

## CONGRESS ADJOURNS, MANY ISSUES UNRESOLVED

After a two-week postelection lame-duck session, the 107th Congress adjourned November 22 without acting on many important issues, including pending reauthorizations of welfare, child care, and Child Abuse Prevention and Treatment Act (CAPTA) programs. Congress was also unable to pass a state fiscal relief package or return unspent State Children's Health Insurance Program funding to states. Some of these issues may be reconsidered in the 108th Congress. **CM**

## President Signs Juvenile Justice Legislation

On November 2, President Bush signed legislation (P.L. 107-273) for Department of Justice programs, including reauthorization of the Juvenile Justice and Delinquency Prevention Act (JJDP) and authorization of the Juvenile Accountability Block Grant (JABG).

The provisions in JJDP closely reflect current law and represent a significant improvement over earlier versions of the legislation, which focused more on punishment. JABG includes provisions emphasizing early intervention, mental health testing, and substance abuse treatment.

Under JJDP, the core protections in juvenile justice law are maintained, with two significant changes: Juveniles are allowed to be held in an adult facility for up to 48 hours in certain rural areas, an increase from the previous 24 hours; and states are required to address prevention and systemic efforts to reduce the disproportionate representation of minorities who come into con-

tact with the juvenile justice system, not only those who are confined.

CWLA supports the other core protections—deinstitutionalizing status offenders and separating juveniles from adults when they are in the same facility—which are preserved in their current form, with only minor modifications.

The Title V Juvenile Delinquency Prevention grant program was also maintained. This program had been slated to be included in a larger block grant with no specific emphasis on primary prevention. By keeping Title V separate, primary prevention can continue as a major emphasis of the Office of Juvenile Justice and Delinquency Prevention.

In addition, JJDP includes important links between juvenile justice and child welfare. Three specific provisions in the new law connect the two systems much more than they have been previously. The legislation

- requires states, to the extent possible, to establish policies and systems

## Political Climate Changes

The 2002 elections are having a significant impact on the shape of the 108th Congress, which convened January 7. The House of Representatives will remain in Republican control, with an increase of seven Republican seats. Republicans also gained control of the Senate by a narrow majority of 51 Republicans, 48 Democrats, and 1 Independent.

With Republicans now in the majority in the Senate, key committee chairs will change as well. Senators in these positions will be able to set the agenda and bills the Senate will consider. Senator Charles Grassley (R-IA) will chair the Senate Finance Committee, holding jurisdiction over many child welfare, TANF, and health care programs. The Senate Finance Committee may also be the starting point for any proposals to block grant or change child welfare funding, and any changes to Medicaid. The new chair of the Senate Health, Education, Labor, and Pensions (HELP) Committee will be Senator Judd Gregg (R-NH), replacing Senator Edward Kennedy (D-MA). This year, the HELP Committee will address child care, the Child Abuse Prevention and Treatment Act (CAPTA), and the reauthorizations of Head Start and the Individuals with Disabilities Education Act.

The Appropriations Committees, which set annual funding levels for discretionary programs in both the

## Many Child and Family Issues to Be Addressed in 2003

### FY 2003 Funding

Although the 2003 fiscal year began last October, Congress was unable to complete 11 of the 13 annual appropriations bills for FY 2003, including those providing funding for programs administered by the U.S. Departments of Health and Human Services (HHS), Justice, and Housing and Urban Development. Unable to make these final decisions, Congress passed a series of a short-term stop-gap spending measures that freeze spending at FY 2002 levels for most federal programs through January 11, 2003. Decisions about those funding levels are now be in the hands of the new Congress.

The 11 unfinished appropriations bills may be rolled into one omnibus measure, which Congress could consider prior to the President's State of the Union address in late January. White House and congressional leaders are now negotiating to determine the overall spending level for domestic programs. To date, the Administration is holding firm to its commitment to rein in domestic spending. While Congress was in recess, congressional leaders developed the omnibus spending bill within the President's funding guidelines—about \$10 billion less overall from the level child advocates and others had hoped to secure for social safety-net programs.

Limiting funds for domestic programs may pose an obstacle to securing the \$60 million in first-time funding for education and training opportunities for youth aging out of foster care and a \$130 million increase in discretionary funding for the Promoting Safe and Stable Families program. Both of these increases, originally

proposed in the President's budget, were strongly supported by CWLA and other children's advocates.

### State Fiscal Relief

Leaders of the Senate Finance Committee reached agreement on a Medicare provider reimbursement package that included Medicaid and Social Services Block Grant (SSBG) increases for states in FY 2003, but there were too many roadblocks before Congress left town for the year to complete the bill.

