DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington, D.C. 20201

Memorandum to Melanne Verveer

From: Mary Beth Donahue MED
Chief of Staff

Subject: Addendum to the 1999 State of the Union proposals

The Department of Health and Human Services (HHS) provided a memorandum to you on November 20 outlining proposed thematic ideas for the 1999 State of the Union address. I am writing as a follow-up to that memorandum to request that an addendum to this document be considered.

Please find attached, a paragraph regarding *Enacting Federal Privacy Legislation*. We propose that this paragraph should be included in the November 20 document within the section entitled, "**Improving the Health of All Americans**". You will note that within this section we highlight concrete steps that the Administration can take to improve the health care system. We suggest that the addendum be inserted following the paragraph on *Enacting a Patients Bill of Rights*.

For your reference, I have attached a copy of the comprehensive memorandum forwarded to you on November 20.

Thank you for taking the time to consider this request. If you have any questions, please feel free to contact me at 202-690-7431.

ATTACHMENTS

- Addendum to November 20 document
- Copy of the November 20 document

Add to Section II, page 4, just after the "Enact a patients Bill of Rights" section:

Enact Federal Privacy Legislation: The American people expect, and are entitled to, confidential, fair, and respectful treatment of their health information. Over a year ago, Secretary Shalala sent a Report to the Congress recommending that the Congress enact legislation requiring that treatment. Since then, progress in crafting such legislation has been made by both Republicans and Democrats. Now its time to get serious about protecting the privacy that we in the United States cherish as essential to personal freedom and well-being. The need for such legislation is found in the rapid changes in the ways that health care is provided, documented, and paid for in the United States. These changes pose a challenge to American values that are both complementary and competing. On the one hand, patients have a legitimate need for confidentiality so that they can be frank with their physicians about their health conditions and behavior. That assurance is fundamental to effective diagnosis, treatment and healing. On the other hand, participants in the health care system -- insurers, governments at all levels, managed care organizations -- have legitimate needs for access to health records in serving patients and performing their roles in the system. Our challenge is to work together to balance these competing values.

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

NOV 20 1998

MEMORANDUM TO BRUCE REED AND GENE SPERLING

FROM: Donna E. Shalala
Secretary of Health and Human Services

As you begin to prepare for the 1999 State of the Union Address, I want to share with you some thematic ideas to stress the accomplishments of the Administration and its agenda for further improving the health and welfare of the American people. I strongly believe that these issues have wide public support and can form the basis for some bipartisan progress in Congress. They build on our past accomplishments and will help to ensure a long-lasting legacy for the Administration in the area of improving the quality of life for the American family. My staff will be happy to work further with you and other White House staff on the details of these proposals.

In the President's speech in Poland, he quoted an ancient Irish proverb: "May you live a hundred years." In the 20th Century, medical, scientific and public health breakthroughs have added 20 years to the average life expectancy of the American people. The President should declare a national goal of meeting or exceeding this accomplishment in the new century to come so that by the end of the 21st Century, the average life expectancy of an American can be nearly 100 years. Imagine what such an accomplishment will mean to the productivity and creativity of our people and our nation.

In that light, this memorandum lays out four major themes for the President's address:

Helping Working Families Help Themselves: This includes renewed efforts to improve child care and support working families and new initiatives in the area of long-term care.

Improving the Health of All Americans: This includes enacting a Patients' Bill of Rights and continuing our efforts to eliminate historical racial and ethnic disparities in health status, particularly those disparities affecting American Indians.

Making the World Safer for Children: This includes a renewed effort to combat tobacco use by children as well as new initiatives to reduce the number of accidental injuries and a new effort to combat the rising prevalence of asthma in children.

Improving Public Health Capacity: This includes continuing efforts to protect the safety of our food supply, countering the threat of bioterrorism, and ensuring the safety of drugs, medical devices, and the blood supply.

The following pages of this memorandum discuss each of these themes in greater depth and offer rhetorical language that might fit within the context of the State of the Union Address.

I. Helping Working Families Help Themselves

The American family is stronger and more able to deal with the unexpected today thanks to the far-sighted policies we have adopted during these last six years. The Family and Medical Leave Act allows working parents to spend the time they need with a newborn or sick child. A higher minimum wage, the expanded Earned Income Tax Credit, and the $500 child care credit have helped to lift working families out of poverty. Parents can move from job to job without worrying that their health insurance won't move with them. More pre-school children are fully immunized than at any time in our history. And more than two million additional children have health insurance that will help them to grow up healthy and strong.

But our work is far from complete. Today, too many parents still must worry that they cannot afford quality child care for their children. Too many families are adversely affected by substance abuse problems. And too many families worry that the cost of long-term care could wipe out a lifetime of savings. That is why I am so pleased to announce that my fiscal 2000 budget includes a series of initiatives designed to help working families help themselves.

Quality Child Care: We must make child care more affordable, more accessible, and of consistently high quality. We know that 70 percent of today's mothers depend on child care professionals to help them care for and educate their children. Currently, only one in ten families eligible to receive assistance for child care do so. And in three-quarters of our states, families living in poverty are ineligible for child care assistance. Last year, the First Lady and I hosted the historic White House Conference on Child Care. We know that the early years of life are critical to the development of children's brains and their ability to enter school ready to learn. We also know that the experiences that older children have in non-school hours are critical to their positive development and education. There is no better investment of our resources than assuring that our children grow up in safe and healthy learning environments. We need to make sure that mothers and fathers who hold jobs outside the home are secure in the knowledge that their children are being cared for in high-quality child care facilities. So let's finish the job and enact a child care bill that helps parents get their kids off to the right start.

Working Families Initiative: In the two years since I signed the welfare reform law we have made remarkable progress in helping families move from welfare to work and in supporting working families. The welfare rolls are at an historic low and our employment rates are at an all-time high. But it is clearly not enough to just help families find jobs. We must keep them out of poverty by again raising the minimum wage. We need to build secure and reliable supports for work, such as Food Stamps, child care, health care, housing, and transportation. And we must help them improve their education and skill development.

Substance Abuse: We must strengthen our efforts to assist families whose substance abuse problems threaten their ability to lead healthy and productive lives. More than 8 million children in our nation are now living in families where at least one parent has a serious alcohol or drug problem, and drug use rates among our young have recently been rising. Indeed, research tells us

that the children of substance abusers are at higher risk of developing such problems themselves. Under the leadership of General Barry McCaffrey, the Office of National Drug Control Policy has developed a comprehensive, long-term drug control strategy for our nation. This strategy lays out a road map for making treatment and prevention services more available to parents and their children. You have all seen the ads on TV. These are the first steps in raising awareness, changing attitudes, and getting families and children to take action. Through the budget process we are also moving to reduce the treatment gap, so that families will be able to get the treatment they need. Through these efforts, we are providing the tools that working families need so that they can address their alcohol and drug problems and provide healthy family environments for their children.

