

Center for Law and Social Policy
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1:00 p.m. EST

OPERATOR: Ladies and gentlemen, thank you for your patience. Please remain on the line. Your conference will begin momentarily. Again, we do appreciate your patience; please remain on the line. Your teleconference will begin momentarily. Thank you.

And Evelyn Ganzglass, the floor is now yours.

EVELYN GANZGLASS, CLASP: Thank you very much. Good afternoon, everybody, and thank you for joining us for this audio conference on safety net provisions in the American Recovery Act. This is one of a series of audio conferences that CLASP is having on the provisions of the American Recovery Act that affects low income individuals and families. If you missed the previous ones, you can listen to them by downloading any of the calls on the CLASP Web site.

The Recovery Act included a number of provisions that strengthen the safety net for low income workers and families, but some of these provisions won't take effect unless states choose to draw down these funds. And there's already been quite a bit of controversy with some governors saying that they won't accept these funds, while others say that they'll take any help that they can get.

Today we'll hear about the opportunity states have to approve the unemployment insurance and temporary assistance for needy families, lovingly called the TANF Program. You'll – we'll also hear from someone who's operating a benefits outreach program about how they're being affected by the declining economy and what they are doing to let people know about the expanded benefits included in the recovery act.

Just to remind you, your phones will be muted during the call to avoid distracting noise, but we invite you to e-mail us with your questions any time during the call. Matt Lewis is sitting here at CLASP and he will be monitoring the computer and will pose your questions during the question and answer period at the end. A reminder, the e-mail address for sending in your questions is audioconference, all one word, @clasp.org.

OK, let's get started. First we'll hear from Elizabeth Appley, who has been working with the Women's Policy Group in Georgia on unemployment insurance reform. She's an attorney in private practice who divides her time between litigation and lobbying. She represents multiple nonprofit clients on issues relating to the rights of women, workers, children, seniors and people with disabilities and she advocates on budget and substantive issues relating to healthcare, education and affordable housing and related issues.

Elizabeth, thank you for joining us today.

ELIZABETH APPELEY, WOMEN'S POLICY GROUP: Thank you for the opportunity to participate.

GANZGLASS: Well, first of all, congratulations. We understand that Governor Perdue has said that he will support the changes needed for Georgia to receive full funding under the U.I. Modernization Act that was included in the Recovery Act. Just a reminder for folks, the Recovery Act provides up to \$7 billion in incentive funds to states that adopt or already have in place state unemployment insurance laws that expand access to benefits for low-income workers, part-time workers and workers who leave jobs for compelling family reasons.

A state qualifies for one-third of the UIMA, the modernization act funding, if it has in place a policy called Alternative Base Period, which counts as an – which counts an individual's most recent earnings when needed for workers to qualify for benefits. To qualify for the remaining two-thirds of the UIMA funds, the states have the option of providing benefits in at least two of the four following situations: providing benefits to part-time workers who are denied state benefits because they have been required to seek full-time work, individuals who leave work for specific compelling family reasons, including domestic violence, providing a \$15 dependent allowance to workers with family members

who qualify for state benefits, but whose benefits should be increased to help care for their dependents, or by extending benefits to permanently laid off workers who require extra employment benefits to participate in training.

As I understand it, Georgia already has an alternative period, therefore the state will get as much as \$73.4 million, which is one-third of the allocation automatically, but in order to get the remaining \$147 million, Georgia will have to adopt two additional reform provisions. What are the reform provisions that Georgia is considering at this point, Elizabeth?

APPLEY: Well, Georgia is presently considering expanding access to unemployment insurance by adding the part-time provision and the retraining provision. Part-time has been a priority of the Women's Policy Group and Georgia AFL-CIO over the past 10 years. And to be frank, we've also been working hard to secure the voluntary quits provision that addresses people who have to quit their job due to domestic violence, family care obligations and who are trailing spouses whose spouse has been relocated to another location that makes it impossible to continue in that same job.

