.0	1,185	31.6
Florida	2,541	26.1	5,194	12.9	21,483	31.5
Georgia	938	25.0	2,465	11.5	3,633	29.7
Hawaii	408	25.2	21,327	12.1	934	16.5
Idaho	2,056	40.5	567	20.6	4,727	40.9
Illinois	1,422	23.9	7,640	9.4	48,661	27.8
Indiana	1,132	30.2	1,124	11.6	4,232	27.8
Iowa	1,160	43.4	1,898	23.5	1,303	28.4
Kansas	1,932	26.8	2,203	22.2	4,738	26.6
Kentucky	681	41.8	867	16.5	657	26.2
Louisiana	3,166	46.9	4,414	34.0	1,730	30.3
Maine	583	28.3	326	13.6	119	19.0
Maryland	661	18.5	2,820	7.6	1,876	14.3
Massachusetts	1,309	35.3	9,330	24.1	30,906	51.9
Michigan	6,147	32.5	4,891	14.6	11,720	35.9
Minnesota	10,459	54.8	12,638	37.1	3,271	37.5
Mississippi	1,429	45.6	1,657	39.7	269	32.5
Missouri	1,483	26.2	1,984	17.7	1,906	25.0
Montana	10,238	53.4	224	17.6	565	43.3
Nebraska	2,795	57.0	724	17.9	1,774	31.8
Nevada	1,745	29.8	1,040	10.9	4,196	25.0
New Hampshire	119	25.6	370	13.4	305	22.6
New Jersey	886	26.2	4,622	5.9	29,320	33.0
New Mexico	26,643	50.1	797	18.4	23,663	36.0
New York	4,800	29.6	25,021	14.9	152,222	47.6
North Carolina	7,820	29.9	2,344	16.4	2,718	31.2
North Dakota	6,179	58.3	148	16.8	170	22.6
Ohio	1,588	30.4	3,557	14.1	9,216	39.3
Oklahoma	31,977	34.8	1,427	15.8	6,231	40.4
Oregon	4,288	32.3	3,752	19.2	6,851	37.2
Pennsylvania	1,128	31.1	8,354	20.7	26,945	54.7
Rhode Island	440	39.5	2,043	34.0	3,660	42.5
South Carolina	599	27.4	715	12.1	566	21.6
South Dakota	14,160	63.3	195	17.0	206	26.2
Tennessee	906	30.8	1,438	15.7	743	25.8
Texas	4,501	25.6	14,518	15.6	273,680	40.6
Utah	4,893	47.3	2,281	19.8	4,822	33.5
Vermont	251	36.3	70	7.3	53	20.2
Virginia	666	19.0	3,377	7.8	2,107	13.5
Washington	10,228	37.7	12,594	20.0	17,270	39.8
West Virginia	337	44.6	193	8.5	198	32.1
Wisconsin	6,505	46.1	10,819	48.8	7,208	42.5
Wyoming	1,966	49.0	84	10.0	1,268	35.2
United States	260,403	38.8%	346,491	17.1%	1,228,627	35.5%

Source: U.S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, Summary Tape File 3. Calculations by Children's Defense Fund.

TABLE B2.
**AFDC MAXIMUM MONTHLY BENEFIT
 FOR A THREE-PERSON FAMILY, 1970 AND 1994**

	1970 Maximum (Actual Dollars)	1970 Adjusted for Inflation	1994 Maximum	Percent Change	Rank
Alabama	\$ 65	\$ 244	\$164	-33%	10
Alaska	328	1,230	923	-25	5
Arizona	138	517	347	-33	10
Arkansas	89	334	204	-39	20
California	186	697	607	-13	1
Colorado	193	724	356	-51	41
Connecticut	283	1,061	680	-36	14
Delaware	160	600	338	-44	30
District of Columbia	195	731	420	-43	25
Florida	114	427	303	-29	8
Georgia	107	401	280	-30	9
Hawaii	226	847	712	-16	2
Idaho	211	791	317	-60	49
Illinois	232	870	367	-58	44
Indiana	120	450	288	-36	14
Iowa	201	753	426	-43	25
Kansas	222	832	429	-48	38
Kentucky	147	551	228	-59	48
Louisiana	88	330	190	-42	22
Maine	135	506	418	-17	3
Maryland	162	607	366	-40	21
Massachusetts	268	1,005	579	-42	22
Michigan	219	821	459	-44	30
Minnesota	256	960	532	-45	35
Mississippi	56	210	120	-43	25
Missouri	104	390	292	-25	5
Montana	202	757	401	-47	37
Nebraska	171	641	364	-43	25
Nevada	121	454	348	-23	4
New Hampshire	262	982	550	-44	30
New Jersey	302	1,132	424	-63	50
New Mexico	149	559	357	-36	14
New York	279	1,046	577	-45	35
North Carolina	145	544	272	-50	40
North Dakota	213	798	409	-49	39
Ohio	161	604	341	-44	30
Oklahoma	152	570	324	-43	25
Oregon	184	690	460	-33	10
Pennsylvania	265	993	421	-58	44
Rhode Island	229	858	554	-35	13
South Carolina	85	319	200	-37	18
South Dakota	264	990	417	-58	44
Tennessee	112	420	185	-56	43
Texas	148	555	184	-67	51
Utah	175	656	414	-37	18
Vermont	267	1,001	638	-36	14
Virginia	225	843	354	-58	44
Washington	258	967	546	-44	30
West Virginia	114	427	249	-42	22
Wisconsin	184	690	517	-25	5
Wyoming	213	798	360	-55	42

Source: U.S. House of Representatives, Committee on Ways and Means, *Overview of Entitlement Programs: 1994 Green Book*. Ranks calculated by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B3.

**AFDC AND FOOD STAMP BENEFITS FOR A SINGLE PARENT WITH
TWO CHILDREN, AS A PERCENT OF POVERTY, JANUARY 1994**

	Combined Percent	Combined Rank	AFDC Percent	AFDC Rank
Alabama	48%	50	17%	50
Alaska	101	2	77	1
Arizona	67	29	36	32
Arkansas	52	45	21	45
California	86	5	63	5
Colorado	67	29	37	29
Connecticut	91	3	71	2
Delaware	66	34	35	35
District of Columbia	72	17	44	16
Florida	62	38	32	38
Georgia	60	41	29	41
Hawaii	103	1	65	4
Idaho	64	37	33	37
Illinois	69	25	38	25
Indiana	61	39	30	39
Iowa	72	17	44	16
Kansas	74	15	45	15
Kentucky	55	44	24	44
Louisiana	51	47	20	47
Maine	72	17	44	16
Maryland	69	25	38	25
Massachusetts	83	9	60	6
Michigan	75	14	48	13
Minnesota	80	11	55	11
Mississippi	43	51	13	51
Missouri	61	39	30	39
Montana	71	23	42	24
Nebraska	68	27	38	25
Nevada	67	29	36	32
New Hampshire	81	10	57	9
New Jersey	73	16	44	16
New Mexico	67	29	37	29
New York	85	7	60	6
North Carolina	59	42	28	42
North Dakota	71	23	43	21
Ohio	66	34	36	32
Oklahoma	65	36	34	36
Oregon	78	13	48	13
Pennsylvania	72	17	44	16
Rhode Island	86	5	58	8
South Carolina	52	45	21	45
South Dakota	72	17	43	21
Tennessee	50	48	19	48
Texas	50	48	19	48
Utah	72	17	43	21
Vermont	88	4	67	3
Virginia	67	29	37	29
Washington	84	8	57	9
West Virginia	57	43	26	43
Wisconsin	79	12	54	12
Wyoming	68	27	38	25

Source: U.S. House of Representatives, Committee on Ways and Means, *Overview of Entitlement Programs: 1994 Green Book*. Ranks calculated by Children's Defense Fund.

TABLE B4.
CHILD SUPPORT ENFORCEMENT, FY 1993

	Total Caseload	Cases with Collection	Percent of Cases with Collection	Rank
Alabama	291,340	67,351	23.1%	16
Alaska	45,638	7,830	17.2	34
Arizona	263,674	14,325	5.4	51
Arkansas	117,508	29,994	25.5	13
California	1,833,853	228,640	12.5	44
Colorado	172,008	24,125	14.0	42
Connecticut	181,309	32,464	17.9	31
Delaware	46,845	12,958	27.7	11
District of Columbia	77,927	9,086	11.7	45
Florida	880,938	134,621	15.3	38
Georgia	478,116	80,918	16.9	35
Hawaii	66,113	20,858	31.5	5
Idaho	50,580	15,772	31.2	6
Illinois	705,272	67,417	9.6	48
Indiana	757,399	72,575	9.6	48
Iowa	155,822	32,991	21.2	23
Kansas	119,485	33,342	27.9	10
Kentucky	273,831	47,751	17.4	33
Louisiana	288,552	40,503	14.0	42
Maine	67,229	18,638	27.7	11
Maryland	313,088	76,510	24.4	14
Massachusetts	214,616	44,277	20.6	25
Michigan	1,241,644	217,542	17.5	32
Minnesota	198,795	73,386	36.9	2
Mississippi	252,736	27,903	11.0	46
Missouri	328,368	63,272	19.3	29
Montana	29,151	6,609	22.7	17
Nebraska	121,579	24,186	19.9	26
Nevada	72,197	14,121	19.6	27
New Hampshire	42,496	13,223	31.1	7
New Jersey	584,521	122,308	20.9	24
New Mexico	66,924	10,240	15.3	38
New York	1,146,038	181,161	15.8	37
North Carolina	408,647	80,200	19.6	27
North Dakota	35,361	7,536	21.3	22
Ohio	957,196	209,558	21.9	19
Oklahoma	108,895	17,646	16.2	36
Oregon	220,271	40,033	18.2	30
Pennsylvania	884,525	267,083	30.2	8
Rhode Island	80,399	7,383	9.2	50
South Carolina	199,270	47,530	23.9	15
South Dakota	25,980	7,452	28.7	9
Tennessee	516,640	56,485	10.9	47
Texas	753,663	106,111	14.1	41
Utah	80,640	17,655	21.9	19
Vermont	21,592	8,312	38.5	1
Virginia	325,114	72,896	22.4	18
Washington	308,092	105,793	34.3	3
West Virginia	79,687	17,433	21.9	19
Wisconsin	399,159	132,391	33.2	4
Wyoming	27,937	4,041	14.5	40
United States	16,918,660	3,072,435	18.2%	

Source: U.S. Department of Health and Human Services, Office of Child Support Enforcement. Calculations by Children's Defense Fund.

