

CHILD WELFARE AND PREVENTIVE SERVICES

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
ONE HUNDRED SECOND CONGRESS
SECOND SESSION

ON

S. 4

JUNE 10, 1992



Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1993

61-325-CC

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-040030-9

S361-14.

COMMITTEE ON FINANCE

LLOYD BENTSEN, Texas, *Chairman*

DANIEL PATRICK MOYNIHAN, New York	BOB PACKWOOD, Oregon
MAX BAUCUS, Montana	BOB DOLE, Kansas
DAVID L. BOREN, Oklahoma	WILLIAM V. ROTH, JR., Delaware
BILL BRADLEY, New Jersey	JOHN C. DANFORTH, Missouri
GEORGE J. MITCHELL, Maine	JOHN H. CHAFEE, Rhode Island
DAVID PRYOR, Arkansas	DAVE DURENBERGER, Minnesota
DONALD W. RIEGLE, Jr., Michigan	STEVE SYMMS, Idaho
JOHN D. ROCKEFELLER IV, West Virginia	CHARLES E. GRASSLEY, Iowa
TOM DASCHLE, South Dakota	ORRIN G. HATCH, Utah
JOHN BREAUX, Louisiana	

VANDA B. MCMURTRY, *Staff Director and Chief Counsel*

EDMUND J. MIHALSKI, *Minority Chief of Staff*

CONTENTS

OPENING STATEMENTS

	Page
Bentsen, Hon. Lloyd, a U.S. Senator from Texas, chairman, Committee on Finance	1
Packwood, Hon. Bob, a U.S. Senator from Oregon	3
Moynihhan, Hon. Daniel Patrick, a U.S. Senator from New York	4
Durenberger, Hon. Dave, a U.S. Senator from Minnesota	16

COMMITTEE PRESS RELEASE

Hearing Planned on Bentsen Children's Bill, S. 4 Seeks to Strengthen Families, Cut Drug Abuse by Parents	1
--	---

ADMINISTRATION WITNESSES

Barnhart, Hon. Jo Anne B., Assistant Secretary, Administration for Children and Families, U.S. Department of Health and Human Services, Washington, DC, accompanied by Dr. Wade Horn, Commissioner, Administration for Children, Youth and Families, Washington, DC	20
---	----

CONGRESSIONAL WITNESSES

Ford, Hon. Wendell H., a U.S. Senator from Kentucky	5
Johnson, Hon. Nancy L., a U.S. Representative from Connecticut	53

PUBLIC WITNESSES

Jones, Hon. Brereton, Governor of the State of Kentucky, Frankfort, KY, on behalf of the National Governors' Association, accompanied by Peggy Wallace, commissioner, Social Services for the Commonwealth of Kentucky, Frankfort, KY	6
Brooks, Hon. Chet, Dean, Texas State Senate, Pasadena/Galveston, TX, on behalf of the National Conference of State Legislatures	18
Stangler, Gary J., director, Missouri Department of Social Services, Jefferson City, MO, on behalf of the American Public Welfare Association	35
Vann, Helen, consumer of Family Preservation Services, St. Louis, MO	37
Digre, Peter, director, Los Angeles County Department of Children's Services, Los Angeles, CA	39
Edelman, Marian Wright, Washington, DC, on behalf of a Coalition of National Child Welfare, Mental Health, and Juvenile Justice Organizations	44
Heagarty, Dr. Margaret C., director, Pediatrics, Harlem Hospital Center, New York, NY, on behalf of the American Academy of Pediatrics	46
Hayes, Cheryl D., executive director, National Commission on Children, Washington, DC	48

ALPHABETICAL LISTING AND APPENDIX MATERIAL SUBMITTED

Barnhart, Hon. Jo Anne B.:	
Testimony	20
Prepared statement	57
Bentsen, Hon. Lloyd:	
Opening statement	1
Letter from Louis W. Sullivan, Secretary of HHS	59
Brooks, Hon. Chet:	
Testimony	18
Prepared statement	61

