



County Welfare Directors Association of California

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To: County Welfare Directors Association of California

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

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Re: Federal Update

Congress has recessed for the summer and will return on September 8. They plan to adjourn for the year near the end of September to go home to campaign. What, if anything, Congress will accomplish during that brief period of time is very uncertain. Political considerations will likely trump policies. Republican incumbents in competitive races will be weighing their options on whether to support legislation opposed by the president and the Republican leadership. Presidential politics will add a different layer of unpredictability into the process.

Foster Care: The Senate Finance Committee will consider a bipartisan, landmark bill improving the foster care system on September 10. The *Improved Adoption Incentives and Relative Guardianship Support Act* (S. 3038) was slated for a mark up before the summer break, but the Senate decided to recess one day early. Among its provisions are federal funding for relative guardianships; an option for states to extend foster care IV-E payments for youth up to age 21 and ten demonstration grants, including at least one grant to a county-administered state, to test licensing standards for relatives which are more flexible than IV-E provisions. The bill is very similar to the *Fostering Connections to Success Act* (H.R. 6307) which was adopted by a unanimous voice vote in late June.

While the Senate has not acted on the bill, House and Senate committee staff have been cleared by the leadership to begin working on a compromise House-Senate bill during August. The very short legislative window in September will create the biggest obstacle to enacting a compromise bill. The White House has not officially announced its position on the bill. The U.S. Department of Health and Human Services was involved in negotiating the provisions granting Native American tribes the ability to claim IV-E funding. Both the House and Senate bills are fully paid for with offsets in non-human services programs. Attached is a letter sent by CWDA supporting the Senate measure.

Adult Protective Services (APS): During same Senate Finance Committee meeting in September, the *Elder Justice Act* (S. 1070) will be considered and adopted. Many of its provisions would coordinate federal agencies and efforts on the issue. Perhaps of most importance to state and county governments is a \$100 million grant program which would be distributed among all 50 states for state and local APS activities. A separate \$25 million pot of competitive grant funding would be available to states and counties to conduct program modules testing methods to prevent and identify abuse, including financial exploitation.

A very similar measure (H.R. 1783) is pending in the House, where one of the four committees has reported it out of committee. While the bill has widespread support from House Democrats, it is not as far along legislatively as the foster care bills.

Economic Stimulus Package: Congress is expected to debate a second economic stimulus package in September. The amount of funding, its contents and whether it would survive a certain presidential veto are all unknown. The first stimulus bill passed and signed by the president early this year contained over \$100 billion in tax rebates to individuals and families and nearly \$50 billion in small business tax breaks.

A second stimulus bill would include a number of health and human services priorities and infrastructure investments that were cut from the first one. The cost of such a bill may range between \$25 billion to \$50 billion. The litmus test for consideration in the package is that the funding be "targeted, timely and temporary".

Items on the short list of investments include a temporary increase in the federal match for **Medicaid**, a boost in **food stamp benefits**, a large increase in funding for the **Low Income Home Energy Assistance Program**, and a down-payment to restore the Deficit Reduction Act cuts made to **child support**.

The human services list competes with at least 100 other requests. A number of the other requests will likely receive funding. The list includes funds for disaster recovery efforts, including funds for this spring's floods in the Midwest; the California wildfires in California; and funds for the continued recovery needs from hurricane Katrina. Also added to the list is funding for roads and bridges and other infrastructure needs.

Federal Fiscal Year (FFY) 2009 Appropriations: Due to Bush administration veto threats because House and Senate FFY 2009 appropriations bills are slightly over White House requests, Congress has abandoned efforts to enact the measures. Instead, it will attempt to adopt a temporary continuing resolution funding all federal programs and operations at current levels through some time next year. This "must pass" bill must be signed into law or the government would have to shut down. If the House and Senate debate in late July is any indication, Republicans may try to upset the process by offering Democrat-opposed amendments to expand offshore oil drilling or other provisions under the rubric of 'energy independence.'

The Politics: The Senate will likely hold the keys to determining what, if anything, is accomplished in September. Given the truncated schedule, there will be very little floor time available to debate any bill at length and 60 votes are needed to adopt legislation in that body to avoid a filibuster. Additionally, every Senator has the power to place a secret 'hold' on a bill, a particularly powerful legislative tool at the end of a congressional session.

But 23 Republican Senators face re-election this fall compared to only 12 Democrats. Some of those Republicans have already crossed party lines to override presidential vetoes. On a recent Medicare override vote, nine of the 18 Republicans voting to support that bill are up for re-election this year and another five of them are running in 2010. Many of the Republicans are in very competitive races, so some of them may opt to side with the Democrats on spending measures, especially if a slow economy continues to dominate the news.

It won't all be left to the Senate. A voting block of 47 House Democrats in the fiscally conservative Blue Dog Coalition will pressure the Democratic leadership to abandon or scale back a stimulus package if they are unconvinced that the spending is either paid for with offsetting budget cuts or that it will indeed help the economy. They will likely argue that adding more federal debt the just-announced projection of a fiscal 2009 deficit of nearly a half trillion dollars just adds to the country's economic problems.

For its part, the lame duck administration will likely oppose any new spending, arguing that the economy was assisted by Americans spending their personal rebate checks from the first stimulus. They will contend that additional infusions of funds into government programs envisioned in a second package amount to nothing but more big government spending.