Long Term Care: Last year's budget made an unprecedented investment in medical research and my budget for this year keeps us on a path of doubling the NIH budget in five years. These investments will help us to unlock the mysteries of the human body and help to extend the length and quality of every human life. But we also must recognize that longer lives will increase our need for innovative ways to care for our parents and our grandparents. Every year over 50 million Americans spend time caring for sick and disabled family members and friends. They struggle to keep their loved ones at home for as long as possible. Yet they get remarkably little help in doing so. That is why I am proposing to establish a National Family Caregiver Program to help these heroic men and women care for their loved ones and why I am also proposing a new Bridge to Independence Initiative that will work to expand the availability of home and community-based care for the elderly and the disabled.

Today, more than four million Americans are living with Alzheimer's disease, including President Reagan. That number is projected to quadruple in the next 40 years. That is why my budget also includes funding for Alzheimer's disease research.

II. Improving the Health of All Americans

Our nation has the best health care system in the world. We have the best doctors, the most advanced technology, and the most exciting research. But we can make the American health care system even better.

Enact a Patients Bill of Rights: Quality health care should not be a partisan issue. Quality health care is a practical issue for patients and their families. The first task of this new Congress must be to finish the work we began last year and enact a Patients' Bill of Rights that will guarantee high-quality care for all Americans. Virtually every member of this body sponsored legislation to provide Americans with a Patients Bill of Rights. There were many very real issues that divided us in 1998, but these are not issues that should stop us from acting. We must provide Americans with a real choice of doctors, with real access to specialists, and with real emergency care when and where they need it. They must be able to take their disputes with their health plans to independent, external experts for a binding final decision. They must know that their medical records are secure. And they must be able to have recourse against health plans

that injure them or their loved ones.

Eliminate Racial Disparities in Health Status: For too long our nation has seen shocking gaps between the health of white Americans and that of African Americans, Hispanics, Asian Americans, American Indians and other racial and ethnic minorities. Last year, we began a national initiative with the bold goal of eliminating these shameful disparities by the year 2010 in six critical areas of health status: infant mortality, cancer screening and management, cardiovascular disease, diabetes, HIV/AIDS infections, and child and adult immunizations. We also launched a national effort to deal with the crisis that HIV and AIDS present to minority communities. I propose doubling our efforts in these areas so that the health of any American does not depend on the color of their skin.

Improve the Health of American Indians and Alaska Natives: While we work to improve the health of communities of color we must pay particular attention to the needs of the oldest American communities -- American Indians. For far too long, these Native Americans have been accorded second-class status. We must enter the next millennium by making a national commitment to meet our legal and moral obligations to these citizens. We must provide health, education, and economic opportunities that will make the first Americans as economically productive, educationally competitive, and as healthy as those who followed them to these shores. We have begun by assisting tribal nations to develop innovative approaches that encourage community-based solutions for health status disparities effecting Indian families and communities.

III. Making the World Safer for Children

If parents are to have the opportunity to raise healthy children, we have the obligation to make the world around them as safe as possible. Every day, parents struggle to raise their children in an environment that nurtures their bodies and their souls. We can't do that job for them, but we can make it easier for them to do it successfully.

Reducing Tobacco Use: We have fundamentally changed our understanding of smoking. There can be no debate that the nicotine in cigarettes is addictive. We know that smoking is a pediatric disease. Three thousand young people become regular smokers each day and nearly one thousand of them will die prematurely. No legal obfuscation by the industry, nor slick TV ads can fool the American people. They know the truth -- often from the industry's own data. If Congress wants to act, we will work with them. Science and common sense lead to the conclusion that a strong, comprehensive approach to the problem is best. But we will not wait on Congress. Any state, any community that wants to act on the knowledge and facts of this public health threat will have this Administration's full support.

Reducing the Incidence of Injuries: More than 400 Americans -- including 50 children -- die every day from preventable injuries and thousands more are injured every year, suffering permanent disabilities. Such injuries cost our society $224 billion a year in lost productivity,

health care and rehabilitation costs. Yet every dollar we invest in preventing injuries saves us millions. For example, smoke alarms save $69 for every $1 spent, bicycle helmets save $29 for every $1, and child safety seats save $32 for every $1. We need to make Americans safe at home, safe at school, safe at work, and safe as they move about in their communities. That is why my budget includes money to help protect our children by creating a safer environment in which they can grow and mature.

Fighting Asthma: Over the last 15 years, the number of Americans afflicted with asthma has doubled to more than 15 million and the largest increases have been among children. In fact, asthma is one of the leading causes of school absenteeism and a major reason for emergency room visits by parents and young children. Our investment in asthma research has increased our understanding of the root causes of this condition. Now it is time to invest in getting that information in the hands of doctors and their patients. My budget will help prevent the onset of asthma, help parents manage asthma in their kids, and improve the treatment of this manageable disease.

IV. Improving Public Health Capacity

If we are to protect our nation and our planet against disease in the new century, we must continue to build our public health infrastructure. Without a solid and stable system of public health, we cannot fight the threats we know and we cannot be prepared for those that we don't know. Working in partnership with the states, we must develop and maintain a rapid response approach to contain the outbreaks of the future. This investment will enable us to increase the number of trained scientists and public health professionals in our communities.

Food Safety: With bipartisan support we have made major progress toward making our nation's food supply as safe as possible. The CDC has established a nationwide surveillance network that alerts us to any threats to the food supply. This allows us to quickly identify and act on foodborne outbreaks anywhere in the country. We have instituted new agricultural practices designed to detect and prevent contamination of fruits and vegetables. And we are taking measures to reduce the potential for bacteria contamination by applying new scientific approaches to assure the safety of fruit juices. To make all of this work, I have directed that a national food safety council be established to monitor food safety and help us maintain a safe national food supply.

Drug Safety: By assuring the quality of the drugs we take, the medical devices we need, and the blood supply upon which we rely, we relieve a major source of concern for the people of this nation and others. Our new FDA Commissioner Jane Henney will work closely with you to implement the bipartisan FDA reform bill that I signed in the last Congress.