So we are thrilled that part-time is part of the expansion package that Georgia will be pursuing. The decision to pursue the retraining provision as the second option was made by the Commissioner of Labor. And as you said, Governor Perdue, who is a Republican, did announce after expressing initial reluctance to accept the stimulus dollars related to the expansion of unemployment, he has said that he would allow Georgia to pursue these dollars. And so we are in the present posture – we amended the commissioner's unemployment insurance legislation in the House Industrial Relations Committee last week and so it did pass out of the committee with the needed amendment to the existing alternative base period, with the part-time, the retraining and also the extended benefits provision because Georgia is a high unemployment state.

The House Rules Committee is going to be meeting at 2:00 today because our crossover day is tomorrow; the day by which all bills have to pass from one side to the other, so we're at the crunch time to get this bill to the House floor tomorrow.

GANZGLASS: So much. Thank you again for being on the call. You probably should be in the legislature now.

APPLEY: That's right. I should be nagging somebody; shouldn't I?

GANZGLASS: You should. Well I mean tell us a little bit about how the debate has changed in Georgia. I assume that the incentive money hasn't hurt your cause. Has that been a significant factor?

APPLEY: Well let me give a little background before I respond to that question, about why these reforms are so important and who's going to be affected by them, if I may.

GANZGLASS: Sure.

APPLEY: You know we believe, and those of us who have been studying this issue of unemployment insurance believe it's absolutely critically important that Georgia access all the available federal stimulus options to help struggling families pay the rent, to keep food on the table while they look for new work and at the same time, avail ourselves of the opportunity that these U.I. dollars provide to stimulate the economy.

I'm sure many of you in the audience already know that every dollar of unemployment benefits paid has a \$2.15 economic stimulus effect on the economy and it comes with the genius of helping to stabilize the economy in those communities hardest hit by job losses, so it's very important. And we also know, and the whole structure of the U.I. Modernization Act was structured on the premise that the U.I. model still in place in many states relates to a workplace that really no longer exists and workers who no longer populate the workplace. And so these artificial barriers mean that, for example, in Georgia, over the past decade the reciprocity rate for unemployment insurance was at 30 percent. And even today, while it's grown, fewer than 45 percent of unemployed Georgians are accessing unemployment insurance.

We know that those barriers that keep people who would otherwise be qualified out and unable to receive benefits disproportionately hurt low-wage, part-time and working women. So we, at the Women's Policy Group, have focused

on the part-time provision over the years because, as we all know, most women work outside the home. Even women with small children are overwhelmingly employed and at the same time, many women balance the need to work outside the home with their family obligations by working part-time. So in Georgia, three-quarters of part-time workers are women.

So Georgia law now says well, if you're a part-time worker, you may well qualify for benefits and certainly your employer is paying into the system for you because they're paying in on the first \$8500 of wages. In fact there's an anomaly that if you're one of those folks out there who's working two part-time jobs, your employers may be paying twice for you and yet, if you say that you are only available to replace that part-time job with another part-time job in Georgia, you're automatically disqualified.

So with this change, women who work part – well, women and men, of course, who work part-time, lose their job through no fault of their own and want to replace that part-time job with another one can receive unemployment insurance. And the National Employment Law Project has estimated that 6630 Georgians will be aided by this provision in the first year alone.

GANZGLASS: These are really very important to help low-income workers.

APPLEY: Very important.

GANZGLASS: And women

APPLEY: The retraining provisions ...

GANZGLASS: So I'm sure you've been working on this for a long time.

APPLEY: A long time. So ...

GANZGLASS: Has the – has the dramatic decline in the economy changed opinions? Has it been the money that's changed opinions?

APPLEY: You are exactly right. The availability of this federal money has made all the difference in the world to this debate. When we started out advocating for U.I. reform, we said well let's start with something small. You know we're new to this field. There was a national bipartisan commission a decade ago—this was ten years ago, so now it's 20 years ago – that recommended these things; the alternative base period, part-time, compelling family hardship. Let's start there in looking, in the long term, towards job supports that help low-income families.