TABLE B5.
**PERCENT OF BIRTHS TO WOMEN RECEIVING EARLY
 PRENATAL CARE,* 1992**

	All Races		White		Black	
	Percent	Rank	Percent	Rank	Percent	Rank
Alabama	77.1%	35	84.2%	25	63.7%	34
Alaska	83.1	11	85.8	13	81.7	1
Arizona	71.3	47	73.0	49	66.6	19
Arkansas	72.3	45	77.0	44	57.3	42
California	75.1	40	74.9	47	72.3	10
Colorado	79.0	27	80.1	38	67.6	17
Connecticut	87.5	2	89.8	3	72.8	7
Delaware	80.5	20	86.7	9	61.3	39
District of Columbia	56.9	51	87.0	7	52.3	50
Florida	77.9	34	82.2	32	64.4	30
Georgia	75.8	39	82.6	29	64.2	31
Hawaii	73.6	44	76.8	45	65.9	23
Idaho	76.6	37	76.8	45	69.6	14
Illinois	78.2	32	82.6	29	63.2	35
Indiana	78.3	31	80.4	37	61.7	38
Iowa	86.2	6	86.9	8	72.0	11
Kansas	83.6	10	85.0	18	71.3	12
Kentucky	80.1	22	81.6	33	65.8	24
Louisiana	76.3	38	85.5	16	63.9	33
Maine	87.3	3	87.4	6	80.2	3
Maryland	85.0	7	90.7	1	72.8	7
Massachusetts	87.2	5	89.1	4	74.4	4
Michigan	80.8	19	84.9	19	65.6	27
Minnesota	81.8	16	84.9	19	52.4	49
Mississippi	74.9	41	84.8	21	64.6	29
Missouri	80.5	20	84.0	26	64.0	32
Montana	78.2	32	80.9	35	81.3	2
Nebraska	82.3	12	83.7	27	66.4	20
Nevada	71.5	46	73.5	48	54.7	47
New Hampshire	87.3	3	87.5	5	72.8	7
New Jersey	81.5	18	86.1	11	62.7	37
New Mexico	61.7	50	64.6	51	53.3	48
New York	74.7	42	79.9	39	56.9	43
North Carolina	79.4	26	85.8	13	64.7	28
North Dakota	82.2	14	84.4	23	73.0	6
Ohio	82.3	12	85.3	17	66.4	20
Oklahoma	74.6	43	77.9	42	58.9	41
Oregon	78.7	30	79.3	41	65.7	26
Pennsylvania	79.6	24	84.3	24	54.8	46
Rhode Island	88.5	1	90.4	2	73.8	5
South Carolina	71.3	47	80.8	36	56.1	44
South Dakota	79.0	27	82.3	31	65.8	24
Tennessee	79.6	24	83.6	28	67.2	18
Texas	70.3	49	71.2	50	62.8	36
Utah	85.0	7	86.0	12	71.1	13
Vermont	84.5	9	84.7	22	—	—
Virginia	81.8	16	86.6	10	68.1	16
Washington	79.8	23	81.0	34	68.9	15
West Virginia	76.7	36	77.5	43	55.4	45
Wisconsin	82.0	15	85.8	13	60.2	40
Wyoming	79.0	27	79.8	40	66.2	22
United States	77.7%		80.8%		63.9%	

*Care begun in the first trimester of pregnancy.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics, *Vital Statistics of the United States: 1992, Vol. I—Nativity*. Ranks calculated by Children's Defense Fund.

TABLE B6.
PERCENT OF BIRTHS AT LOW BIRTHWEIGHT,* 1992

	All Races		White		Black	
	Percent	Rank	Percent	Rank	Percent	Rank
Alabama	8.5%	44	6.2%	38	12.8%	18
Alaska	4.9	1	4.3	1	10.7	2
Arizona	6.4	19	6.2	38	12.5	15
Arkansas	8.2	41	6.5	45	13.5	29
California	5.9	14	5.3	11	12.6	16
Colorado	8.5	44	8.0	51	16.9	42
Connecticut	6.9	24	5.8	24	14.0	36
Delaware	7.6	38	5.8	24	13.1	21
District of Columbia	14.3	51	4.6	2	16.4	41
Florida	7.4	34	6.0	28	12.0	11
Georgia	8.5	44	6.0	28	13.1	21
Hawaii	7.2	27	5.4	13	10.7	2
Idaho	5.5	9	5.5	16	—	—
Illinois	7.7	40	5.7	20	14.6	39
Indiana	6.7	21	6.0	28	12.4	12
Iowa	5.7	13	5.4	13	12.9	19
Kansas	6.4	19	6.0	28	11.6	7
Kentucky	6.8	23	6.3	41	11.8	8
Louisiana	9.4	49	6.2	38	13.7	32
Maine	5.0	2	5.0	5	—	—
Maryland	8.3	42	5.7	20	13.7	32
Massachusetts	6.0	16	5.4	13	10.9	4
Michigan	7.5	37	5.6	18	14.8	40
Minnesota	5.2	4	4.8	3	11.4	6
Mississippi	9.9	50	6.8	47	13.2	24
Missouri	7.3	32	6.0	28	13.6	31
Montana	6.0	16	6.0	28	—	—
Nebraska	5.6	10	5.3	11	11.8	8
Nevada	7.1	26	6.4	43	13.8	34
New Hampshire	5.3	7	5.2	10	—	—
New Jersey	7.2	27	5.7	20	13.5	29
New Mexico	7.2	27	7.3	50	13.3	26
New York	7.6	38	6.1	35	13.1	21
North Carolina	8.4	43	6.4	43	13.2	24
North Dakota	5.1	3	5.0	5	—	—
Ohio	7.4	34	6.1	35	13.9	35
Oklahoma	6.7	21	6.1	35	12.4	12
Oregon	5.2	4	5.0	5	10.9	4
Pennsylvania	7.2	27	5.8	24	14.5	38
Rhode Island	6.3	18	5.9	27	9.3	1
South Carolina	9.0	48	6.3	41	13.3	26
South Dakota	5.2	4	5.1	9	—	—
Tennessee	8.5	44	6.7	46	14.0	36
Texas	7.0	25	6.0	28	13.0	20
Utah	5.6	10	5.6	18	—	—
Vermont	5.6	10	5.5	16	—	—
Virginia	7.4	34	5.7	20	12.6	16
Washington	5.3	7	4.9	4	11.9	10
West Virginia	7.2	27	7.0	48	12.4	12
Wisconsin	5.9	14	5.0	5	13.4	28
Wyoming	7.3	32	7.2	49	—	—
United States	7.1%		5.8%		13.3%	

*Less than 5.5 pounds.

—Number too small to calculate a reliable rate.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics, *Vital Statistics of the United States: 1992, Vol. I—Nativity*. Ranks calculated by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B7.
INFANT MORTALITY RATES,* 1992

	All Races		White		Black	
	Rate	Rank	Rate	Rank	Rate	Rank
Alabama	10.5	49	7.6	37	16.2	14
Alaska	8.6	26	7.3	31	—	—
Arizona	8.4	23	7.8	40	16.7	19
Arkansas	10.3	46	8.6	46	16.2	14
California	7.0	8	6.3	10	16.8	20
Colorado	7.6	16	7.2	30	14.6	6
Connecticut	7.6	16	6.2	8	17.2	22
Delaware	8.6	26	5.8	2	18.0	26
District of Columbia	19.6	51	—	—	22.0	33
Florida	8.8	29	7.0	24	15.1	7
Georgia	10.3	46	7.1	27	15.9	9
Hawaii	6.3	4	—	—	—	—
Idaho	8.8	29	8.8	47	—	—
Illinois	10.1	44	7.4	34	19.8	29
Indiana	9.4	37	8.0	44	20.3	30
Iowa	8.0	21	7.7	38	—	—
Kansas	8.7	28	7.5	36	21.7	32
Kentucky	8.3	22	7.9	41	12.7	1
Louisiana	9.4	37	6.9	19	13.0	2
Maine	5.6	1	5.5	1	—	—
Maryland	9.8	42	6.7	13	16.5	16
Massachusetts	6.5	5	5.8	2	13.4	3
Michigan	10.2	45	7.0	24	22.1	34
Minnesota	7.1	9	6.2	8	17.5	24
Mississippi	11.9	50	8.0	44	16.1	13
Missouri	8.5	25	6.9	19	15.9	9
Montana	7.5	15	6.7	13	—	—
Nebraska	7.4	13	6.7	13	—	—
Nevada	6.7	6	5.9	5	16.6	18
New Hampshire	5.9	2	5.8	2	—	—
New Jersey	8.4	23	5.9	5	18.7	28
New Mexico	7.6	16	6.8	16	—	—
New York	8.8	29	7.1	27	15.8	8
North Carolina	10.0	43	7.3	31	16.5	16
North Dakota	7.8	19	7.4	34	—	—
Ohio	9.4	37	7.9	41	18.0	26
Oklahoma	8.8	29	7.9	41	16.8	20
Oregon	7.1	9	6.8	16	—	—
Pennsylvania	9.0	34	6.9	19	20.4	31
Rhode Island	7.4	13	6.9	19	—	—
South Carolina	10.4	48	7.1	27	16.0	12
South Dakota	9.3	36	7.7	38	—	—
Tennessee	9.4	37	7.0	24	17.4	23
Texas	7.8	19	6.8	16	14.2	5
Utah	5.9	2	6.0	7	—	—
Vermont	7.2	11	7.3	31	—	—
Virginia	9.5	41	6.9	19	17.7	25
Washington	6.8	7	6.4	11	15.9	9
West Virginia	9.2	35	8.9	48	—	—
Wisconsin	7.2	11	6.4	11	13.5	4
Wyoming	8.9	33	9.0	49	—	—
United States	8.5		6.9		16.8	

*Infant deaths per 1,000 live births.