Fighting Bioterrorism: Ensuring the health and well-being of our citizens requires thinking the unthinkable and preparing accordingly. That is why I am requesting $370 million to enhance our ability to protect the American people against terrorism involving infectious

microorganisms. We will help state and local health departments and the Centers for Disease Control and Prevention improve their capabilities to detect unusual infectious-disease outbreaks that might be caused by terrorists. We will also strengthen local, state, and national capabilities to mount rapid medical responses to such incidents. Our overarching goals will be to prevent bioterrorism whenever we can and, when we can't, to limit the toll of death and suffering that those heinous crimes can inflict upon our communities.

Attachment
Tab A - Background Information on the Health Status of American Indians and Alaska Natives

TAB A

Background Information on the Health Status of American Indians and Alaska Natives

Focus on the Tools of Opportunity. Develop economic opportunities in Indian communities, raise the health status of Indian people and their communities, and improve their educational status.

Health Status. American Indians and Alaska Natives have the lowest life expectancy of any group in the nation and disproportionately higher morbidity/mortality rates than the total population, as shown below.

Alcoholism	579% greater
Tuberculosis	475% greater
Diabetes	231% greater
Unintentional Injury	212% greater
Suicide	70% greater
Pneumonia and Influenza	61% greater
Homicide	41% greater
Gastrointestinal Disease	23% greater
Heart Disease	8% greater

The health of Indian people is measurably different than other Americans at all life stages. Indian infants die from sudden infant death syndrome at a rate 1.8 times the U.S. All Races infants rate of 2.1. Indian children, 5-14 years, die of traumatic injuries at twice the U.S. All Races rate, and suicide among Indian children, 15-24 years, is 2.7 times the U.S. All Races rate. The alcoholism death rate for Indian youth, 5-14 years, is over 17 times the rate for U.S. All Races. One in three adult Indians suffer from diabetes -- nearly twice the rate of U.S. All Races. Indian elders still die earlier than their U.S. All Races counterparts. American Indian and Alaska Native homes lack safe water and sanitary means of waste disposal 7.5 times that of homes of U.S. All Races.

Eliminate Health Disparities for Six Target Areas. The Administration's Initiative to Eliminate Racial and Ethnic Disparities in Health targets six areas: diabetes, heart disease, cancer screening and management, HIV/AIDS, infant mortality, and immunization.

Develop Economic Opportunity. Disparities exist in other programs aimed at improving the social and economic status of low-income and disadvantaged populations, including TANF and other ACF programs and Medicaid/CHIP outreach. This is the case for both reservation-based and urban-based American Indians and

Alaska Natives. This is not just a reservation issue. Sixty-five percent of Indian people live in urban or suburban areas. Indian people are the most disadvantaged population in the nation. Their median household income (1989) was $19,897 compared with $31,435 for Whites, $19,758 for Blacks, and $24,156 for Hispanics.

Living Below the Poverty Level	31.6%
Males 16 & Over Unemployed	16.2%
Bachelor's Degree or Higher, Ages 25 and older	8.9%

Improve the Academic Performance of American Indians and Alaska Native Students. Census data show that the Indian population has increased in the last three decades. Of the total Indian population, the age group 10-19 years represents a significant concentration. There are approximately 600,000 American Indian and Alaska Native children in the United States -- less than 1% of all school-aged children. They have the highest dropout rate in the nation. Thirty-six percent of American Indian and Alaska Native tenth graders drop out of school, more than twice the national percentage for white students. Thirty-two percent of American Indian and Alaska Native students showed a "below basic" level of performance in math, which represents twice that for white students (15.5%). Twenty-two percent of white students showed an "advanced" level of performance in math, which is almost five times that for Indian students (4.8%). The Bureau of Indian Affairs funds a K-12 educational program for 51,000 Native Americans in 185 school systems in 23 states. Of the 3,000 facilities in the BIA school system, 25 percent are more than 50 years old, 50 percent are more than 30 years old, and 3 percent are more than 100 years old. Twenty thousand American Indian and Alaska Native students attend classes in portable classrooms. The conditions of these facilities reflect significant operational and new school construction needs. The turnover rate for BIA teachers is 35%.

The White House Domestic Policy Council Working Group on American Indians and Alaska Natives approved a Policy Initiative for Indian Children and Adolescents as proposed by the IHS in 1997. The Policy Initiative focuses on directing resources from a number of Federal agencies and private sources. The Policy Initiative's intent is to improve the conditions and quality of life for American Indian and Alaska Native children and adolescents and help them become healthy adults. The IHS will continue to work with the Domestic Policy Council by providing additional information about the potential outcomes of the Initiative and other basic information on the status of Indian children and youth. The IHS will continue to pursue a potential presidential Executive Order or other administrative policy

statement in support of Indian children and youth. In addition, the IHS is planning the development of a major campaign in 1999 that will address the need for establishing healthy lifestyle programs for Indian youth. Tribal consultation will be a cornerstone of this campaign.

Continue the Momentum of Past Progress. The Administration has made progress on American Indian and Alaska Native health issues even though significant disparities remain. Mortality rates for American Indians and Alaska Natives have decreased significantly in many areas since 1973, as shown below, showing that investing in Indian health works!

Tuberculosis	79% reduction
Gastrointestinal Disease	76% reduction
Maternal Deaths	68% reduction
Infant Deaths	58% reduction
Unintentional Injury	56% reduction
Pneumonia and Influenza	52% reduction
Homicide	40% reduction
Alcoholism	37% reduction
Suicide	23% reduction

Administration for Children and Families

OLAB

Office of Legislative Affairs & Budget
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447
FAX: (202) 401-4562

TO:	Jennifer Klein	FROM:	Lisa Bernhardt
PHONE:	456-2599	PHONE:	(202) 401-4805
FAX:	456-9412		
DATE:	9/2/98	COVER + 1 Pages	

Message: Latest child care spending data that's been made public (per your request to Joan). Please call if any questions.

DRAFT

Cumulative Outlay Rates as of June 30 for the Mandatory & Matching Child Care Funds

	Grant Awards	Outlays	Outlay Rate
June, 1998:			
FY97 Funds	$1,959,958,593	$1,862,811,370	95%
FY98 Funds	1,640,385,511	1,105,483,404	67%
June, 1997:			
FY97 Funds	1,441,609,153	889,716,796	62%

Call 1717s

JEN — How far off were they? BR

NUMBER OF CHILD CARE SLOTS FOR LOW-INCOME FAMILIES THROUGH THE CHILD CARE BLOCK GRANT

1.8m?