The Beneficiary Access to Care and Medicare Equity Act would have increased the Federal Medical Assistance Percentage in Medicaid by 1.3% for 12 months for all states in FY 2003, at an estimated cost of \$4 billion. SSBG would have received a \$1 billion increase. Other provisions included allowing states to retain State Children's Health Insurance Program (SCHIP) money, as well as a new redistribution formula to ensure these SCHIP funds get to the states and are used to continue covering children's health care costs.

Senate Democratic and Republican leaders continued to express support for doing something to help Medicare providers and provide states with some fiscal relief, but procedural differences and disputes over how much money to spend were enough to kill these efforts. Two attempts to bring the bill up for consideration were unsuccessful due to an objection by Senator Don Nickles (R-OK), then the Senate Assistant Minority Leader. The final blow likely occurred when the Administration strongly opposed the passage of any state fiscal relief legislation. It is unclear

whether the new Congress will consider a fiscal relief package for states.

### Unspent SCHIP Funds

During the final hours of the 107th Congress, child advocates were hoping for a last-ditch effort to return nearly \$3 billion in SCHIP money to the states. Most of this money is unspent allocations from fiscal years 1998 and 1999. Citing budget constraints, however, Senators blocked two attempts to return unspent child health program money to states providing health care coverage to children from low-income, working families.

House Budget Committee Chair Jim Nussle (R-IA) objected to returning the unspent money because it would have pushed the House Energy and Commerce Committee, which has jurisdiction over SCHIP, over its budget allocation. It is unclear whether the new Congress will consider this measure.

Failure to return the unspent money to state child health programs will hurt states with depleted budgets. These states were hoping to receive a share of funds set aside for redistribution. A handful of states are facing or expecting SCHIP budget shortfalls.

According to a Center for Budget and Policy Priorities report, *515,000 Children Would Lose Health Insurance Over the Next Five Years Under Flawed Administration SCHIP Proposal*, the Office of Management and Budget has projected that if no action is taken to return unspent SCHIP money, the number of children uninsured through SCHIP will fall by 900,000 between

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fiscal years 2003 and 2006. The report is available at [www.cbpp.org/10-4-02health.htm](http://www.cbpp.org/10-4-02health.htm).

## **Welfare Reauthorization**

Congress was not able to complete action on the reauthorization of the federal welfare program, Temporary Assistance for Needy Families (TANF). This debate will begin again in 2003.

In 2002, the White House proposed a TANF reauthorization that did not increase block grant funds but did mandate tougher work requirements for families receiving cash assistance. The Administration also heavily emphasized ways to promote marriage, with a proposal that would have spent up to \$1.5 billion over five years on marriage programs. At the same time, the White House proposal required families to meet the 40-hour work target without any increases in child care funding.

The House of Representatives passed legislation that followed the White House proposal. The House may take the same approach in 2003. The Senate Finance Committee adopted a measure that differed from the House in work requirements, education requirements, screening for barriers to work, and increased funding for child care. That bill, however, was never brought to the Senate floor for consideration. With the change in Senate leadership in 2003, the closely divided Senate Finance Committee is expected to take a much different approach.

It is uncertain when Congress will again consider TANF reauthorization in 2003. Pending action on other

priority issues, such as tax cuts, Medicare prescription drugs, and Social Security reform, may be first in line for con-sideration. TANF reauthorization could be considered along with any of these measures.

## **Child Care**

Congress will also continue debate on reauthorizing the federal child care program. Although it is unclear what Congress will use in 2003 as a starting point for this debate, the measure will once again be closely linked to TANF reauthorization.

The Senate Finance Committee and House Ways and Means Committee have jurisdiction over the portion of child care funding that is mandatory, or guaranteed, funding to the states. The Senate Health, Education, Labor, and Pensions (HELP) Committee and the House Committee on Education and the Workforce have jurisdiction over the regulation of child care spending and the funding portion that has to be appropriated each year by Congress.

In 2002, proposals considered by the House and Senate were far apart on funding levels and in changes to current child care law. The House bill would have combined the TANF and child care reauthorization legislation. Again, as with TANF, the Senate did not vote on child care beyond consideration in the committees. The House-passed bill included a \$200 million increase in child care funding (\$1 billion over five years), whereas the Senate had proposed at least \$5.5 billion more over five years. In addition, significant support was growing for an effort to increase child care funding even higher than

\$5.5 billion in a final bill. The White House opposed any increases in child care funding.

The House-passed bill would have also weakened child care regulations.