But boy were we wrong. It was a pitched battle. We finally passed the alternative base period in 2002 and then, you'll note the familiarity, it was only because the federal government released these Federal Unemployment Reed Act dollars to the states. So Georgia responded to that release of millions of dollars by passing the alternative base period. It came with a sunset, which we managed to lift. It also came with the proviso that the money for the alternative base period could only be paid out of those Reed Act dollars and we're now having to lift that language because it wouldn't qualify for the federal stimulus money under the American Recovery Act without making that change.

So while we have been able to make a change for military trailing spouses, the real progress in Georgia has only occurred as a result of the past and now the present release of federal dollars to support those small expansions.

GANZGLASS: Who have been the groups in your coalition that have been arguing it? Clearly, this is of tremendous interest to women's groups such as yours, but are there other partners in the advocacy campaign?

APPLEY: Absolutely. We have forged a partnership with the AFL-CIO of Georgia and with other labor organizations that has really been kind of a landmark here. Labor in Georgia has not traditionally partnered with non-labor groups and so that has been an enormously valuable relationship that we have built on and used in other contexts. In addition, we had a coalition at the outset of several dozen organizations involving domestic violence, health and consumer organizations, childcare groups, seniors you know all the groups concerned about working families issues. And we have benefited and relied enormously on the National Employment Law Project in providing guidance to us in moving

forward on that issue, as well as the Institute for Women's Policy Research that did some critical early research on Georgia policy as it impacted women on unemployment insurance.

GANZGLASS: If you were to give advice to others, to advocates in other states or folks in state legislatures or governors, what arguments or tactics do you – would you say have been most effective?

APPLEY: Well we have been very committed to a fact-based approach, using the NELP resources and the kind of help that you're – that CLASP is providing here to get the facts about who's going to be helped, how it's going to work and what it will cost. And we have made the case, I think very – in a very compelling way that this is fair, that it helps the people these folks were sent up to Atlanta to represent and that it will not hurt the trust fund or unduly burden employers.

My second piece of advice for folks is to strike while the iron is hot by accessing this federal money now, because there is a consensus that it is urgent for people who are unemployed. I think it's important to pair the arguments about helping working families who are unemployed with the economic stimulus argument, that this will help your state economy. And also, quite frankly, even though Georgia has been – has set records across the country in the U.I. tax breaks that it's afforded employers over the last 10 years and shockingly is providing, even again, this year, as part of this same bill, it's important to make the argument that this infusion of federal money to the Unemployment Insurance Tax Fund can help to forestall U.I. tax increases and help protect the solvency of your Unemployment Insurance Trust Fund.

Just a small footnote, if you're a high unemployment state like Georgia is, you also have the opportunity to access extended benefits for your workers. After they exhaust your state benefits, after they exhaust the federally EUC – extended unemployment compensation, if you're a high unemployment state with unemployment exceeding either six-and-a-half or eight percent for three months, you can get extended benefits for an additional 13 or 20 weeks, and in Georgia, we have included this in the legislation and are working to get the commission and the governor onboard with it because it's going to mean help for another 87,000 families and it'll mean another \$315 million coming into the economy from the federal government.

GANZGLASS: Well this makes a lot of economic sense from the individual point of view, from the state and long-term it also saves some money for the trust funds.

Thank you so much. I know you are a very busy lady with activities up in the Capitol today. I hope you can stay with us for the rest of the call, but not, I understand. I – let me just see. Have any questions come in for Elizabeth? Not at this point. Are you available to stay, Elizabeth?

APPLEY: I will try to stay as long as I possibly can because I know I have a lot to learn from these other speakers.

GANZGLASS: OK, well that's good.

APPLEY: And thank you again for the opportunity.

GANZGLASS: Thank you. Thank you so much.

So now let's turn to the Temporary Assistance for Needy Families Program, otherwise known as TANF. And we'll hear from CLASP's own Elizabeth Lower-Basch, who is a national expert on the TANF Program.

First of all, Elizabeth, can you start by telling us, what is the new TANF Emergency Contingency Fund that was created under the Recovery Act?