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Baseline # of children served through CCDBG (current law)	**1 million children**	1.07 million children	1.13 million children	1.2 million children	1.26 million children	1.32 million children
Option One: $4 billion increase over 5 years	--	$0.8 billion	$0.8 billion	$0.8 billion	$0.8 billion	$0.8 billion
100% federal dollars		1.29 million children	1.35 million children	1.42 million children	1.49 million children	**1.54 million children**
80-20% match	--	1.34 million children	1.41 million children	1.48 million children	1.54 million children	**1.6 million children**
Option Two: $9 billion increase over five years	--	$1.2 billion	$1.5 billion	$1.6 billion	$2.0 billion	$2.7 billion
100% federal dollars		1.39 million children	1.55 million children	1.6 million children	1.82 million children	**2.07 million children**
80-20% match		1.48 million children	1.65 million children	1.75 million children	1.96 million children	**2.26 million children**

*The Child and Development Block Grant (CCDBG) is funded through three streams: discretionary, mandatory non-matching, and mandatory matching (based on FMAP: average of 56% federal, 44% state). Each stream is funded at roughly $1 billion in FY 1998. The mandatory matching stream is responsible for nearly all of the block grant growth in the outyears.

*These calculations use FY 1998 dollars and assume a per-child cost of $3,617, which largely represents the subsidy, but also includes set-asides and administrative costs.

[redacted]

Nicole R. Rabner

12/22/98 01:10:41 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Jennifer L. Klein/OPD/EOP

cc:
Subject: Summary of Head Start options

Attached below is an e-mail from Barbara to Gene (sent at his request) outlining the Head Start options for the President's FY 2000 budget. No decision has been made, but it's clear that OMB plans to up the Head Start budget to stay on track to serving 1 million children by 2002. Assuming OMB and HHS can find the budget authority for it, I would favor OMB's suggested resolution described below -- $5.267 billion for FY 2000 to add 44,000 new Head Start slots, bringing the program to a total of 881,000 slots.

---------- Forwarded by Nicole R. Rabner/WHO/EOP on 12/22/98 11:46 AM ----------

Record Type: Record

To: Gene B. Sperling/OPD/EOP@EOP, Charles R. Marr/OPD/EOP@EOP

cc: Melissa G. Green/OPD/EOP@EOP, Peter A. Weissman/OPD/EOP@EOP, Sandra Yamin/OMB/EOP@EOP, Jennifer Friedman/OMB/EOP@EOP

Subject: Summary of Head Start options

Information on Head Start.

---------- Forwarded by Barbara Chow/OMB/EOP on 12/22/98 11:05 AM ----------

Jennifer Friedman

12/21/98 07:23:11 PM

Record Type: Record

To: Barbara Chow/OMB/EOP@EOP

cc: Barry White/OMB/EOP@EOP, Jack A. Smalligan/OMB/EOP@EOP, Matthew McKearn/OMB/EOP@EOP, Sandra Yamin/OMB/EOP@EOP

Subject: Summary of Head Start options

Following is an overview of options for the Head Start funding level for the FY2000 President's Budget. All options remain on the path toward serving 1 million children by FY02, including 80,000 infants and toddlers in Early Head Start. The options range in cost from $4,997 million to $5,395 million in FY00, with five year costs that are $5.3 billion to $6 billion over guidance levels. The table attached below summarizes the options proposed by HHS and considered by OMB.

As you know, the Head Start reauthorization greatly increased the set-aside for quality activities. Due to this law change, as well as other program policies, the cost of new slots has risen dramatically. While the FY99 P.B. assumed that the request level of $4,660 million would create 30,000 to 36,000 new slots, this funding level as enacted will now only provide for approximately 15,000 new slots in FY99, for total enrollment of 837,000.

In HHS' FY00 budget submission, the Department originally requested $4,997 million ($337 million over FY99 enacted), and subsequently revised this request to $5,395 million ($735 million over FY99 enacted). The passback level was at guidance, and equal to their original request of $4,997 million.

In HHS' first appeal, the Department reiterated their request of $5,395 million, proposing to add 54,000 slots, for total enrollment in FY00 of 891,000. Subsequently, HHS revised their appeal downward. Their second appeal is in the same ballpark as the OMB proposed resolution of $5,267 million. This funding level would create 44,000 slots, for total enrollment of 881,000. There is a logic to adding 44,000 slots in FY00, as the FY99 P.B. assumed the addition of 44,000 new slots in FY00 (albeit, to a higher base).

HHS' third appeal, a $100 million increase over passback to $5,097 million, would provide for 29,000 new slots and a total enrollment of 866,000.

Summary of Head Start Expansion Options
(All dollars in millions)

	Date Submitted	FY00	New Slots	Total Slots
HHS Request	9/98	$4,997	20,000	857,000
HHS Revised Request	11/9/98	$5,395	54,000	891,000
Passback	11/24/98	$4,997	20,000	857,000
HHS First Appeal	12/1/98	$5,395	54,000	891,000
OMB Proposed Resolution	12/3/98	$5,267	44,000	881,000
HHS Second Appeal	12/18/98	$5,267	44,000	881,000
HHS Third Appeal	12/21/98	$5,097	29,000	866,000

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Fiscal Year 2000 OMB Submission

Administration for Children and Families

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES

EXECUTIVE SUMMARY

General Statement

The Administration for Children and Families (ACF), within the Department of Health and Human Services, is responsible for programs which promote the economic and social well-being of families, children, individuals, and communities. Many of these programs are at the forefront of the Administration's domestic agenda; including welfare reform, child care, child support, foster care and adoption, and Head Start.

Consistent with the President's focus, the Secretary has provided a framework for the budget request in her goals for the Department. The goals include building strong foundations for families and children, and strong management. The Administration for Children and Families is responsible for programs which make major contributions to the achievement of these goals.