The Senate HELP Committee bill included increases in quality set-asides and enhanced payment rates for child care providers. These provisions will likely face challenges in the new Congress. The Senate HELP Committee rejected a block of amendments by Senator Judd Gregg (R-NH) that included a proposal to allow the transfer of child care funds into a new early learning program. With Gregg expected to chair of the HELP Committee, committee consideration of child care reauthorization may begin with his rejected proposals.

## **CAPTA**

In 2002, Congress failed to agree on reauthorizing the Child Abuse Prevention and Treatment Act (CAPTA). Reauthorization passed the House and the Senate HELP Committee, but a final agreement could not be reached.

CAPTA provides grants to states to support innovations in state child protective services and community-based preventive services, as well as research, training, data collection, and program evaluation. In FY 2002, CAPTA was funded at \$22 million for state grants, \$26 million for discretionary grants, and \$33.4 million for the Community-Based Family Resource and Support Program.

There was general agreement on the reauthorization of current CAPTA

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law in Congress. Agreed-to changes dealt with expanded ways to use CAPTA funds, as well as enhancing the types of research allowed. In the end, however, the House and Senate could not reach a final agreement, as the House opposed new provisions that were not a part of current CAPTA law. House leaders objected to a provision sponsored by Senator Hillary Rodham Clinton (D-NY) to provide “passports” for children in foster care, despite the fact that Clinton was willing to drop the provision if it were preventing passage of CAPTA reauthorization. House leadership also objected to a provision dealing with domestic violence, sponsored by the late Senator Paul Wellstone (D-MN).

The House-passed reauthorization bill from last year is expected to be the starting point for CAPTA reauthorization in the new Congress.

## **Abandoned Infants Assistance Program**

Reauthorized at the same time as CAPTA, the Abandoned Infants Assistance program provides grants to public and private nonprofit agencies for such activities as preventing the abandonment of infants, identifying and addressing the needs of abandoned infants, recruiting and training foster families for abandoned children, providing residential care for infants and young children who cannot live with their families or be placed in foster care, providing respite care for families and foster families, and recruiting and training health and social services personnel to work with abandoned children.

As written, the reauthorization bill broadens priority for services. Until now, grantees had to ensure that abandoned infants and young children who are HIV-infected or perinatally exposed to HIV or drugs received priority for their services. The reauthorization bill would maintain priority service for these children, but would also broaden the priority category to include abandoned infants and young children who have “life-threatening illnesses” or “other special medical needs.”

The bill also requires HHS to estimate the number of infants and young children who are relinquished, abandoned, or found deceased in the United States, and the number of young children who are HIV-positive, have a life-threatening illness or other special medical need, or have been perinatally exposed to HIV or dangerous drugs.

The Abandoned Infants Assistance program is currently funded at \$35 million. This bill would increase authorization to \$45 million for FY 2003 and such sums as necessary for FYs 2004–2007. The Abandoned Infants Assistance program received an appropriation of \$12.2 million for FY 2002.

## **Adoption Opportunities**

The Adoption Opportunities program is also reauthorized as part of the CAPTA reauthorization. There was little controversy over this part of the reauthorization last year. The legislation authorized funding at \$40 million a year.

The program funds a number of important adoption initiatives, including the National Adoption Exchange and a National Resource Center on Special Needs Adoptions. The Senate bill also directed HHS to fund initiatives to eliminate barriers to adoptions across jurisdictional boundaries, and the General Accounting Office to report to Congress on a plan to address such barriers.

## **Corporation for National and Community Service**

Legislation was introduced in 2002, but never acted on, to reauthorize the programs administered by the Corporation for National and Community Service. These programs provide opportunities for Americans of all ages and backgrounds to engage in community service and volunteer activities through AmeriCorps, Senior Corps, and Learn and Serve America. Two million Americans serve in these programs annually.

Since 1994, more than 250,000 men and women have volunteered in AmeriCorps, many of them ages 18–24. They tutor and mentor youth, build affordable housing, teach computer skills, run afterschool programs, and help communities respond to disasters. These activities provide young people with valuable experiences as they transition to adulthood. Full-time members receive an education award of \$4,725 for college or graduate school tuition or to pay back student loans.

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Senior Corps is a network of programs that help older Americans find volunteer opportunities to address community needs. The Foster Grandparents Program is one of the many services provided through Senior Corps. Foster grandparents help children who have been abused and neglected, mentor troubled teens and young mothers, and care for premature infants and children with physical disabilities.

Learn and Serve America supports service-learning programs in schools and community organizations that help nearly 1 million students from kindergarten through college meet community needs, while improving their academic skills and learning the habits of good citizenship.

## Head Start

In 2003, Congress will consider reauthorization of Head Start. The program is currently funded at \$6.5 billion. The White House has indicated its intent to move the administration of the Head Start program from HHS to the Department of Education to focus the program on literacy. Many Head Start supporters and providers object to this proposal, arguing that, in its present form, Head Start not only serves the child but affects the entire family by providing access to a number services.