—Number too small to calculate a reliable rate.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics, *Vital Statistics of the United States: 1992, Vol. II—Mortality*. Calculations by Children's Defense Fund.

TABLE B8.

**PERCENT OF TWO-YEAR-OLD CHILDREN ADEQUATELY IMMUNIZED,*
1988-1990**

	1988		1989		1990	
	Percent	Rank	Percent	Rank	Percent	Rank
Alabama	57.0%	22	58.5%	17	56.5%	30
Alaska	52.7	28	59.7	15	62.8	14
Arizona	48.7	36	58.1	18	55.7	33
Arkansas	42.0	42	47.0	38	62.7	15
California	48.2	37	48.4	36	57.2	28
Colorado	60.8	12	61.7	11	63.3	12
Connecticut	65.9	5	63.6	8	70.3	5
Delaware	53.2	26	53.2	23	54.2	35
District of Columbia	38.7	45	48.0	37	48.0	44
Florida	49.3	35	50.8	29	61.4	17
Georgia	50.6	31	45.0	41	60.0	23
Hawaii	60.9	11	61.2	13	63.0	13
Idaho	49.4	34	53.8	22	n/a	n/a
Illinois**	n/a	n/a	n/a	n/a	n/a	n/a
Indiana	56.0	24	52.0	27	52.7	37
Iowa	51.7	29	52.4	25	61.3	18
Kansas	58.4	14	52.4	25	55.2	34
Kentucky	60.3	13	59.4	16	59.4	24
Louisiana	58.0	18	58.0	19	56.9	29
Maine	65.3	6	70.1	3	68.0	9
Maryland	56.6	23	n/a	n/a	62.2	16
Massachusetts	64.9	8	69.3	5	70.8	3
Michigan	61.0	10	49.1	34	42.1	46
Minnesota	61.4	9	60.5	14	71.4	2
Mississippi	58.0	18	64.1	7	65.1	10
Missouri	44.1	40	49.3	33	52.0	38
Montana	53.2	26	48.8	35	51.9	39
Nebraska	65.0	7	n/a	n/a	60.7	20
Nevada	41.6	43	46.1	40	50.3	41
New Hampshire	78.9	1	70.3	2	68.4	8
New Jersey	50.2	33	49.5	32	45.1	45
New Mexico	54.8	25	65.4	6	55.8	32
New York**	n/a	n/a	n/a	n/a	n/a	n/a
North Carolina	58.1	16	n/a	n/a	59.1	25
North Dakota	58.3	15	n/a	n/a	60.8	19
Ohio	51.0	30	51.0	28	50.0	42
Oklahoma	44.1	40	50.0	31	69.0	6
Oregon	47.2	39	n/a	n/a	53.0	36
Pennsylvania	58.1	16	53.2	23	58.2	27
Rhode Island	67.6	4	63.5	9	68.9	7
South Carolina	n/a	n/a	n/a	n/a	58.7	26
South Dakota	n/a	n/a	61.4	12	60.3	21
Tennessee	69.5	2	69.5	4	72.0	1
Texas**	n/a	n/a	n/a	n/a	n/a	n/a
Utah	41.3	44	46.5	39	49.3	43
Vermont	68.2	3	70.4	1	70.4	4
Virginia	57.8	21	58.0	19	60.1	22
Washington	50.5	32	54.6	21	56.0	31
West Virginia	48.1	38	50.3	30	50.8	40
Wisconsin**	n/a	n/a	n/a	n/a	n/a	n/a
Wyoming	58.0	18	63.1	10	63.9	11

*Four doses of DPT, three doses of OPV, and one dose of MMR.

**Data not reported for these states because major cities are excluded from state figures.

n/a — Data not available.

Source: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention. Ranks calculated by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B9.
HEALTH INSURANCE COVERAGE OF CHILDREN

	Percent of Medicaid Recipients and Vendor Payments on Persons Younger than 21, FY 1993		Uninsured Children, 1989-1991 (Average for Three Years)		
	Recipients	Payments	Estimated Number	Percent	Rank
Alabama	54.2%	25.8%	204,382	18.1%	44
Alaska	59.3	37.4	17,322	11.4	24
Arizona	—	—	155,762	16.9	42
Arkansas	51.2	32.1	130,275	18.6	46
California	52.0	22.3	1,437,220	17.4	43
Colorado	57.4	26.8	107,889	11.9	25
Connecticut	50.2	13.1	41,630	5.3	1
Delaware	62.2	28.4	23,503	13.4	32
District of Columbia	52.0	20.5	28,262	21.3	49
Florida	57.0	28.4	556,536	18.3	45
Georgia	55.3	27.9	200,513	12.4	28
Hawaii	54.1	19.9	19,285	6.6	7
Idaho	60.7	27.2	49,326	15.3	39
Illinois	56.0	24.1	292,629	9.6	19
Indiana	56.1	23.8	167,304	12.1	26
Iowa	52.0	24.4	42,150	5.7	3
Kansas	55.4	25.1	78,253	11.0	23
Kentucky	50.4	25.5	122,405	13.9	34
Louisiana	57.8	30.5	211,133	18.9	47
Maine	49.2	20.4	30,272	9.6	19
Maryland	52.7	25.5	147,668	13.1	30
Massachusetts	49.2	23.2	87,768	6.6	7
Michigan	53.3	21.3	159,256	6.4	5
Minnesota	52.4	16.0	60,615	5.3	1
Mississippi	55.2	29.0	136,407	16.8	41
Missouri	53.5	23.9	182,725	13.3	31
Montana	54.2	27.1	29,996	12.5	29
Nebraska	59.0	27.2	33,260	7.2	10
Nevada	56.8	31.6	48,493	15.7	40
New Hampshire	52.4	11.8	23,314	8.9	17
New Jersey	51.8	18.0	162,035	8.8	16
New Mexico	60.5	36.1	100,838	22.2	50
New York	53.8	17.6	423,052	9.2	18
North Carolina	53.3	25.3	209,604	13.6	33
North Dakota	50.0	18.0	10,653	5.8	4
Ohio	55.8	23.4	224,029	7.7	12
Oklahoma	55.5	34.0	166,169	19.9	48
Oregon	57.1	24.9	114,685	14.6	37
Pennsylvania	52.3	20.3	251,675	8.4	13
Rhode Island	—	—	12,627	6.4	5
South Carolina	53.9	28.2	139,705	15.2	38
South Dakota	57.3	26.1	19,911	10.3	22
Tennessee	51.8	26.2	147,906	12.3	27
Texas	62.0	34.9	1,100,963	22.6	51
Utah	60.2	29.5	54,812	8.7	15
Vermont	49.1	17.0	10,613	7.5	11
Virginia	55.4	24.5	229,804	13.9	34
Washington	52.9	21.3	108,357	8.6	14
West Virginia	53.5	27.9	64,017	14.3	36
Wisconsin	48.4	15.4	86,745	6.9	9
Wyoming	61.8	29.6	13,277	9.6	19
United States	54.4%	23.3%	8,477,030	13.0%	

Source: U.S. Department of Health and Human Services, Health Care Financing Administration; and U.S. Department of Commerce, Bureau of the Census. Calculations by Citizen Action and by Children's Defense Fund.

TABLE B10.

CHILDREN REPORTED ABUSED OR NEGLECTED, DISTRIBUTION BY RACE AND ETHNICITY, 1992

	Total Number Reported	Total, Race/ Ethnicity Reported	White	Black	Latino	Native American	Asian/Pacific Islander	Other
Alabama	43,246	23,240	60.6%	38.8%	0.4%	—	0.2%	—
Alaska	9,892	6,768	51.8	8.3	2.0	35.1%	1.1	1.8%
Arizona	51,216	30,556	58.2	8.4	24.9	4.2	0.3	4.1
Arkansas	36,089	7,538	66.4	31.8	0.7	n/a	n/a	0.8
California	463,090	73,675	51.6	12.2	30.9	0.5	2.8	2.1
Colorado	55,740	9,237	62.9	11.6	22.3	1.2	1.1	0.9
Connecticut	22,080	16,011	54.8	26.2	18.3	—	0.6	—
Delaware	8,292	2,157	49.5	45.6	3.2	—	—	1.4
District of Columbia	12,093	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Florida	180,285	78,007	64.9	34.7	n/a	0.1	0.3	n/a
Georgia	46,192	46,192	51.7	44.8	1.2	—	0.3	1.9
Hawaii	5,310	2,277	16.7	3.4	—	—	51.2	27.1
Idaho	24,020	7,514	81.3	—	13.8	1.2	—	3.1
Illinois	131,592	43,433	43.8	47.9	6.5	—	0.2	1.5
Indiana	58,970	30,283	81.0	15.0	1.8	—	0.2	2.1
Iowa	28,094	7,934	87.9	8.6	1.6	1.0	0.6	—
Kansas	22,079	22,079	75.2	16.0	6.4	0.7	0.6	1.0
Kentucky	56,438	25,647	82.5	14.1	0.4	—	0.2	2.7
Louisiana	47,893	16,043	39.8	58.7	0.5	—	—	0.8
Maine	10,177	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Maryland	48,698	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Massachusetts	52,581	24,601	57.3	19.3	16.2	0.1	1.6	5.5
Michigan	117,316	25,931	62.7	34.1	2.5	0.5	0.2	—
Minnesota	27,462	11,217	66.9	18.8	3.8	8.6	1.8	—
Mississippi	32,076	10,264	42.0	56.6	—	—	1.0	—
Missouri	79,493	17,548	71.5	27.4	0.4	0.2	—	0.3
Montana	14,760	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nebraska	17,029	5,262	77.9	11.9	4.7	4.7	0.8	—
Nevada	22,540	7,699	68.3	17.3	9.3	1.3	1.6	2.2
New Hampshire	10,943	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Jersey	50,443	17,499	35.4	44.6	17.1	—	0.7	2.1
New Mexico	26,969	6,716	38.5	2.6	46.1	11.5	1.3	—
New York	228,457	92,238	47.8	33.7	14.5	0.3	—	3.8
North Carolina	88,472	29,546	53.6	43.7	0.3	2.3	—	—
North Dakota	7,565	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ohio	148,101	51,506	66.9	27.6	1.4	0.1	0.2	3.8
Oklahoma	24,092	8,063	67.0	16.1	2.6	13.6	—	0.8
Oregon	41,506	8,705	81.7	6.2	8.1	2.6	1.4	—
Pennsylvania	25,891	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rhode Island	12,886	4,931	66.1	16.0	13.4	—	1.7	2.5
South Carolina	33,854	11,348	43.4	55.4	—	—	—	1.0
South Dakota	10,486	2,903	45.6	—	—	51.8	—	2.6
Tennessee	31,231	11,469	64.9	33.7	0.4	—	—	0.9
Texas	174,255	62,342	42.5	24.1	31.6	0.2	0.5	1.1
Utah	27,047	10,875	85.2	1.8	7.7	4.0	1.3	—
Vermont	3,205	1,498	98.6	—	—	—	—	—
Virginia	55,680	14,472	53.1	39.0	3.7	—	6.5	3.3
Washington	55,836	41,879	74.1	9.3	6.9	6.0	0.4	1.2
West Virginia	20,949	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Wisconsin	47,622	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Wyoming	5,458	2,017	81.4	2.0	7.0	8.0	—	—
United States	2,855,691	951,484	58.5%	27.4%	10.1%	1.5%	0.9%	1.8%