Overview

Under the requirements of the Government Performance and Results Act, and within the framework of the Department goals, agency strategic goals and performance standards and measures have been developed. We remain committed to results, to the measurement of results, and to joint work with partners. The priorities reflected in the Administration for Children and Families' FY 2000 budget are in support of the strategic goals which have been developed in the ACF performance plan:

- Improve the **economic independence and productivity of families;**
- Increase the **healthy development, safety and well-being of children and youth;**
- Deliver high quality services to help develop **healthy, safe and supportive communities and tribes;**
- Be a high-performing, customer-focused, **results-oriented organization.**

The Administration for Children and Families supports activities for a range of critical Administration priorities under these four goals, including:

- Welfare Reform: Enabling families to move from welfare to work and to succeed at work (Vice President's Bold Goal and Secretarial Initiative);
- Child Care: Creating access to affordable, quality child care for low-income working families (Presidential and Secretarial Initiative);

- Child Support Enforcement: Increasing the number of children with paternity established and child support collections in place, so that they can grow up with the financial and emotional support of both parents (Vice President's Bold Goal);

- Adoption and Child Welfare: Doubling adoptions and other permanent placements from the public child welfare system (Vice President's Bold Goal and Presidential Initiative) and, protecting the safety, permanency, and well-being of children in danger of abuse or neglect;

- Head Start: Enrolling 1 million children by 2002, and ensuring that they receive a high quality Head Start experience that will enable them to start school ready to learn (Presidential Initiative); and

- Infants and Toddlers: Reaching more infants and toddlers with Early Head Start and quality child care, reflecting what we know about the rapidity of brain development in the first three years of life (Presidential Initiative to double Early Head Start).

Summary of Major Budget Initiatives

Head Start

The requested increase in Head Start, of $337 million, will fund 32,000 additional children as well as expanded services to infants and toddlers and continued quality improvement, moving toward the President's goal of serving 1 million children in Head Start and doubling the size of Early Head Start by 2002.

Child Care

The second year of funding for the President's Child Care Initiative for working families represents an increase of $125 million in mandatory funding over the Administration's FY 1999 request. This initiative reflects the critical role of quality, affordable child care as a support for low-income working families, essential both to parents' continued employment and children's healthy development and learning. This proposal assumes enactment of the child care initiative in FY 1999. If that proposal is not enacted in full, we would incorporate enactment at the originally proposed funding levels in the FY 2000 budget.

Developmental Disabilities and Welfare to Work

A new investment of $11.1 million in the Programs for Persons with Developmental Disabilities programs is proposed for two major purposes -- to strengthen the program's focus on accountability and results through an incentive funding strategy and improved formula; and to provide technical assistance and demonstration resources that will promote and strengthen state welfare-to-work strategies that meet the needs of families with a developmentally disabled member.

Family Violence

We are proposing an increase of $24.6 million for battered women's shelters and related services as part of a comprehensive $71.3 million Departmental initiative to improve and expand services for victims of domestic violence and to bolster prevention activities to change the social norms that allow this violence to occur. Given the scope and magnitude of the problem of violence against women and the relatively limited services and supporting activities we now fund, efforts that allow us to expand and extend services and foster new ways of approaching the problem are critical. The ACF increase will support the enhancement and expansion of existing services, improvements in data collection, monitoring, and evaluation; and technical assistance and demonstration strategies to strengthen collaboration between domestic violence services and other service networks, building on the first steps already taken in child support, child welfare, TANF and criminal justice.

Refugee Resettlement

Based on the State Department's projections of new entrants and on the continuation of key social services programs, we

- Child Support Enforcement: Increasing the number of children with paternity established and child support collections in place, so that they can grow up with the financial and emotional support of both parents (Vice President's Bold Goal);

- Adoption and Child Welfare: Doubling adoptions and other permanent placements from the public child welfare system (Vice President's Bold Goal and Presidential Initiative) and, protecting the safety, permanency, and well-being of children in danger of abuse or neglect;

- Head Start: Enrolling 1 million children by 2002, and ensuring that they receive a high quality Head Start experience that will enable them to start school ready to learn (Presidential Initiative); and

- Infants and Toddlers: Reaching more infants and toddlers with Early Head Start and quality child care, reflecting what we know about the rapidity of brain development in the first three years of life (Presidential Initiative to double Early Head Start).

Summary of Major Budget Initiatives

Head Start

The requested increase in Head Start, of $337 million, will fund 32,000 additional children as well as expanded services to infants and toddlers and continued quality improvement, moving toward the President's goal of serving 1 million children in Head Start and doubling the size of Early Head Start by 2002.

Child Care

The second year of funding for the President's Child Care Initiative for working families represents an increase of $125 million in mandatory funding over the Administration's FY 1999 request. This initiative reflects the critical role of quality, affordable child care as a support for low-income working families, essential both to parents' continued employment and children's healthy development and learning. This proposal assumes enactment of the child care initiative in FY 1999. If that proposal is not enacted in full, we would incorporate enactment at the originally proposed funding levels in the FY 2000 budget.

Developmental Disabilities and Welfare to Work

A new investment of $11.1 million in the Programs for Persons with Developmental Disabilities programs is proposed for two major purposes -- to strengthen the program's focus on accountability and results through an incentive funding strategy and improved formula; and to provide technical assistance and demonstration resources that will promote and strengthen state welfare-to-work strategies that meet the needs of families with a developmentally disabled member.

Family Violence

We are proposing an increase of $24.6 million for battered women's shelters and related services as part of a comprehensive $71.3 million Departmental initiative to improve and expand services for victims of domestic violence and to bolster prevention activities to change the social norms that allow this violence to occur. Given the scope and magnitude of the problem of violence against women and the relatively limited services and supporting activities we now fund, efforts that allow us to expand and extend services and foster new ways of approaching the problem are critical. The ACF increase will support the enhancement and expansion of existing services, improvements in data collection, monitoring, and evaluation; and technical assistance and demonstration strategies to strengthen collaboration between domestic violence services and other service networks, building on the first steps already taken in child support, child welfare, TANF and criminal justice.

Refugee Resettlement

Based on the State Department's projections of new entrants and on the continuation of key social services programs, we

are projecting an increase of $6 million in funding for refugee programs. The estimate does not assume any carryover from prior years. We will be working with the State Department over the next few months as they finalize their entrant ceiling numbers.

Independent Living and Child Welfare

The budget proposal continues existing spending levels on the discretionary side in support of the Administrations adoption goals, but proposes an increase of $37 million on the mandatory side for two purposes:

- A $35 million increase in the Independent Living Program (which has remained constant at $70 million since 1992) will help keep children aging out of the child welfare program from becoming homeless, jobless, or drug addicted. As we seek to ensure stable permanent homes for children and to promote work and self-sufficiency, we must include those children who, despite all our efforts, have not been adopted and reach adulthood directly from the foster care system without the supports most children and young adults are fortunate to have.

- A $2 million setaside will support monitoring of child welfare and family service programs in the States -- including family preservation and support, time-limited reunification services, adoption support services, child protective services, foster care, adoption, and independent living -- and will provide technical assistance and monitoring of critical systems development. This is the system which provides us with the information necessary to make payments under the Adoption Incentives Program.