ELIZABETH LOWER-BASCH, CLASP: OK. Hi. The Recovery Act created a new provision – the TANF Emergency Contingency Fund -- under which states can receive 80 percent federal funding for spending increases, but in certain categories of TANF-related expenditures. The three categories are basic assistance, non-recurrent short-term benefits, and subsidized employment. States can get, through this program, up to 50 percent of their annual block grants from this new Emergency Contingency Fund over the two years that the program will exist. The total funding is capped at 5 billion, but realistically that's more than states will probably be able to draw down.

GANZGLASS: Wasn't there a contingency fund before? And how is this one different from what existed?

LOWER-BASCH: Yes. The 1996 original law that created TANF did create a contingency fund, because even then, people recognized that if the economy became pretty bad, states might need more money. But the way it was written there were two things that needed to happen for states to get access to those funds.

First, states needed to meet an economic trigger, based on either their unemployment rate or their food stamp caseloads. Most states are now meeting those triggers. But states also needed to increase their own spending by quite a bit in order to draw down any federal funds. And, as everybody on this call probably knows, state budgets are in really bad shape, so a lot of states just aren't in position to access those funds by spending more of their own money.

Moreover, in at least some of the cases where states are drawing down contingency funds, our sense is they haven't really increased spending very much. They've just done a better job of identifying existing state spending that can count towards the TANF maintenance of effort requirement and, in a lot of states, even though the economy is really bad and people are hurting, their TANF caseloads have not gone up.

So the new Emergency Contingency Fund is designed to be targeted to states that are letting families receive assistance and are increasing spending in those categories that provide direct immediate benefits to low-income families.

GANZGLASS: How can states qualify for funds under this provision?

LOWER-BASCH: OK. States can qualify for these funds by increasing spending in one or more of the three categories I just mentioned; basic assistance, non-recurrent short-term benefits and subsidized employment. In each case, the comparison is between the current quarter (three-month period), and the comparable quarter in either federal fiscal year 2007 or 2008, whichever is lower. To qualify for funds based on assistance spending, the state also needs to have an increase in its caseloads, comparing to the base year. And when measuring the spending, ACF just looks at the combination of federal TANF spending and state spending that's counted towards the maintenance of effort or MOE requirements.

If a state has qualified for contingency funds under the old provision, those funds can count. But if the state's providing general assistance or serving families with funds not counted towards the maintenance of effort requirement, what we sometimes call solely state-funded programs, that doesn't count.

GANZGLASS: OK. So what are some types of benefits or services that could be provided through this provision?

LOWER-BASCH: There's a range of different things under each category. Basic assistance is regular monthly TANF benefits or any other payments for basic needs that's provided on an ongoing basis, either cash or a voucher, say a food voucher or housing. Some states are already seeing their TANF caseloads come up. Others might want to look at their food stamp cases and see what families look, based on their situation, like they might qualify for TANF benefits, but aren't receiving them.

One thing that we think might be happening is in people who left TANF because they had jobs, but now they've lost their jobs due to the recession; a lot of these people may not realize that they still are allowed to apply for TANF and come back on the rolls.

Non-recurrent short-term benefits is probably the most flexible of the categories. This can cover a one-time payment for families who are being evicted to help them pay their security deposit and moving costs for a new apartment or house. One thing that lots of people aren't aware of is that many renters are being affected by the foreclosure crisis, so this is a way to help them, in addition to the specific money that's included in the Recovery Act that's set aside for homelessness prevention.

Or the state can use this money to provide energy assistance. This is a time of year when a lot of families have their utilities shut off because in most states the utilities aren't allowed to cut people off in the winter, but then in the spring, a lot of people get their power turned off. If the state's nervous about committing to a benefit increase, because the additional federal funding is limited to two years, it can use this category to provide a one-time extra payment to

families who are already receiving TANF. Some states do this every fall to let families buy winter coats or back-to-school clothing.

Subsidized employment is the third category and this could be for current TANF recipients or for people who are not TANF recipients, who maybe sort of fall in the cracks, as we've learned that not everyone's covered by unemployment insurance, so this is a way to provide an additional kind of help to families. States could also do transitional jobs programs under subsidized employment and next week CLASP will be doing another of these audio conferences specifically focusing on transitional jobs. We're waiting to hear from Health and Human Services about what exact costs will qualify, but we're assuming that it will go beyond the wages paid to participants and we'll be able to include the costs of supervision or any training provided.