n/a — Data not available.

— Number too small to calculate a reliable rate.

Note: States cannot be compared or ranked because of differing definitions and reporting requirements. Furthermore, only some of the states report unduplicated counts, and not all states report data for all the racial and ethnic groups.

Source: U.S. Department of Health and Human Services, National Center on Child Abuse and Neglect, *Child Maltreatment 1992: Reports From the States to the National Center on Child Abuse and Neglect*. Calculations by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B11.
CHILDREN YOUNGER THAN 18 IN FOSTER CARE,
FY 1990 - FY 1993

	Last Day FY 1990	Last Day FY 1991	Last Day FY 1992	Last Day FY 1993	Percent Change FY 1990-1993
Alabama	4,420	4,383	4,133	3,938	-10.9%
Alaska	3,852	1,942	1,496	2,029	-47.3
Arizona	3,379	3,618	3,909	4,107	21.5
Arkansas	1,351	1,326	1,981	2,296	69.9
California	79,482	80,880	83,849	88,262	11.0
Colorado	3,892	5,519	4,390	5,700	46.5
Connecticut	4,121	4,202	4,252	4,557	10.6
Delaware	663	655	638	707	6.6
District of Columbia	2,313	n/a	2,152	2,145	-7.3
Florida	10,664	10,235	9,928	9,568	-10.3
Georgia	15,179	15,500	16,999	17,277	13.8
Hawaii	1,659	1,600	1,214	1,574	-5.1
Idaho	548	877	1,235	1,342	144.9
Illinois	20,753	23,776	29,542	33,815	62.9
Indiana	7,492	8,126	8,455	8,669	15.7
Iowa	3,425	4,609	3,606	3,411	-0.4
Kansas	3,976	7,112	7,838	4,593	15.5
Kentucky	3,810	6,422	6,966	3,363	-11.7
Louisiana	5,379	5,799	5,722	5,607	4.2
Maine	1,745	1,814	1,944	2,150	23.2
Maryland	6,473	4,859	5,816	6,107	-5.7
Massachusetts	11,856	13,232	13,147	13,382	12.9
Michigan	9,000	11,282	11,121	10,382	15.4
Minnesota	7,310	7,898	7,895	9,700	32.7
Mississippi	2,832	2,830	3,169	3,293	16.3
Missouri	8,241	7,143	8,171	8,625	4.7
Montana	1,224	1,494	1,691	1,447	18.2
Nebraska	2,543	2,660	2,985	3,222	26.7
Nevada	2,566	1,563	1,664	2,831	10.3
New Hampshire	1,505	2,095	2,630	2,509	66.7
New Jersey	8,879	8,451	8,024	7,673	-13.6
New Mexico	2,042	2,304	2,118	2,097	2.7
New York	63,371	65,171	62,705	59,658	-5.9
North Carolina	7,170	9,619	10,275	11,024	53.8
North Dakota	393	695	759	805	104.8
Ohio	18,062	17,298	17,099	15,922	-11.8
Oklahoma	3,435	3,803	2,892	2,953	-14.0
Oregon	4,261	3,996	4,031	4,119	-3.3
Pennsylvania	16,665	17,508	18,491	18,976	13.9
Rhode Island	2,680	3,311	2,755	2,830	5.6
South Carolina	3,286	3,698	5,066	4,656	41.7
South Dakota	567	613	674	710	25.2
Tennessee	4,971	5,217	5,312	5,835	17.4
Texas	6,698	7,200	9,965	10,880	62.4
Utah	1,174	1,405	895	1,465	24.8
Vermont	1,063	1,088	1,162	1,236	16.3
Virginia	6,217	6,590	6,305	6,229	0.2
Washington	13,302	13,956	11,327	8,394	-36.9
West Virginia	1,997	1,997	2,315	2,483	24.3
Wisconsin	6,037	6,403	6,812	7,045	16.7
Wyoming	484	605	907	620	28.1
United States	404,407	424,379	438,427	442,218	9.3%

n/a — Data not available.

Note: States cannot be compared or ranked because of definitional variations.

Source: American Public Welfare Association, Voluntary Cooperative Information System. Calculations by Children's Defense Fund.

CHILDREN IN THE STATES

TABLE B12.

**CHILDREN LIVING IN GROUP QUARTERS DUE TO OWN
OR FAMILY PROBLEMS, BY RACE AND ETHNICITY, 1990**

	Total, All Races	White	Black	Latino*	Native American	Asian/ Pacific Islander	Other Race
Alabama	3,455	2,058	1,347	36	18	23	9
Alaska	598	301	44	25	238	10	5
Arizona	3,019	2,014	441	815	265	43	256
Arkansas	1,696	1,146	514	29	16	9	11
California	25,235	13,105	6,569	8,459	519	1,098	3,944
Colorado	2,457	1,894	304	560	90	22	147
Connecticut	3,572	1,768	1,446	701	35	25	298
Delaware	364	151	200	21	1	3	9
District of Columbia	1,704	258	1,404	51	5	15	22
Florida	8,876	4,824	3,739	813	73	58	182
Georgia	4,490	2,150	2,268	81	20	23	29
Hawaii	644	180	47	117	12	392	13
Idaho	881	755	8	119	37	11	70
Illinois	6,908	3,650	2,890	590	47	82	239
Indiana	4,596	3,400	1,076	141	28	17	75
Iowa	2,233	1,954	178	82	40	19	42
Kansas	2,148	1,525	392	196	58	59	114
Kentucky	2,160	1,706	409	23	18	4	23
Louisiana	3,942	1,910	1,976	75	21	17	18
Maine	606	575	9	7	12	8	2
Maryland	3,879	1,424	2,372	124	23	36	24
Massachusetts	4,620	2,985	1,126	841	33	76	400
Michigan	6,043	3,119	2,637	268	128	25	134
Minnesota	2,916	2,041	490	129	273	35	77
Mississippi	1,667	895	746	17	11	11	4
Missouri	4,231	2,714	1,413	84	40	21	43
Montana	573	408	18	28	121	8	18
Nebraska	1,561	1,132	259	124	87	15	68
Nevada	1,265	819	298	189	45	32	71
New Hampshire	601	561	25	18	1	5	9
New Jersey	4,998	1,465	3,132	707	27	36	338
New Mexico	1,238	726	74	488	235	7	196
New York	20,008	6,587	11,189	4,982	147	197	1,888
North Carolina	4,187	2,284	1,741	65	119	19	24
North Dakota	660	347	6	18	302	4	1
Ohio	7,539	4,473	2,891	180	40	26	109
Oklahoma	2,566	1,753	449	102	306	13	45
Oregon	2,122	1,707	131	188	146	40	98
Pennsylvania	9,494	4,782	4,263	664	51	50	348
Rhode Island	563	399	133	48	6	6	19
South Carolina	3,037	1,691	1,308	26	13	7	18
South Dakota	947	513	13	29	396	7	18
Tennessee	4,236	2,951	1,213	57	30	23	19
Texas	13,434	8,904	2,931	3,579	88	123	1,388
Utah	1,299	1,126	28	148	40	22	83
Vermont	177	171	2	4	3	0	1
Virginia	4,771	2,578	1,962	243	30	66	135
Washington	3,187	2,179	574	249	269	55	110
West Virginia	926	822	79	8	14	5	6
Wisconsin	3,191	1,936	1,056	167	107	20	72
Wyoming	501	432	8	66	22	2	37
United States	196,021	109,248	67,828	26,781	4,706	2,930	11,309

*Persons of Latino origin can be of any race.

Source: U.S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, special Group Quarters tabulation.
Calculations by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B13.