Community-Based Resource Centers

We are proposing an increase of $7.2 million for this program in support of the goal of minimizing the risk of harm to children, protecting them from child abuse and neglect and enhancing families' capacities to provide for their children's needs by increasing public awareness, parent education, and family support services available to parents in their own communities.

Accountability and Administrative Support

A new investment of $11.7 million for administrative resources and information systems will provide accountability and oversight for key priorities, including quality and expansion in Head Start and Early Head Start; implementation of the Adoption and Safe Families Act; implementation of the Administration's child care initiative; and TANF data collection, analysis and dissemination. As part of this investment we are proposing a fellows program similar to the Service Fellowship Program at PHS. This will provide ACF with the flexibility to recruit approximately 12 persons with expertise in specific programmatic areas for limited periods of time.

Summary of FY 2000 Legislation

Reauthorizations

Programs for Persons with Developmental Disabilities (DD)

ACF will seek a 5-year reauthorization of these critical programs which help empower persons with disabilities and their families to receive support at home and in their communities. Families are the greatest natural resource available to their children and many persons with disabilities are the major providers of support, care, and training for their children. A growing number of families are searching for ways to care for their children with disabilities and these programs can be an efficient and cost-effective means of developing supports for the DD families.

As part of the reauthorization package, first we will seek changes to the State Grant formula to simplify the methodology for computing state/territory allocations and acknowledge and encourage the achievement of valued results, including a focus on working families with persons with disabilities, through a new incentive provision. In addition, we will convert the University Affiliated Program to a formula grant program. Second, we propose to include technical assistance setasides that will allow us to focus resources on linkages between the Developmental Disabilities networks and other critical priorities. In FY 2000, we propose to focus on links to employment-related services for TANF recipients moving to work. Third, we will include language in the proposal to allow the cost of making and monitoring grants to be paid from program funds.

Refugee Resettlement Programs

ACF plans to seek a 5-year reauthorization of the refugee program with only minor legislative amendments. Through the regulations process, however, ORR will be drafting alternatives to the current refugee cash and medical assistance programs to promote more effective cooperation between the States and the voluntary agencies. These regulations are being developed after a series of consultations conducted by ORR with hundreds of key partners in refugee resettlement.

Family Violence/Domestic Violence Hotline

ACF will seek a 5-year reauthorization of this Violence Against Women Act program that addresses issues of domestic violence with minor legislative amendments. In addition, as in the Programs for Persons with Developmental Disabilities reauthorization, we will seek language to allow the program to pay for costs associated with the making and monitoring of grants out of program funds.

Incidents of domestic violence disrupt communities, destroy relationships, and harm hundreds of thousands of Americans each year. In addition to the personal burdens domestic violence causes, the financial burdens run into the billions of dollars each year. Among the most tragic effects of family violence is the cycle of abuse perpetuated by children and teenagers who see and experience brutality at home.

Child Welfare and Foster Care

This legislative proposal includes a setaside for monitoring of child and family service reviews, to encompass the range of Federally-assisted child and family services programs, including family preservation and support, time-limited reunification services, adoption support services, child protective services, foster care, adoption, and independent living. These reviews are essential to the safety, permanency and child and family well-being goals of the Adoption and Safe Families Act.

Fellows Program

To address some of the specialized staffing needs of ACF, we are proposing legislation to establish a fellows program similar to the Service Fellowship Program at PHS. This will allow ACF to recruit persons with expertise in specific programmatic areas for designated periods of time.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FY 2000 Discretionary Budget Request

The FY 2000 budget request for the Administration for Children and Families (ACF) discretionary programs is $9.1 billion, an increase of $418 million over the amended FY 1999 President's Budget and $81 million over the FY 2000 column of the FY 1999 President's Budget. This increase includes $20 million to restore program levels to amounts before bioterrorism amendments to the President's FY 1999 Budget.

The major changes in the FY 2000 discretionary budget request compared to the amended FY 1999 President's Budget are:

o	Head Start.....	+$	337,000,000
o	Programs for Persons with Developmental Disabilities	+$	11,120,000
o	Family Violence	+$	24,560,000
o	Refugee Resettlement	+$	6,000,000
o	Community-Based Resource Centers .	+$	7,225,000
o	Federal Administration.....	+$	11,654,000

ECONOMIC INDEPENDENCE AND PRODUCTIVITY FOR FAMILIES

One of the Department's priorities is moving people from welfare to work. In support of that priority, in FY 2000 the Administration for Children and Families will continue to give particular attention to programs designed to support and stabilize working families.

Child Care for Working Families

While the average family spends about seven percent of their income on child care, low-income families spend approximately a quarter of their income for child care services

The Child Care and Development Block Grant, the General Child Care Entitlement program and the Dependent Care Tax Credit are the major Federal programs that help low-income working families pay for affordable, safe care for their children. Even with these programs and the new programs proposed in the FY 1999 President's Budget, resources are stretched far too thin. Now that welfare reform focuses on ensuring that families move from welfare to work, there is a greater need for child care support, to ensure that families that have entered the labor force are not forced back onto welfare.

In FY 2000, ACF is requesting the second year of funding for the President's five year initiative to address and expand activities related to three key issues: affordability, quality and availability. These funds will help provide support for working families in their effort to access quality care for their children. This will move us toward achieving the President's goal of increasing by one million the number of children in child care in 2003.

This budget request assumes passage of the President's Child Care Initiative in the FY 1999 President's Budget. If that proposal is not enacted, or if only a portion is enacted, we would incorporate enactment at the original proposed funding levels in the FY 2000 budget.

Programs for Persons with Developmental Disabilities

ACF is requesting an additional $11.1 million in FY 2000. We will seek changes to the State Grant formula to simplify the methodology for computing state/territory allocations and acknowledge and encourage the achievement of valued results, including a focus on working families with persons with disabilities, through a new incentive provision. In addition, we will convert the University Affiliated Program to a formula grant program. We propose to include technical assistance setasides that will allow us to focus resources on linkages between the Developmental Disabilities networks and other critical priorities. In FY 2000, we propose to focus on links to employment-related services for TANF recipients moving to work. We will include language to allow the cost of making and monitoring grants to be paid from program funds.

Refugee Resettlement

The refugee resettlement program is designed to help refugees and Cuban and Haitian entrants who are admitted to the United States to become employed and self-sufficient as quickly as possible through providing cash and medical assistance to refugee households that are not eligible for TANF, Medicaid and SSI during their first months in the United States; and English language training, employment-related services, and a variety of special activities.