I know this is a lot detail. It's a little bit complicated with lots of moving parts in the program, but it's a great opportunity for states to help families and to bring in more federal dollars to the states. We did send out, in the resources before the call, a link to a document on our web site that answers some more questions about this program.

GANZGLASS: And as you say, there'll be an audio call on transitional jobs and then within a few weeks we'll also be posting a paper that really looks at transitional jobs and opportunities under the contingency fund for subsidized employment. I know that you're available to talk with folks. I assume you are. Can I give you e-mail?

LOWER-BASCH: Sure. That's fine.

GANZGLASS: OK. If you have some additional questions, you can send them to us right now and Elizabeth will try to answer them at the end of the call, or you can write her at elowerbasch@clasp.org and Elizabeth is always available to try to answer questions for you.

OK, so we've now talked about unemployment insurance and the TANF welfare program and now we're going to talk to kind of a broader view. And I'd like to turn to Stacey Cox, who is the Chief Executive Officer of the Community Action Agency of Southern New Mexico. Can you tell us a little bit about your organization and what it does?

STACEY COX, CHIEF EXECUTIVE OFFICER, COMMUNITY ACTION AGENCY OF SOUTHERN NEW MEXICO: Sure. Thanks very much for having me today. Community Action Agency of Southern New Mexico for years had done a lot of band-aid assistance and a few years ago changed our mission to be about really an end of poverty in southern New Mexico. And so through that we started looking at how to make the safety net stronger locally and also how to do more long-term self-sufficiency kind of measures with families. We do a multitude of direct services, including weatherization, asset development through banking, EITC and other things.

We're also a Single Stop site, which is part of what we're talking about today, and families – when people come in for services, families learn about their eligibility for a host of resources and some of those resources are things we're all familiar with; health insurance, food stamps, tax credits, energy assistance, childcare subsidies, all this happens when they walk in the door here and within about 15 minutes. They also have access to both financial counseling and legal counseling and those two things are incredibly valuable when you're a direct service provider.

We have a benefits counselor who works with clients to navigate the bureaucracies that people have to go through to enroll in benefits and we use a screening tool provided by Single Stop USA to identify which benefits clients are eligible for and when they're here, we provide them with any service that we already offer and then we help them look at their eligibility so they know whether it's worth it to continue on the path to getting food stamps or not and it helps just really break down some of the barriers that are traditionally there when people are trying to access services that they know may be there for them, but they're not sure if it's worth their time to look into.

GANZGLASS: I know that Single Stops help a lot of people with their taxes as well and that's what brings a lot of people into the Single Stops. But now, with the economy so bad, have you been seeing more people looking for help even beyond the tax preparation?

COX: Well we live in a very poor community. We're on the border with El Paso, Texas and Juarez, Mexico. And so we tend to be one – we are one of the poorest communities in the United States. The good thing about our community

is we're pretty isolated. We have a lot of government jobs, NASA and universities. So it takes what's happening in New York and D.C. and other places where the economy's hitting so fast, it takes a while to get here.

So some of the things aren't happening so fast here, but food – our food program, for instance, the last year, the need for food has more than doubled. And so those things we started to see happen and now we're starting to see the foreclosures and some other things that had already started happening a few months ago in other areas.

GANZGLASS: So have you been able to help everybody who comes in so far or ...

COX: Well, help is a ...

GANZGLASS: ... did you actually hit the wall on that as well?

COX: Well help is a huge word, so the one thing we are able to do is run them through Single Stop to try to figure out what benefits are already available to them, so that's an immense help. And long-term help is a little harder to do. We just have to figure out how to stabilize families. We're trying to see everybody that walks in the door and there are some people we haven't been able to do anything for, but with some of the stimulus package coming and the poverty income guidelines changing, it looks like we'll be in a little better shape.