**CHILDREN LIVING IN GROUP QUARTERS
DUE TO OWN OR FAMILY PROBLEMS, BY REASON, 1990**

	Home- lessness	Mental/ Emotional	Abuse or Neglect	Drug or Alcohol	Adult Corrections	Juvenile Delinquency	Physical/ Medical
Alabama	703	414	769	156	345	686	382
Alaska	134	93	86	93	1	172	19
Arizona	580	420	240	90	261	1,293	135
Arkansas	215	297	446	72	172	262	232
California	6,416	3,600	1,965	590	2,890	9,084	690
Colorado	476	738	183	69	81	801	109
Connecticut	1,531	763	298	108	270	428	174
Delaware	120	101	38	17	12	76	0
District of Columbia	1,118	87	65	16	213	54	151
Florida	1,648	1,475	888	465	2,267	1,544	589
Georgia	758	996	642	181	1,030	662	221
Hawaii	312	77	0	155	52	41	7
Idaho	185	153	60	86	44	280	73
Illinois	1,479	1,331	1,218	162	799	1,351	568
Indiana	679	828	1,316	116	357	1,109	191
Iowa	344	751	211	113	90	532	192
Kansas	383	719	325	28	323	269	101
Kentucky	422	528	263	101	178	515	153
Louisiana	413	979	272	207	680	1,113	278
Maine	106	12	96	63	21	283	25
Maryland	812	968	310	45	516	1,007	221
Massachusetts	1,693	1,244	625	107	136	453	362
Michigan	983	1,328	549	44	592	2,293	254
Minnesota	429	655	167	323	303	821	218
Mississippi	223	306	269	60	114	562	133
Missouri	725	1,000	1,000	166	344	735	261
Montana	106	85	48	22	11	285	16
Nebraska	117	275	653	63	94	280	79
Nevada	160	173	199	18	292	359	64
New Hampshire	84	62	86	111	2	183	73
New Jersey	2,529	636	187	166	319	990	171
New Mexico	184	135	279	94	114	267	165
New York	8,305	4,220	1,495	378	1,751	2,846	1,013
North Carolina	529	1,008	1,056	79	533	580	402
North Dakota	50	69	95	22	10	318	96
Ohio	1,100	1,240	1,168	135	176	3,402	318
Oklahoma	614	622	316	255	147	468	144
Oregon	610	384	182	118	60	718	50
Pennsylvania	2,305	1,879	1,212	320	281	3,161	336
Rhode Island	114	56	127	13	3	243	7
South Carolina	321	399	739	18	203	1,082	275
South Dakota	150	96	194	11	56	326	114
Tennessee	506	1,171	886	184	168	947	374
Texas	2,116	3,567	2,939	733	1,264	2,271	544
Utah	112	644	0	21	30	452	40
Vermont	32	29	95	1	3	14	3
Virginia	816	992	518	88	171	1,832	354
Washington	1,061	432	159	114	177	1,071	173
West Virginia	185	58	177	32	77	228	169
Wisconsin	488	1,034	243	135	109	1,085	97
Wyoming	95	101	53	20	22	210	0
United States	45,576	39,230	25,407	6,784	18,164	50,044	10,816

Source: U.S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, special Group Quarters tabulation.
Calculations by Children's Defense Fund.

CHILDREN IN THE STATES

TABLE B14.
HEAD START ENROLLMENT, BY RACE AND ETHNICITY,
FY 1994

	Total Enrollment	Non-Latino White	Non-Latino Black	Latino	Non-Latino Asian	Non-Latino Native American
Alabama	14,513	3,300	11,068	52	61	32
Alaska	1,209	342	104	47	29	687
Arizona	9,846	2,819	1,042	5,302	65	618
Arkansas	9,083	4,503	4,407	114	18	41
California	70,895	13,116	12,307	39,006	5,742	723
Colorado	8,122	2,749	994	4,077	147	154
Connecticut	5,600	1,400	2,384	1,743	58	15
Delaware	1,455	309	1,039	105	2	1
District of Columbia	2,841	2	2,420	383	36	0
Florida	27,461	5,363	17,630	4,237	198	36
Georgia	19,500	4,454	14,489	450	96	14
Hawaii	2,260	419	97	133	1,603	9
Idaho	1,897	1,466	19	361	10	41
Illinois	30,537	8,456	17,189	4,532	308	52
Indiana	11,747	7,648	3,544	405	53	95
Iowa	5,946	4,847	752	202	90	55
Kansas	5,793	3,266	1,678	642	99	109
Kentucky	14,180	11,411	2,628	57	74	11
Louisiana	19,329	3,315	15,711	97	149	58
Maine	3,439	3,301	49	35	20	34
Maryland	8,576	2,004	5,797	579	180	16
Massachusetts	10,851	4,735	2,464	3,046	550	54
Michigan	30,695	16,299	12,456	1,271	276	393
Minnesota	8,576	5,524	1,400	505	798	350
Mississippi	24,114	2,824	21,114	34	137	5
Missouri	14,063	7,896	5,863	153	115	35
Montana	2,324	1,883	36	102	38	265
Nebraska	3,644	2,272	691	464	50	167
Nevada	1,793	559	687	447	33	68
New Hampshire	1,156	1,072	28	43	10	4
New Jersey	12,879	1,932	7,507	3,315	91	35
New Mexico	6,414	1,154	246	4,606	30	378
New York	39,039	11,665	14,784	11,200	1,273	121
North Carolina	15,789	4,506	10,650	286	76	270
North Dakota	1,738	1,426	35	39	27	211
Ohio	33,919	18,577	14,117	885	275	64
Oklahoma	11,078	6,152	2,697	597	76	1,555
Oregon	4,594	3,257	354	717	105	161
Pennsylvania	25,531	13,041	9,949	2,137	373	33
Rhode Island	2,434	1,283	546	493	83	29
South Carolina	10,194	804	9,348	28	8	5
South Dakota	2,025	1,521	62	38	21	384
Tennessee	14,512	8,260	6,007	96	135	15
Texas	51,401	7,479	14,814	28,677	314	118
Utah	4,028	2,764	104	763	134	263
Vermont	1,271	1,166	23	6	11	64
Virginia	11,059	4,103	5,943	723	279	11
Washington	8,264	4,444	1,169	1,450	843	359
West Virginia	6,402	5,622	738	28	12	3
Wisconsin	11,934	6,046	3,714	841	894	439
Wyoming	1,323	901	43	317	27	35
United States	647,273	233,657	262,937	125,866	16,132	8,695

Source: U.S. Department of Health and Human Services, Head Start Bureau.

CHILDREN'S DEFENSE FUND

TABLE B15.

**MAXIMUM NUMBER OF CHILDREN ALLOWED PER CARETAKER AND
MAXIMUM GROUP SIZE IN CHILD CARE CENTERS, BY AGE OF CHILDREN**

	Children per Caretaker			Group Size		
	12 Months	2 Years	4 Years	12 Months	2 Years	4 Years
Alabama	6	8	20	6	8	20
Alaska	6	6	10	—	—	—
Arizona	5	10	15	—	—	—
Arkansas	6	9	15	—	—	—
California	4	12	12	—	—	—
Colorado	5	7	12	10	14	—
Connecticut	4	4	10	8	8	20
Delaware	7	10	15	—	—	—
District of Columbia	4	4	10	8	8	20
Florida	6	11	20	—	—	—
Georgia	8	10	18	18	20	36
Hawaii	5	8	16	12	—	—
Idaho	12	12	12	—	—	—
Illinois	4	8	10	12	16	20
Indiana	4	5	12	10	15	—
Iowa	4	6	12	—	—	—
Kansas	5	7	12	10	14	24
Kentucky	6	10	14	12	20	28
Louisiana	8	12	16	—	—	—
Maine	4	5	8	12	15	24
Maryland	3	6	10	6	12	20
Massachusetts	3	4	10	7	9	20
Michigan	4	4	12	—	—	—
Minnesota	4	7	10	8	14	20
Mississippi	9	12	16	10	14	20
Missouri	4	8	10	8	16	—
Montana	4	8	8	—	—	—
Nebraska	4	6	12	—	—	—
Nevada	6	8	13	—	—	—
New Hampshire	4	5	12	12	15	24
New Jersey	4	7	15	4	7	20
New Mexico	6	10	12	—	—	—
New York	4	5	8	8	10	16
North Carolina	7	12	20	14	24	—
North Dakota	4	5	10	—	—	—
Ohio	6	8	14	12	16	28
Oklahoma	6	8	15	12	16	30
Oregon	4	4	10	8	8	20
Pennsylvania	4	5	10	8	10	20
Rhode Island	4	6	10	8	12	20
South Carolina	7	7	14	—	—	—
South Dakota	5	5	10	20	20	20
Tennessee	7	8	15	14	16	20
Texas	6	13	20	14	35	35
Utah	4	7	15	8	14	25
Vermont	4	5	10	8	10	20
Virginia	4	10	12	—	—	—
Washington	7	7	10	14	14	20
West Virginia	4	8	12	—	—	—
Wisconsin	4	6	13	8	12	24
Wyoming	5	8	15	—	—	—
Recommended	3-5	4-6	8-10	6-12	8-12	16-20

Source: *Parenting Magazine*, November 1993; verified and updated by Children's Defense Fund, 1994.