Based on the State Department's projections of 100,000 new entrants, of which 20,000 are Cuban/Haitians, and on the continuation of key social services programs, we are projecting an increase of $6 million in funding for refugee programs. This will continue to support 8 months of service. The estimate does not assume any carryover from prior years. We will be working with the State Department over the next few months as they finalize their entrant ceiling numbers.

HEALTH, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH

The Department's commitment to the early years of life reflects this Administration's efforts to support parents in providing young children with a full opportunity to grow, learn, and thrive. Both research evidence and the experiences of parents and caregivers demonstrate that children's environment during those early years is critical to their ability to succeed in school and later in life.

Head Start

Only about 40% of eligible preschoolers are now served by Head Start. In keeping with this Administration's commitment to build a strong foundation for success for all of America's low-income children, this budget proposes $4.997 billion for Head Start, an increase of $337 million over the FY 1999 President's request. This request is consistent with the goal set by the President during the FY 1994 reauthorization of the Head Start Program: one million children enrolled in Head Start in 2002 including 80,000 children in Early Head Start.

The FY 2000 funding will allow an increase of approximately 32,000 preschool children and their families, including up to 7,000 infants and toddlers in the Early Head Start program.

Early Head Start. In recognition of the powerful evidence that the period before age three is critical to healthy growth and development and to later success in school and in life, the Head Start Act established a new program for low-income pregnant women and families with infants and toddlers. Called "Early Head Start," this program began in 1995 to provide early, continuous, intensive and comprehensive child development and family support services to low-income families with children under age three. The FY 2000 funding level will include an increase in the number of infants and toddlers and their families in the Early Head Start program, as well as expanded technical assistance, training, and research to support top quality infant and toddler programs nationwide. This increase continues to move us toward meeting the President's goal of 80,000 children in Early Head Start in 2002.

Quality. The 1994 Head Start reauthorization reflected a bipartisan commitment to ensuring that every child in Head Start receives the top quality, comprehensive services that are the hallmark of the Head Start vision.

Partnerships. In keeping with the Department's own vision of strong foundations for children's development that cut across programmatic lines, ACF will continue to expand the ability of Head Start programs to work with others in communities and states across the country on an integrated vision of top quality early childhood services. We are identifying and disseminating community models of Head Start-child care collaborations; developing new and stronger links with the Department of Education and local school districts; and strengthening the State Collaboration offices, which support linkages between Head Start and state early childhood and related offices in all 50 states.

Violence Against Women Initiative - Family Violence

As part of the Department's Violence Against Women Initiative, ACF is requesting an additional $24.6 million in FY 2000. While we are making

some progress in meeting the basic food, shelter, medical and crisis counseling needs of survivors of violence, women and children need more than this to recover from the devastating effects of domestic and sexual violence. A comprehensive response to violence against women should incorporate strategic community sectors to build and strenghten an array of services and prevention strategies. The Department will be making investment in two areas -- enhancing services and changing social norms. The ACF request includes an additional $17.5 million to expand and further strengthen the network of battered women's shelters and related services, including the domestic violence coalitions and the network of resource centers. This increase will provide services to approximately 72,000 women. An additional $2.5 million will increase culturally appropriate services for underserved populations, $3.5 million will provide innovative services beyond crisis care, $560,000 will provide for evaluation and dissemination of model projects, and $500,000 will be used to work with partners in the business community, education community and youth-serving community to address the complex issues that support violence against women behaviors.

In addition, we will include language to allow the program to pay for costs associated with the making and monitoring of grants out of program funds.

Community-Based Resource Centers

We are requesting an additional $7,225,000 for the Community-Based Resource Centers program to expand support to help minimize the risk of harm to children, protecting them from child abuse and neglect in their homes and enhancing families' capacities to provide for their children's needs by increasing public awareness, parent education, and family support services available to parents in their own communities.

A RESULTS-ORIENTED ORGANIZATION

The Administration for Children and Families has the responsibility for providing assistance to America's most vulnerable populations. In carrying out this mission we must provide high quality, cost-effective and efficient services, meet customers' needs and expectations, and use state-of-the-art information technology to improve management and data systems.

Federal Administration

The FY 2000 request for Federal Administration is $156.8 million, an increase in funding of $11.7 million over the FY 1999 President's budget request.

This request maintains staffing at the number of staff that we expect to have at the end of FY 1999 (approximately 1,550 with an additional 12 temporary experts in residence through our proposed Fellows Program). However, this staffing level assumes considerable realignment of staff to meet the areas of expanded responsibility described below. In addition to maintaining staffing, the request adds additional investments in systems and data collection capacity to enable us to work more efficiently, and proposes a fellows program similar to the Service Fellowship Program at PHS. ACF has a critical need for up-to-date expertise in a variety of programmatic areas that may not stay the same over time, a perfect setting for the use of outside fellows.

Critical Workload Demands

ACF has responsibility for many of the programs which are at the forefront of the Administration's domestic agenda; including welfare reform, child care, child support, foster care and adoption, and Head Start. ACF has seen significant staffing reductions in the last few years, from a level of more than 2,000 FTEs in FY 1993 to fewer than 1600 in FY 1999, while experiencing a concurrent growth in its programmatic responsibilities. For example:

- The Head Start program has seen funding and enrollment levels increase dramatically since 1992. The Administration's commitment to quality means intensive staff involvement in monitoring, technical assistance, and the time-consuming but critical tasks associated with terminating a grantee that is not able to provide quality services.

- The Early Head Start program - a critical laboratory for evaluating the impact of early intervention in improving the lives of disadvantaged children and families - was begun in September 1995 and has quickly grown to the point where, in FY 1999, approximately 400 agencies will be receiving Early Head Start funding. ACF is responsible for assuring that each of these grantees is providing comprehensive and quality services, and therefore needs staff with expertise in early childhood development. At a ratio of 12-14 grants per Federal project officer, the 400 grantees added by FY 1999 should have led to an increase of about 30-35 staff. Further increases in Early Head Start envisioned by the Administration would add considerably to that total in FY 2000.

- Child Care has experienced dramatic programmatic growth and will continue to grow over the next few years as the Presidential Initiative on Child Care is implemented.

- With the much more visible role of child care in the states and at the national level, the demands on staff for technical assistance, data collection and analysis, policy development, and the dissemination of information continue to grow. Passage of the President's Initiative would bring with it a whole range of important and urgent demands, including review and development with states of benchmarks for the Early Learning Fund.