GANZGLASS: Actually I was about to ask you about the Recovery Act provisions. Are the clients who come in to use the Single Stop aware of changes in the benefits for which they might be available?

COX: The two things that people seem to be really aware of when they walk in the door are the tax laws and they don't understand if they're for this year or next year, so there are a lot of questions about taxes when they come in, plus they're coming in for taxes so they're already thinking about that. The other thing is weatherization money has been pretty front and center and so, because we do weatherization, that's the other big piece of stimulus that people seem to be aware of. The other pieces, they just hear money's coming, but they're not exactly sure what that means.

GANZGLASS: Are you trying to help people know about the range of changes that have happened so that they can start planning based on what they might be eligible for?

COX: Well we're doing as much of that as we can. Part of the problem is a lot of the stimulus money that's coming here directly, as with some of the tax laws; we don't know what that really looks like yet. We have a very broad understanding of what's going to change. And so we're just trying to keep in communication with people so they know to come back to us and that's also part of what Single Stop does is really help us build relationships with clients that are ongoing because of the follow up we do with the benefits and those kinds of things.

But right now it's hard to be really clear because nothing that has come down so far has much clarity to it. It's still being worked out at state level; some of it still federally.

GANZGLASS: And the longer term look on EITC, clearly. Some of the changes in the Recovery Act are immediate, for example, the 13 percent increase in supplemental nutrition assistance programs --the food stamp program -- is supposed to take effect in April. Are you able to make changes in your calculator that quickly? Or are you ...

COX: Yes.

GANZGLASS: ... doing it by hand? How are you handling this?

COX: No. Luckily, our partnership with Single Stop allows that to happen in a hurry, so we're excited that we don't worry about that as much as Single Stop worries about it and it will be done. You know the tool reflects the changes in the stimulus package as soon as they're available.

GANZGLASS: That's excellent. What about things like the COBRA subsidy for unemployed people? Are you talking to your clients about those as well?

COX: We – yes, we are. Like I said, part of the crisis hasn't hit here the same way it's hit in other parts of the nation, so it hasn't been a huge need at this point, but it is something that we talk about, especially as we go through a screening with a Single Stop client.

GANZGLASS: What recommendations would you have to a local agency that would like to provide or expand this kind of benefit, outreach and application assistance? Is there any way to access money under the Recovery Act to do this kind of thing?

COX: Well, if you are a community action agency, there's money coming from the community service block grant that funds community action agencies. And there's also one percent of the total CSBG fund that's been set aside for states to focus on benefits outreach and enrollment coordination. And if you do direct services, you understand what a need that is. People can't stabilize their lives if they can't put food on the table. And so I would strongly encourage states to use some of the funds that are available to work with programs like Single Stop, so that we can improve integrated delivery and not send people you know 40 places trying to get one benefit and if we can improve integrated service delivery outreach and application assistance, we can just take a ton of pressure off of our clients and they're already under so much stress, as are we, in this economic crisis that you know I just encourage people to use tools that are already there, like Single Stop.

GANZGLASS: In New Mexico and other places. How would – what would you recommend kind of from an agency level? Whom – who should the agency folks be talking to at the state level about this?

COX: I would say in our – in New Mexico, for instance, the Human Services Department and Income Support Division are the two key partners, because they are the ones that provide all the info. As most people know, as federal benefits come down at a state level, the states take pieces and parts of them and make little different changes. So HSD and ISD really have to be a part of that conversation and the great thing with us is that we had a partnership with both of those organizations before our partnership with Single Stop, but Single Stop really helped us to be able to work with them to get some of this stuff done online. We're doing some Medicaid enrollment online and some other things, and right now is an opportune time because the states are under so much pressure to figure out how to use the stimulus money coming down to really make a difference with people that it's you know it's kind of a perfect storm in some ways to get them to do some things that they might not have been able to or willing to do before.

GANZGLASS: And come out of this recession with a more integrated, coordinated approach.

COX: And boy, wouldn't that be the cherry on the cake?

GANZGLASS: That would be good.

COX: That is just the thing that is so missing in all of this.