TABLE B16.
FAIR MARKET RENT VS. THE MINIMUM WAGE, 1994

	Hourly Minimum Wage	Lowest Monthly Rent	Lowest Rent As % of Minimum Wage	Rank	Average Monthly Rent	Average Rent As % of Minimum Wage
Alabama	\$4.25	\$ 330	46.6%	2	\$ 424	59.9%
Alaska	4.75	703	88.8	47	703	88.8
Arizona	4.25	513	72.4	40	518	73.1
Arkansas	4.25	367	51.8	14	431	60.8
California	4.25	452	63.8	34	796	112.4
Colorado	4.25	404	57.0	23	530	74.8
Connecticut	4.27	700	98.4	50	793	111.4
Delaware	4.25	516	72.8	41	604	85.3
District of Columbia	5.25	844	96.5	49	844	96.5
Florida	4.25	419	59.2	29	607	85.7
Georgia	4.25	383	54.1	18	538	76.0
Hawaii	5.25	1,069	122.2	51	1,069	122.2
Idaho	4.25	485	68.5	38	485	68.5
Illinois	4.25	411	58.0	27	648	91.5
Indiana	4.25	341	48.1	3	486	68.6
Iowa	4.65	396	51.1	8	471	60.8
Kansas	4.25	455	64.2	36	478	67.5
Kentucky	4.25	368	52.0	15	436	61.6
Louisiana	4.25	307	43.3	1	437	61.7
Maine	4.25	485	68.5	38	615	86.8
Maryland	4.25	374	52.8	16	689	97.3
Massachusetts	4.25	555	78.4	43	736	103.9
Michigan	4.25	462	65.2	37	541	76.4
Minnesota	4.25	422	59.6	30	580	81.9
Mississippi	4.25	384	54.2	19	429	60.6
Missouri	4.25	359	50.7	7	463	65.4
Montana	4.25	395	55.8	20	404	57.0
Nebraska	4.25	433	61.1	32	479	67.6
Nevada	4.25	618	87.2	45	618	87.2
New Hampshire	4.25	617	87.1	44	779	110.0
New Jersey	5.05	645	76.6	42	827	98.3
New Mexico	4.25	417	58.9	28	509	71.9
New York	4.25	397	56.0	22	775	109.4
North Carolina	4.25	362	51.1	8	499	70.4
North Dakota	4.25	404	57.0	23	429	60.6
Ohio	4.25	357	50.4	5	481	67.9
Oklahoma	4.25	366	51.7	12	441	62.3
Oregon	4.75	487	61.5	33	523	66.1
Pennsylvania	4.25	350	49.4	4	592	83.6
Rhode Island	4.45	649	87.5	46	650	87.6
South Carolina	4.25	395	55.8	20	460	64.9
South Dakota	4.25	452	63.8	34	465	65.6
Tennessee	4.25	363	51.2	10	461	65.1
Texas	4.25	366	51.7	12	524	74.0
Utah	4.25	409	57.7	26	432	61.0
Vermont	4.25	644	90.9	48	644	90.9
Virginia	4.25	363	51.2	10	626	88.4
Washington	4.90	491	60.1	31	599	73.3
West Virginia	4.25	357	50.4	5	397	56.0
Wisconsin	4.25	405	57.2	25	522	73.7
Wyoming	4.25	378	53.4	17	437	61.7

Note: Average monthly fair market rents are for two-bedroom units, weighted by 1990 Census population counts for metropolitan areas. Lowest monthly fair market rents are for two-bedroom units in the lowest-priced metropolitan area in the state.

Source: U.S. Department of Housing and Urban Development, Low Income Housing Information Service; and Center on Budget and Policy Priorities. Calculations by Children's Defense Fund.

TABLE B17.

CHILDREN'S DEFENSE FUND

**NUMBER OF CHILDREN RECEIVING FOOD STAMPS,
FY 1989 - FY 1993**

	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	Percent Increase FY 1989-1993	Rank
Alabama	203,627	233,235	262,315	270,687	287,848	41.4%	20
Alaska	13,852	13,718	15,248	19,669	23,974	73.1	39
Arizona	142,460	167,762	217,238	256,159	268,442	88.4	47
Arkansas	103,406	110,277	125,340	133,326	141,257	36.6	17
California	1,130,068	1,241,125	1,481,548	1,699,067	1,931,912	71.0	38
Colorado	108,030	112,473	132,190	149,987	147,542	36.6	17
Connecticut	62,617	74,757	97,769	109,609	117,334	87.4	46
Delaware	15,639	17,504	22,295	27,143	31,113	98.9	48
District of Columbia	29,772	34,682	40,214	47,998	48,102	61.6	34
Florida	319,164	389,332	534,866	743,403	789,136	147.3	49
Georgia	247,169	248,064	349,291	394,684	417,471	68.9	37
Hawaii	39,780	38,188	41,156	43,304	49,655	24.8	7
Idaho	29,783	27,704	33,547	37,316	42,125	41.4	20
Illinois	480,701	489,525	571,382	536,341	612,143	27.3	13
Indiana	139,258	149,436	200,686	246,967	256,511	84.2	44
Iowa	80,704	83,162	89,240	100,367	96,760	19.9	4
Kansas	60,856	64,773	82,603	89,736	92,965	52.8	29
Kentucky	190,408	202,494	238,812	250,845	240,572	26.3	11
Louisiana	356,575	355,061	404,590	444,442	410,456	15.1	2
Maine	38,077	40,194	55,340	61,159	61,468	61.4	33
Maryland	127,879	138,195	159,357	187,701	197,531	54.5	30
Massachusetts	153,172	166,908	206,493	239,137	229,016	49.5	25
Michigan	445,279	463,569	498,853	506,478	513,005	15.2	3
Minnesota	120,559	118,285	141,010	158,632	171,796	42.5	23
Mississippi	224,555	229,689	249,470	256,369	273,355	21.7	5
Missouri	192,188	198,896	246,979	286,819	291,197	51.5	28
Montana	26,322	26,735	28,465	30,836	33,600	27.6	14
Nebraska	45,161	44,604	50,647	54,874	61,100	35.3	16
Nevada	19,408	23,733	32,997	46,163	54,651	181.6	50
New Hampshire	9,273	12,723	20,306	25,910	29,209	215.0	51
New Jersey	191,648	215,221	244,014	263,472	267,689	39.7	19
New Mexico	75,537	80,341	90,280	119,115	131,698	74.3	40
New York	722,389	776,078	887,010	915,006	964,858	33.6	15
North Carolina	177,509	195,549	245,744	300,372	323,552	82.3	43
North Dakota	18,890	19,305	22,503	22,445	23,694	25.4	9
Ohio	492,247	526,888	606,867	642,334	611,112	24.1	6
Oklahoma	123,659	122,202	151,905	167,524	179,726	45.3	24
Oregon	90,838	87,647	112,716	126,057	137,388	51.2	27
Pennsylvania	441,560	448,201	500,527	555,539	556,377	26.0	10
Rhode Island	29,370	33,514	41,574	46,181	49,045	67.0	35
South Carolina	137,577	155,603	171,328	186,473	213,828	55.4	31
South Dakota	25,213	26,144	28,813	27,999	31,562	25.2	8
Tennessee	230,158	238,858	286,479	321,614	364,193	58.2	32
Texas	846,306	984,543	1,144,204	1,301,887	1,421,597	68.0	36
Utah	52,402	54,943	64,696	69,740	74,253	41.7	22
Vermont	14,362	16,567	19,982	29,196	25,386	76.8	42
Virginia	148,798	166,735	195,617	230,539	261,125	75.5	41
Washington	153,771	175,628	202,310	219,280	229,855	49.5	25
West Virginia	111,043	106,862	117,673	142,017	207,751	87.1	45
Wisconsin	175,538	165,499	171,155	188,910	181,409	3.3	1
Wyoming	14,572	13,996	16,302	17,938	18,512	27.0	12
United States	9,429,127	10,127,129	11,951,940	13,348,769	14,195,859	50.6%	

Source: U.S. Department of Agriculture, Food and Consumer Service. Calculations by Children's Defense Fund.

C H I L D R E N I N T H E S T A T E S

TABLE B18.

NUMBER OF PARTICIPANTS IN CHILD NUTRITION PROGRAMS, FY 1994

	WIC ¹				School Lunch	School Breakfast	Child/Adult Care ²
	Women	Infants	Children	Total			
Alabama	27,515	35,512	59,275	122,302	551,152	132,604	31,530
Alaska	3,418	3,665	8,668	15,751	45,223	6,400	7,849
Arizona	29,665	33,136	54,335	117,136	376,508	109,252	35,390
Arkansas	21,732	23,123	43,195	88,050	312,411	107,876	18,254
California	266,178	264,624	381,264	912,066	2,272,785	644,738	231,672
Colorado	18,350	14,287	36,358	68,995	293,349	41,082	40,221
Connecticut	10,918	13,635	40,944	65,497	225,598	39,785	20,769
Delaware	3,243	4,534	8,679	16,456	63,515	14,266	11,064
District of Columbia	4,138	5,894	8,124	18,156	47,061	16,092	4,982
Florida	65,476	86,864	146,260	298,600	1,176,410	323,418	65,300
Georgia	36,012	55,482	114,619	206,113	960,501	259,325	46,474
Hawaii	5,419	6,831	12,631	24,881	139,326	26,744	19,801
Idaho	7,241	8,001	16,430	31,672	142,029	21,548	6,401
Illinois	48,654	72,445	116,104	237,203	929,378	148,904	68,506
Indiana	32,297	36,283	65,373	133,953	596,264	68,502	38,555
Iowa	12,908	12,908	35,750	61,566	381,306	39,682	26,507
Kansas	13,888	13,297	31,352	58,537	306,595	60,583	57,706
Kentucky	26,669	28,451	59,560	114,680	506,556	156,085	34,572
Louisiana	27,300	38,895	51,820	118,015	670,721	227,009	57,256
Maine	5,774	6,082	15,494	27,350	105,104	19,086	12,662
Maryland	19,921	24,306	40,514	84,741	359,947	63,985	35,644
Massachusetts	24,757	27,851	60,655	113,263	446,743	82,144	47,504
Michigan	45,891	53,954	109,187	209,032	741,849	78,137	65,726
Minnesota	18,717	20,815	57,569	97,101	515,387	53,727	93,829
Mississippi	20,846	30,073	52,323	103,242	407,983	151,040	31,989
Missouri	30,355	32,202	59,389	121,946	555,113	121,200	39,342
Montana	3,793	3,763	11,706	19,262	86,741	11,692	12,035
Nebraska	7,589	8,297	18,906	34,792	203,762	19,109	37,344
Nevada	6,838	7,194	13,121	27,153	93,192	22,838	4,487
New Hampshire	4,324	4,609	10,709	19,642	87,971	11,069	5,996
New Jersey	31,569	35,075	73,972	140,616	506,656	62,960	38,282
New Mexico	11,283	12,558	28,426	52,267	173,965	56,985	41,760
New York	85,476	117,643	244,230	447,349	1,625,538	365,378	137,315
North Carolina	43,365	49,665	84,841	177,871	750,500	209,098	63,024
North Dakota	3,541	3,811	10,581	17,933	88,975	9,048	19,111
Ohio	57,121	74,647	120,925	252,693	972,666	154,090	70,224
Oklahoma	20,813	24,847	43,626	89,286	365,797	109,212	39,535
Oregon	19,683	14,939	42,415	77,037	246,201	56,245	30,522
Pennsylvania	51,680	59,433	147,292	258,405	975,334	131,164	69,480
Rhode Island	3,800	5,365	11,628	20,793	57,773	6,982	7,345
South Carolina	29,558	31,403	61,971	122,932	450,845	151,251	20,487
South Dakota	4,882	5,816	12,639	23,337	106,393	14,482	10,100
Tennessee	33,105	51,041	47,489	131,635	593,090	164,061	33,038
Texas	146,084	157,050	307,895	611,029	2,136,447	678,689	149,749
Utah	13,618	15,281	27,064	55,963	246,321	21,871	37,321
Vermont	3,514	3,026	9,680	16,220	46,343	8,697	8,367
Virginia	27,944	33,598	67,861	129,403	583,697	132,252	33,471
Washington	26,249	31,051	44,937	102,237	418,243	83,752	46,929
West Virginia	11,884	12,246	29,279	53,409	199,502	82,813	10,531
Wisconsin	21,576	23,735	61,802	107,113	486,013	30,179	46,577
Wyoming	2,782	2,829	6,338	11,949	57,247	6,394	7,629
United States	1,499,353	1,742,072	3,225,205	6,466,630	24,688,026	5,613,525	2,130,164