## Runaway and Homeless Youth Act

Congress will also consider reauthorization of the Runaway and Homeless Youth Act (RHYA), which authorizes federal funds to support community-

based, faith-based, and public agencies working to prevent homelessness among young people and to provide supports and opportunities to youth who experience homelessness.

RHYA includes three major programs. The Basic Center Program enables local nonprofit and public agencies to operate runaway and homeless youth centers that provide temporary shelter and counseling to runaway and homeless youth under age 18. The Transitional Living Program supports local nonprofit and public agencies that provide services and shelter to homeless youth ages 16–21 for up to 18 months, including information and counseling in basic lifeskills. The Street Outreach Program awards competitive grants to local nonprofit and public agencies for street-based outreach and education to runaway, homeless, and street youth who have been subjected to or are at risk of sexual abuse, prostitution, or sexual exploitation. Current total funding for RHYA programs is \$103 million.

## IDEA

The Individuals with Disabilities Education Act (IDEA) is a federal education program that helps states develop and implement services for all eligible individuals with disabilities, from birth through age 21. IDEA was originally passed in 1975 and now serves approximately 6 million children and youth with disabling conditions.

The most contentious issue to arise during the 2003 reauthorization debate will likely be the structure of funding. Currently, IDEA funding is set every year through the annual

appropriations process. There is support for changing that so funding becomes an entitlement, or guaranteed, and is provided directly to states.

The President's Commission on Excellence in Special Education calls for federal funding levels for IDEA to be determined on an annual basis. Advocates, including CWLA, support mandatory IDEA funding, particularly for Part C, the Early Intervention for Infants and Toddlers program. Despite promises made to reimburse states for 40% of the average per-pupil cost of educating students with disabilities, the federal government currently provides only 16.7% of the total funding.

## Child Nutrition and WIC

Several important child nutrition programs will be reauthorized in 2003. These programs provide vital nutritional support to children of low-income families. In addition to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), programs under child nutrition include the School Lunch Program, Special Milk Program, School Breakfast Program, Child and Adult Care Food Program, and the Summer Food Service Program.

## McKinney-Vento Homeless Assistance Programs

The McKinney-Vento Homeless Assistance program is an emergency measure to respond to the immediate

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that incorporate relevant child protective services records into juvenile justice records for purposes of establishing and implementing treatment plans for juvenile offenders;

- calls on states to ensure that juvenile offenders, whose placement is funded through Title IV-E (foster care), receive all the protections included in the foster care system; and
- stipulates that within a year of enactment, a study will be conducted of juveniles who were under the care or custody of the child welfare system or are unable to return to their family after completing their disposition in the juvenile justice system. This study will include the extent to which

state juvenile justice and child welfare systems are coordinating services and treatment, federal and local sources of funds used for placements and services, and barriers states face in providing services to these juveniles.

JABG provides grants to states to implement a system of graduated sanctions for crimes committed by juveniles. It will make grants available to conduct need and risk assessments of juvenile offenders, facilitate effective early intervention, and provide comprehensive services, including mental health and substance abuse testing and treatment. This significantly improves the existing block grant program by emphasizing deterring youth from committing more serious offenses by addressing crime at more minor levels. **CM**

House and Senate, will have new chairs, as will all the Senate Appropriations Subcommittees. Senator Tom Harkin (D-IA) will give up his chairmanship of the Subcommittee on Labor, Health and Human Services, and Education Appropriations—in all likelihood to Senator Arlen Specter (R-PA).

The election also brings changes at the state level, with 23 newly elected governors. Many states will shift from a party that has dominated that office for years to a party that has traditionally been out of power. In Arizona, Illinois, Kansas, Michigan, New Mexico, Oklahoma, Pennsylvania, Wisconsin, and Wyoming, Democrats will take office for the first time in several years. In Alaska, Georgia, Hawaii, Maryland, and Vermont, Republican governors will be back in office after a long absence. **CM**

housing and service needs of people experiencing homelessness. McKinney-Vento includes four programs: Emergency Shelter Grants, Supportive Housing, Shelter Plus Care, and Single Room Occupancy Dwellings for Homeless Individuals.

These programs provide access to emergency shelter, transitional and permanent housing, and support services for homeless people. McKinney-Vento programs provide immediate support and opportunities to people experiencing homelessness and help them transi-

tion to housing and service systems developed for all low-income people. Current funding for McKinney-Vento is \$1.1 billion. **CM**



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# Children's Monitor

... A Public Policy Update

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