- The Presidential Initiative on Adoption which calls for doubling the number of adoptions and other permanent placements by the beginning of 2003, along with the implementation of the Adoption and Safe Families Act add another set of critical responsibilities. For example, ASFA expands the maximum number of state demonstration waivers to be authorized by ACF from 10 total to 10 per year; we are only barely keeping up with the enormous interest in these waivers at the front-end. And, we have not solved the problem of tracking and monitoring them.

- In the area of child support enforcement, Congress did provide set-asides for technical assistance and computer systems in order to insure completion of the major new requirements imposed by PWRORA. However, child support responsibilities outside those two areas have also grown. For example, child support audit responsibility has expanded to include administrative cost audits and system reliability audits to assure proper use of Federal funds and integrity of data to support program performance measures. Additional funds for travel and systems support are needed to allow completion of these critical audits.

- Systems development for TANF is essential in order to provide critical data collection and validation. In the area of welfare reform, Congress has shifted the nature of ACF's role, to involve less oversight of policy and program decisions but more attention to data, results, and accountability. This data collection role is both critical and urgent, and it requires investment. As States and tribes put new data systems in place, ACF must build the capacity to provide basic technical assistance to them, to receive the data when submitted, and to verify and analyze the data. Adequate analysis of TANF data reports and their relationship to expenditures is essential to the continued success of welfare reform. Data used to track caseload movement, and to determine penalties and bonuses must be accurate so we can present a clear picture of the impact of welfare reform.

Staff Reallocation and Other Strategies For Addressing These Demands

Over the past several years, as the tension between increasing workload and decreasing staff has become acute, we have reallocated staff, reorganized, identified strategies to use staff more flexibly, relied on technology and on outside expertise to stretch our limited staff capacity as far as it can go, and implemented savings steps to free up resources for priority use. However, we are proposing to halt the decrease in FY 1999 and maintain those staffing levels in FY 2000 because we believe that we will not be able compensate through reallocations and other strategies for decreases below that level.

The Request

We are committed to taking advantage of all available strategies to use our existing staff and administrative support resources as effectively as possible. However, we have reached a point where we can no longer achieve the results we are accountable for without investments in systems capacity and in staff.

Therefore, we are proposing three investments in this administrative request:

- Maintaining existing staffing levels, so that we will not lose further capacity and expertise through attrition;
- Investing in systems and data analysis capacity; and
- Creating a fellowship program, similar to the Service Fellowship Program at PHS, to address some of our specialized staffing needs. This will allow ACF to recruit persons with expertise in specific programmatic areas for designated periods of time, thus meeting our needs for flexibility and easy access to priority areas of expertise.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FY 2000 Mandatory Budget Request

The FY 2000 mandatory budget is $32.5 billion, an increase of $826,598,000 over the FY 1999 current estimate. This request is consistent with the FY 1998 mid-session review and reflects an increase of $37 million over the FY 2000 column of the FY 1999 President's Budget.

Welfare Reform and Working Families

Since August 1996, when the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was enacted, we have seen many changes in the welfare programs in this country. We have seen dramatic declines in the welfare caseloads, with over 2.4 million recipients leaving the rolls. More recipients are now working, and more of those who have left the rolls are working. New partnerships are being forged, with government collaborating with business, community organizations, transportation providers, the media and religious leaders to help move families to work.

The passage of this legislation has presented all of us with a variety of opportunities and challenges. We must continue to give particular attention and support to programs designed to support and stabilize working families, as demonstrated by the Secretary's Initiative and the Vice President's Bold Goal, and we must build on the progress to date to ensure two key next steps for the future: we must work with states and communities to ensure that they reach and invest in all families including those with particular needs such as substance abuse, domestic violence, developmental disabilities, and those who live in isolated rural and inner city communities; and we must complete transition to a true focus on work by promoting success at work for low-income families.

Child Support Enforcement

The Child Support estimate does not include any legislative proposals. However, child support financing discussions continue to take place.

Independent Living

The FY 2000 request includes an increase of $35 million for Independent Living. This program has remained constant at $70 million since 1987. This increase will help keep children aging out of the foster care program from becoming homeless, jobless, or drug addicted. As we seek to ensure stable permanent homes for children and to promote work and self-sufficiency, we must include those children who, despite all our efforts, have not been adopted and reach adulthood directly from the foster care system without the supports to fall back on that most children and young adults can take for granted.

Child Welfare/Adoption and Safe Families Act Programs

All children deserve a safe and nurturing permanent home. When a child's biological family cannot provide such a home, children deserve a prompt and permanent placement with a loving family, not a long period of uncertainty. While foster care offers these children a safe and nurturing temporary haven, as many as 100,000 foster care children will

need permanent homes in the next few years. Many of these children have special needs and require the security and stability of an adoptive family to develop their full potential.

The President's Adoption 2002 initiative and the Adoption and Safe Families Act signed by the President in November, 1997 address the critical needs of these children for safety, permanence, and well-being. The Administration is committed to implementing the wide-ranging provisions of the statute designed to ensure that children's safety is paramount, that foster care is temporary, and that children have permanent, safe, loving homes. The President has set an Adoption 2002 goal of providing safety, permanency and well-being for at-risk children by doubling the number of adoptions and permanent placements from the public welfare system. The FY 2000 request will continue the joint effort by Federal, State and local governments, child welfare and adoption professionals, community leaders, and interested citizens to achieve this goal, thereby improving the lives of children who are backlogged, or at risk of being backlogged, in the child welfare system, by creating permanent homes for them.

Efforts to reduce barriers to the adoption process and strengthen our technical assistance to enable States to increase the numbers of children adopted, especially children with special needs will continue.

To further these efforts we are proposing an investment of $2 million from title IV-E funds for monitoring of child welfare and family service programs in the states, including family preservation and support, time-limited reunification services, adoption support services, child protective services, foster care, adoption, and independent living is requested. These reviews are essential to safety, permanency and child and family well-being. These funds will be targeted to providing technical assistance and monitoring of critical systems development, the systems which provide us with the information necessary to approve or disapprove state expenditures. A legislative proposal will be developed to allow use of funds for these critical activities.

Conclusion

In summary, this budget proposes increases in Head Start, Foster Care and Independent Living, Family Violence, Refugee Resettlement, Programs for Persons with Developmental Disabilities, Community-Based Resource Centers and Federal Administration. These choices represent our best judgment as to how ACF can satisfy its many responsibilities to America's vulnerable populations in a time of fiscal restraint. We believe this budget proposal strikes an appropriate balance between program responsiveness and fiscal prudence.