¹Special Supplemental Food Program for Women, Infants, and Children.

²Includes some elderly and disabled adults.

Source: U.S. Department of Agriculture, Food and Consumer Service. Calculations by Children's Defense Fund.

TABLE B19.
ADOLESCENT CHILDBEARING, 1980 AND 1990

	Teen Birth Rate*		Percent Change, 1980-1990
	1980	1990	
Alabama	68.3	71.3	4.4%
Alaska	64.4	65.4	1.6
Arizona	65.5	75.9	15.9
Arkansas	74.5	80.1	7.5
California	53.3	71.5	34.1
Colorado	49.9	54.9	10.0
Connecticut	30.5	39.2	28.5
Delaware	51.2	55.0	7.4
District of Columbia	62.4	95.8	53.5
Florida	58.5	69.5	18.8
Georgia	71.9	75.9	5.6
Hawaii	50.7	61.7	21.7
Idaho	59.5	50.7	-14.8
Illinois	55.8	63.3	13.4
Indiana	57.5	58.7	2.1
Iowa	43.0	40.7	-5.3
Kansas	56.8	56.4	-0.7
Kentucky	72.3	67.7	-6.4
Louisiana	76.0	74.4	-2.1
Maine	47.4	43.3	-8.6
Maryland	43.4	53.7	23.7
Massachusetts	28.1	35.7	27.0
Michigan	45.0	59.3	31.8
Minnesota	35.4	36.5	3.1
Mississippi	83.7	81.0	-3.2
Missouri	57.8	63.0	9.0
Montana	48.5	48.7	0.4
Nebraska	45.1	42.5	-5.8
Nevada	58.5	74.2	26.8
New Hampshire	33.6	33.2	-1.2
New Jersey	35.2	40.9	16.2
New Mexico	71.8	78.4	9.2
New York	34.8	44.1	26.7
North Carolina	57.5	68.0	18.3
North Dakota	41.7	35.6	-14.6
Ohio	52.5	58.1	10.7
Oklahoma	74.6	67.2	-9.9
Oregon	50.9	54.9	7.9
Pennsylvania	40.5	45.3	11.9
Rhode Island	33.0	44.6	35.2
South Carolina	64.8	71.5	10.3
South Dakota	52.6	46.9	-10.8
Tennessee	64.1	72.6	13.3
Texas	74.3	75.6	1.7
Utah	65.2	48.7	-25.3
Vermont	39.5	34.3	-13.2
Virginia	48.3	53.3	10.4
Washington	46.7	53.5	14.6
West Virginia	67.8	57.4	-15.3
Wisconsin	39.5	42.8	8.4
Wyoming	78.7	56.5	-28.2
United States	53.0	59.9	13.0%

*Births per 1,000 young women ages 15-19.

Source: U.S. Department of Health and Human Services, National Center for Health Statistics, *Vital Statistics of the United States: 1980, Vol. I—Natality and Vital Statistics of the United States: 1990, Vol. I—Natality*; and U.S. Department of Commerce, Bureau of the Census, 1980 Census of Population and Housing and 1990 Census of Population and Housing, Summary Tape File 1. Calculations by Children's Defense Fund.

CHILDREN IN THE STATES

TABLE B20.

YOUTH EMPLOYMENT AND TRAINING

	Youths Ages 16 to 19, 1993*			Job Corps, 1991**			
	Employment- Population Ratio	Unem- ployment Rate	Rank	Enrollees	Number Eligible	Enrolled per 100 Eligible	Rank
Alabama	37.2%	23.0%	46	448	23,467	1.9%	43
Alaska	40.1	20.7	42	0	2,155	0.0	45
Arizona	13.1	14.7	17	1,101	20,687	5.3	26
Arkansas	41.4	16.9	22	982	11,958	8.2	20
California	34.1	26.2	49	4,213	151,053	2.8	38
Colorado	50.8	17.4	24	321	11,188	2.9	36
Connecticut	48.2	7.2	1	0	10,220	0.0	45
Delaware	41.0	13.3	10	0	2,215	0.0	45
District of Columbia	n/a	n/a	n/a	723	4,330	16.7	9
Florida	40.2	20.3	40	1,302	56,668	2.3	40
Georgia	40.5	17.5	25	3,078	37,102	8.3	19
Hawaii	36.0	13.9	13	502	2,542	19.7	5
Idaho	55.0	14.4	14	330	3,803	8.7	18
Illinois	43.5	18.8	32	770	49,878	1.5	44
Indiana	52.0	14.6	15	1,045	26,673	3.9	32
Iowa	60.1	11.5	5	482	6,993	6.9	23
Kansas	52.2	15.0	19	402	7,625	5.3	26
Kentucky	41.7	15.8	21	5,334	24,288	22.0	4
Louisiana	28.7	25.8	48	924	27,951	3.3	34
Maine	44.2	18.5	30	539	4,092	13.2	11
Maryland	39.1	22.7	45	1,294	18,044	7.2	22
Massachusetts	42.9	19.0	35	1,342	19,839	6.8	24
Michigan	48.5	17.1	23	973	43,274	2.2	41
Minnesota	63.3	10.9	3	466	9,700	4.8	30
Mississippi	31.7	19.0	35	1,595	16,286	9.8	13
Missouri	51.9	15.4	20	2,117	23,038	9.2	15
Montana	43.9	13.4	11	1,080	2,471	43.7	1
Nebraska	58.7	9.4	2	360	3,814	9.4	14
Nevada	44.5	19.5	38	964	5,309	18.2	7
New Hampshire	49.5	13.2	9	0	3,502	0.0	45
New Jersey	33.3	19.6	39	792	27,077	2.9	36
New Mexico	38.1	18.8	32	1,029	7,823	13.2	11
New York	30.0	22.5	44	2,930	74,762	3.9	32
North Carolina	44.0	18.3	29	1,590	31,635	5.0	29
North Dakota	52.7	12.6	7	0	1,196	0.0	45
Ohio	44.8	18.2	28	1,696	42,009	4.0	31
Oklahoma	40.4	18.5	30	2,234	14,093	15.9	10
Oregon	44.6	17.9	27	2,128	11,070	19.2	6
Pennsylvania	43.4	18.9	34	3,123	42,002	7.4	21
Rhode Island	48.3	13.7	12	0	3,851	0.0	45
South Carolina	37.4	23.0	46	386	17,287	2.2	41
South Dakota	56.1	12.7	8	334	1,886	17.7	8
Tennessee	40.2	20.4	41	924	28,280	3.3	34
Texas	40.5	21.5	43	5,316	97,332	5.5	25
Utah	60.0	11.5	5	2,482	5,932	41.8	2
Vermont	55.4	11.3	4	450	1,629	27.6	3
Virginia	40.9	19.1	37	1,204	22,850	5.3	26
Washington	48.8	14.7	17	1,587	17,684	9.0	16
West Virginia	24.6	35.1	50	981	11,053	8.9	17
Wisconsin	57.3	14.6	15	330	12,010	2.7	39
Wyoming	47.1	17.8	26	0	1,373	0.0	45
United States	41.7%	19.0%		62,205	1,103,000	5.6%	

*The employment-population ratio is the proportion of the population that is employed. The unemployment rate is the proportion of the labor force that is not employed but looking for work.

**If a state has no Job Corps enrollees, that means that there are no Job Corps centers located in that state. Residents may be enrolled in centers in other states. Those eligible for the Job Corps are youths ages 16 to 24 who are poor, school dropouts, and not employed.

Source: U.S. Department of Labor, Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment, 1993*; and U.S. Department of Labor, Office of Job Corps. Calculations by Children's Defense Fund.