GANZGLASS: Right. Well, we have gotten quite a few questions coming in, so I believe quite a few or maybe it's just a very long one that I see. Let me turn the phone over to Matt Lewis, who's been monitoring it and pose the questions.

MATT LEWIS, CLASP: Thanks, Evelyn. The first question is for Elizabeth and it's a two-part question. And I thought that I would have you answer the first part of the question and then we'll move on to the second one.

UNIDENTIFIED PARTICIPANT: Which Elizabeth?

LEWIS: Elizabeth Lower-Basch; I'm sorry.

The TANF Emergency Fund will cover 80 percent of the state's increased expenditures, whether those expenditures are made as part of the TANF program or as part of a separate state program funded with MOE dollars. And the first part of the question is does this mean that only the expenditure of state funds will be offset or can states include county spending on qualified expenditure in their claims?

LOWER-BASCH: County funds can definitely be counted. The states can claim county expenditures as maintenance of effort and so they can count. States can actually also count third-party non-governmental expenditures if the agency that makes them is willing to do some of the reporting and feed them the information. So particularly in the short-term non-recurrent benefits, if there are big charities in a state that are providing that kind of services, the state might want to figure out whether it's possible to tap into some of these funds on that basis.

LEWIS: And the second part of the question is what sources of funds can be used to provide the 20 percent match, state and county funds, including state TANF allocations to counties and county general funds? And won't this represent new spending for state and counties since the only expenditures that can be claimed are increased expenditures?

LOWER-BASCH: It does have to be an increase in expenditure in these categories, but it doesn't have to be net new expenditure. So it's a good time for states to look at everything that they're claiming under – that they're using TANF and maintenance of effort dollars to support and deciding whether this is really their top priorities, given the opportunities.

LEWIS: OK. One more question; I believe it's for Elizabeth Lower-Basch too, but chime in if you have a response. Hawaii has an existing subsidized wage program called SEE Hawaii Work. It is competitively procured service and we are planning to expand the service to draw down the ARRA funds. Would we be able to recover the additional costs of expanding the existing subsidized wage contract? This cost will be in addition to the supervision and training provided.

LOWER-BASCH: I think that's in the category where we're going to have to wait for a final answer from HHS. I believe that they're planning on issuing guidance fairly soon. The legislation did direct them to implement the program as quickly as possible, but that's something that I can't give a definitive answer on my own.

GANZGLASS: All right. I believe those are the questions that have come in so far. Let me ask a broader question and it really goes to that little exchange that Stacey and I had at the end of our conversation, and ask all three of you about this; where you really see the opportunities for using this short-term investment of resources to achieve the longer term changes that we need in system? We talked about U.I. and making some modifications in that program. We talked about things that could be done in the contingency fund. But as you step back and really look at all of the money pouring into the states through the Recovery Act related to the safety net, where do you think those opportunities are for the states? And I don't know who wants to take a crack at answering that.

COX: I – this is Stacey and I would just like to go back to our conversation too, if that's OK, and just say that you know as a direct service provider, the thing that is constantly irritating and completely missing is the idea that services are bundles in any way or that people can get – that anything's done with efficiency. And I realize that a big chunk of the – you know there would be a lot of money that would have to be put aside to be able to build technology systems that work in a way that are efficient, but they pay off so much in the long run. And I think that is a huge priority that – or it should be a huge priority for the states.

GANZGLASS: Either Elizabeth, do you have some comments?

APPLEY: Yes. This is Elizabeth Appley. One of the things at Women's Policy Group and the Georgia School Age Care Association, Voices for Georgia's Children are working on is making sure that the governor accesses the federal stimulus dollars for childcare that will be coming through the childcare development block grant. For Georgia it's going to mean almost \$83 million through September 2010. And while I know there are a number of states that have been successful in eliminating their waiting lists for these childcare subsidies for low-income families, Georgia is not among them and we're only serving a fraction of the families eligible.

There are no strings attached to this money, but the state has to supplement and not supplant childcare funding with the dollars. And so we are proposing to the state not only that the governor actually access the money, which we hope he will do, but also to take – make policy changes, extending the job search period to help people maintain benefits instead of falling on and off, to wave copayments, to update the income eligibility definition and some other things so that in the long-term we see the state increasing its commitment and obligation for childcare subsidies to begin to eliminate the waiting list.