CHILDREN'S DEFENSE FUND

TABLE B21.
FIREARM DEATHS AMONG CHILDREN AGES 1-19,
BY CAUSE, 1992

	Total Firearm Deaths	Homicide	Suicide	Accident	Intent Unknown
Alabama	121	67	33	17	4
Alaska	17	3	9	5	0
Arizona	101	60	27	12	2
Arkansas	69	42	14	12	1
California	818	655	110	47	6
Colorado	68	31	29	8	0
Connecticut	41	33	8	0	0
Delaware	5	2	1	1	1
District of Columbia	73	67	3	3	0
Florida	214	129	62	16	7
Georgia	160	89	49	19	3
Hawaii	9	4	4	1	0
Idaho	22	2	13	7	0
Illinois	321	262	37	15	7
Indiana	106	48	41	14	3
Iowa	23	4	18	1	0
Kansas	51	18	23	10	0
Kentucky	55	18	24	12	1
Louisiana	188	123	43	21	1
Maine	13	1	11	1	0
Maryland	100	80	12	0	8
Massachusetts	38	30	8	0	0
Michigan	218	137	58	20	3
Minnesota	48	14	32	1	1
Mississippi	84	46	17	20	1
Missouri	161	98	40	19	4
Montana	16	4	8	4	0
Nebraska	23	6	12	5	0
Nevada	31	18	9	3	1
New Hampshire	9	2	7	0	0
New Jersey	49	37	6	5	1
New Mexico	39	17	17	3	2
New York	361	286	62	10	3
North Carolina	147	78	49	19	1
North Dakota	13	2	7	3	1
Ohio	156	89	49	16	2
Oklahoma	63	27	28	6	2
Oregon	45	11	26	7	1
Pennsylvania	178	104	58	11	5
Rhode Island	3	3	0	0	0
South Carolina	78	45	18	13	2
South Dakota	10	1	7	2	0
Tennessee	111	59	37	14	1
Texas	540	335	138	59	8
Utah	41	7	31	1	2
Vermont	9	2	6	0	1
Virginia	111	64	38	9	0
Washington	70	38	29	3	0
West Virginia	27	8	10	9	0
Wisconsin	96	44	39	9	4
Wyoming	17	1	9	7	0
United States	5,367	3,351	1,426	500	90

Source: U.S. Department of Health and Human Services, National Center for Health Statistics, unpublished data. Calculations by Children's Defense Fund.

TABLE B22.
EDUCATION AND DISABILITY PROGRAM PARTICIPATION

	Title I 1991-1992	Bilingual 1990-1991	IDEA and Chapter 1 Disabled, 1991-1992					SSI Blind and Disabled December 1993
			Total	Under 3	3-5	6-17	18-21	
Alabama	135,845	1,052	96,975	634	7,710	83,219	5,412	23,911
Alaska	7,796	11,183	16,106	433	1,656	13,434	583	680
Arizona	101,519	65,727	61,076	633	5,151	52,594	2,698	9,002
Arkansas	87,557	2,000	49,018	590	5,058	41,095	2,275	16,726
California	1,383,287	986,462	494,058	832	43,519	430,683	19,024	57,937
Colorado	40,404	17,187	60,357	761	4,683	52,299	2,614	7,806
Connecticut	53,923	16,988	66,192	657	5,814	56,287	3,434	4,265
Delaware	10,413	1,966	14,435	46	1,631	12,026	732	1,676
District of Columbia	14,736	3,379	7,104	159	429	5,922	594	2,021
Florida	208,018	83,937	253,606	2,005	16,284	225,614	9,703	41,627
Georgia	168,125	6,422	107,660	174	8,204	95,077	4,205	22,594
Hawaii	14,932	9,964	14,163	647	930	12,184	402	748
Idaho	24,600	3,986	22,755	501	2,708	18,857	689	3,141
Illinois	181,002	79,291	245,931	3,560	23,793	207,659	10,919	41,220
Indiana	96,632	4,308	118,924	2,281	7,593	103,534	5,516	16,629
Iowa	36,595	3,705	61,510	964	5,427	52,215	2,904	6,766
Kansas	35,054	4,486	47,063	638	4,314	40,252	1,859	6,449
Kentucky	112,231	1,071	81,681	788	12,201	65,357	3,335	17,296
Louisiana	115,221	7,654	78,760	1,461	7,139	65,844	4,316	35,946
Maine	28,685	1,983	27,891	0	2,497	24,137	1,257	2,156
Maryland	69,496	12,257	92,520	2,775	7,840	78,069	3,836	9,069
Massachusetts	94,272	42,606	156,633	5,549	12,744	130,390	7,950	13,036
Michigan	176,510	21,376	172,238	2,959	15,411	144,562	9,306	31,057
Minnesota	81,954	13,152	83,028	2,203	9,002	68,768	3,055	8,182
Mississippi	151,157	2,753	61,197	71	4,660	53,508	2,958	22,157
Missouri	107,019	3,227	105,521	1,323	5,168	94,211	4,819	16,918
Montana	16,324	6,626	18,038	273	1,798	15,215	752	1,833
Nebraska	32,335	1,257	35,975	584	2,772	30,993	1,626	3,388
Nevada	13,476	9,057	20,530	546	1,818	17,496	670	2,043
New Hampshire	13,764	1,146	21,047	615	1,538	17,784	1,110	1,310
New Jersey	180,627	43,525	184,621	2,404	15,041	158,562	8,614	17,761
New Mexico	53,964	73,505	38,207	47	2,605	34,066	1,489	5,388
New York	460,025	168,208	324,677	2,298	29,213	272,980	20,186	66,343
North Carolina	119,472	6,030	127,867	766	11,218	111,079	4,804	22,324
North Dakota	11,893	7,187	12,679	214	1,163	10,684	618	1,041
Ohio	187,643	8,992	210,268	0	13,629	185,243	11,396	38,360
Oklahoma	59,930	9,392	68,576	659	5,324	59,853	2,740	9,709
Oregon	51,412	7,557	56,702	821	3,122	50,435	2,324	5,705
Pennsylvania	262,452	15,000	214,035	5,349	16,887	180,883	10,916	34,016
Rhode Island	15,173	7,632	21,588	462	1,801	18,198	1,127	2,101
South Carolina	68,308	1,146	79,872	622	8,577	67,499	3,174	14,003
South Dakota	14,957	6,691	15,284	249	2,214	12,200	621	2,279
Tennessee	128,076	3,560	111,315	2,296	8,630	95,003	5,386	18,942
Texas	584,603	320,578	367,860	7,023	26,059	315,751	19,027	47,426
Utah	35,710	14,860	50,009	1,288	3,755	43,517	1,449	3,686
Vermont	12,217	500	11,101	119	1,011	9,482	489	1,217
Virginia	76,937	15,133	122,647	2,551	10,808	103,781	5,507	16,128
Washington	63,479	28,646	91,286	2,032	10,430	75,005	3,819	9,633
West Virginia	34,497	231	44,338	791	3,581	37,465	2,501	7,179
Wisconsin	69,585	14,648	91,742	1,433	11,452	74,648	4,209	18,539
Wyoming	5,503	1,919	11,935	392	1,334	9,711	498	952
United States	6,109,345	2,181,148	4,948,601	66,478	417,346	4,235,330	229,447	770,321

Source: U.S. Department of Education; and U.S. Department of Health and Human Services, Social Security Administration.

TABLE B23.

**PERCENTAGE OF FOURTH-GRADE PUBLIC SCHOOL STUDENTS AT
OR ABOVE BASIC READING PROFICIENCY, 1992**

	All Races	White	Black	Latino	Asian/Pacific Islander	Native American
Alabama	48%	60%	25%	29%	—	—
Alaska	—	—	—	—	—	—
Arizona	51	64	40	37	—	22%
Arkansas	53	63	26	29	—	48
California	45	62	26	24	53%	—
Colorado	60	67	45	42	65	45
Connecticut	66	77	30	33	—	—
Delaware	54	65	32	26	—	—
District of Columbia	28	81	25	20	—	—
Florida	49	62	24	39	—	—
Georgia	53	67	32	32	—	—
Hawaii	44	59	29	32	43	—
Idaho	63	67	—	39	—	42
Illinois	—	—	—	—	—	—
Indiana	64	69	37	51	—	—
Iowa	70	72	49	54	—	—
Kansas	—	—	—	—	—	—
Kentucky	55	58	35	31	—	—
Louisiana	42	58	25	30	—	—
Maine	72	73	—	47	—	—
Maryland	53	65	32	37	61	—
Massachusetts	71	77	44	39	58	—
Michigan	59	68	22	39	—	—
Minnesota	65	68	26	42	—	—
Mississippi	38	60	22	20	—	—
Missouri	63	71	33	38	—	—
Montana	—	—	—	—	—	—
Nebraska	65	70	32	45	—	—
Nevada	—	—	—	—	—	—
New Hampshire	73	74	—	59	—	—
New Jersey	66	78	36	35	80	—
New Mexico	51	66	38	39	—	38
New York	58	71	40	30	66	—
North Carolina	53	64	33	34	—	38
North Dakota	71	72	—	68	—	53
Ohio	60	65	34	42	—	—
Oklahoma	64	69	36	47	—	58
Oregon	—	—	—	—	—	—
Pennsylvania	64	73	26	38	—	—
Rhode Island	59	68	23	30	37	—
South Carolina	49	64	31	29	—	—
South Dakota	—	—	—	—	—	—
Tennessee	53	62	29	36	—	—
Texas	53	68	35	38	—	—
Utah	64	67	—	41	—	—
Vermont	—	—	—	—	—	—
Virginia	64	73	40	41	74	—
Washington	—	—	—	—	—	—
West Virginia	58	59	37	36	—	—
Wisconsin	67	72	36	52	—	46
Wyoming	68	72	—	50	—	50
United States	57%	66%	30%	39%	55%	49%

Source: U.S. Department of Education, National Center for Education Statistics, NAEP 1992: *Reading Report Card for the Nation and the States*.

Every day in America

- 3 children die from child abuse.
- 15 children die from guns.
- 27 children — a classroomful — die from poverty.
- 95 babies die before their first birthday.
- 564 babies are born to women who had late or no prenatal care.
- 788 babies are born at low birthweight (less than 5 pounds, 8 ounces).
- 1,340 teenagers give birth.
- 2,217 teenagers drop out of school each school day.
- 2,350 children are in adult jails.
- 2,699 infants are born into poverty.
- 3,356 babies are born to unmarried women.
- 8,189 children are reported abused or neglected.
- 100,000 children are homeless.
- 135,000 children bring guns to school.
- 1,200,000 latchkey children come home to a house in which there is a gun.



Children's Defense Fund

25 E Street, N.W.
Washington, D.C. 20001
(202) 628-8787



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"A Moral Witness for Children"

Interfaith Service Sunday, July 12, 1992

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