GANZGLASS: Just as a reminder, several weeks ago we had an audio conference on the childcare provisions in the Recovery Act and the file is accessible on the CLASP Web site, so I urge you to listen in on that as well. Elizabeth Lower-Basch, do you want to add anything to this or should we?

LOWER-BASCH: I do think, particularly in the unemployment insurance area, this is the program that sort of is naturally countercyclical. It picks people up when the economy gets worse and certainly the Modernization Act improvements, move it more in that direction. I also think it's exciting that the President's budget talks about having a sort of longer term look at that so that we're not always in the position of coming to Congress and saying pass an extension now, that more of that will happen automatically when states start to face periods of very high unemployment.

APPLEY: I think that's an excellent point, Elizabeth. This is Elizabeth Appley and I recall that probably seven years ago, when they first started talking about U.I. modernization, we had on the conference call a staff person for a freshman senator from Illinois, so we know that President Obama is very tuned into these issues and has been for a long time. And there really – you're exactly right that we need to call for change on the federal level because the system really does need to be updated.

LOWER-BASCH: And also I would say at the state levels, because many of the states came into this recession with their trust funds in really embarrassingly bad situations and ...

APPLEY: You know Georgia was at solvency and we're now on the list of states at risk for insolvency and it's because we have never allowed the system that provides for these surcharges to kick in to come into effect. And so even a system that was solvent a year ago is facing insolvency challenges.

LOWER-BASCH: And then I think you know particularly in temporary assistance, it will be up for reauthorization in a year, so I think this is really an opportunity to start the conversation about how welfare-to-work may be a really good solution for some people when the economy is good, but that it doesn't always work when the economy is struggling and that there are some people who are left behind, even in good times. So hopefully we can start to have that conversation.

GANZGLASS: And whether work-based solutions might be a way to go on that as well. Another question has come in and I believe this one is for Stacey. Matt?

LEWIS: Yes it is. Could – Stacey, could you just describe what it means to be a Single Stop and what kinds of things Single Stop does?

COX: Sure. Single Stop has, first of all, the screening tool and I think that's a hugely important piece. And part of being a Single Stop site means that there are financial services available, legal counseling available, we do tax returns and the benefits screening with the Single Stop tool.

LOWER-BASCH: I believe we included a link to Single Stop's Web site in the resources that went out when folks registered.

GANZGLASS: So there are Single Stops, there are One-Stops, there are – there are many stops. Single Stop provides a unique set of services that helps with financial planning, with taxes, with legal services, as well as with benefits.

COX: Right. And the package of them is what makes it – cause we did a lot of those things separately before, but the package and especially including the screening tool is what gives you a much bigger bang for your buck, basically.

GANZGLASS: And if you really don't have Single Stop or some comparable outreach mechanism, it's really essential that people be made aware of the benefits that have been provided through the Recovery Act. Stacey pointed out that people are aware of the tax provisions, but may really not even know about any of these other changes. So having the opportunity to provide them is not enough if the people don't know about them and you don't reach out to them.

COX: Right.

GANZGLASS: I think we are getting close to running out of time. Do any of you want to add any other points or ask each other questions? I don't believe that we have any more questions that came in from the audience.

OK.

UNIDENTIFIED PARTICIPANT: I just want to thank you for convening ...

UNIDENTIFIED PARTICIPANT: Thank you.

UNIDENTIFIED PARTICIPANT: ... this session. We appreciate – and I appreciate the opportunity to participate.

GANZGLASS: Well thank you, all, and thank those of you who are listening in for participating. The transcript will be posted in a few days, and the resource materials as well. And we invite you to join us for the remaining calls and these are all posted on the CLASP Web site, www.clasp.org. Thank you.

UNIDENTIFIED PARTICIPANT: Thank you.

UNIDENTIFIED PARTICIPANT: Bye.

UNIDENTIFIED PARTICIPANT: Bye.

END