IV

	Page
Digre, Peter:	
Testimony	39
Prepared statement with attachment	64
Downey, Hon. Tom:	
Prepared statement	75
Durenberger, Hon. Dave:	
Opening statement	16
Prepared statement	77
Edelman, Marian Wright:	
Testimony	44
Prepared statement with attachment	78
Ford, Hon. Wendell H.:	
Testimony	5
Grassley, Hon. Charles E.:	
Prepared statement	82
Hatch, Hon. Orrin G.:	
Prepared statement	83
Hayes, Cheryl D.:	
Testimony	48
Prepared statement	84
Heagarty, Dr. Margaret C.:	
Testimony	46
Prepared statement	86
Johnson, Hon. Nancy L.:	
Testimony	53
Child welfare tables	88
Jones, Hon. Brereton:	
Testimony	6
Prepared statement	89
Moynihan, Hon. Daniel Patrick:	
Opening statement	4
Article from "Lancet", Saturday, March 1, 1986	92
Packwood, Hon. Bob:	
Opening statement	3
Riegle, Hon. Donald W., Jr.:	
Prepared statement	95
Rockefeller, Hon. John D., IV:	
Prepared statement	95
Stangler, Gary J.:	
Testimony	35
Prepared statement	96
Vann, Helen:	
Testimony	37

COMMUNICATIONS

American Bar Association	103
Association of Maternal and Child Health Programs	115
Children's Safety Centers Network	116
Coalition on Alcohol and Drug Dependent Women and Their Children	166
Legal Action Center and the National Coalition of State Alcohol and Drug Treatment and Prevention Associations	172
National Association of Foster Care Reviewers	176

CHILD WELFARE AND PREVENTIVE SERVICES

WEDNESDAY, JUNE 10, 1992

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to notice, at 9:30 a.m., in room SD-215, Dirksen Senate Office Building, Hon. Lloyd Bentsen (chairman of the committee) presiding.

Also present: Senators Moynihan, Rockefeller, Daschle, Packwood, Chafee, Durenberger, and Grassley.

[The press release announcing the hearing follows:]

[Press Release No. H-33, June 5, 1992]

HEARING PLANNED ON BENTSEN CHILDREN'S BILL, S. 4 SEEKS TO STRENGTHEN FAMILIES, CUT DRUG ABUSE BY PARENTS

WASHINGTON, DC.—Senator Lloyd Bentsen, Chairman of the Senate Finance Committee, Friday announced a hearing on S. 4, his legislation to encourage a new approach the nation's child welfare system, expand health coverage for children and prevent substance abuse by pregnant women.

The hearing will be at 9:30 a.m., *Wednesday, June 10, 1992* in Room SD-215 of the Dirksen Senate Office Building.

"American families today are experiencing enormous stress and our children are suffering most. Reports of neglect and abuse have risen to 2.5 million, more than double the number a decade ago. Today there are more than 400,000 children in foster care, a 50 percent increase over the last five years," Bentsen said.

"S. 4 puts a new focus on dealing with these problems—by emphasizing prevention of family breakups rather than trying to deal with the consequences," Bentsen said.

The bill, which has 31 cosponsors, provides grants to States for services to strengthen families and to help children who might otherwise linger in inappropriate foster care. It also provides funds for substance abuse prevention and treatment programs for pregnant women and parents with children.

Bentsen said the hearing will center on the foster care, adoption and child welfare systems, and substance abuse provisions of S. 4.

"This hearing will provide an opportunity to learn more about how States and communities across the country are responding to this crisis and what the federal government should be doing to help our most vulnerable Americans—our children," Bentsen said.

OPENING STATEMENT OF HON. LLOYD BENTSEN, A U.S. SENATOR FROM TEXAS, CHAIRMAN, COMMITTEE ON FINANCE

The CHAIRMAN. If you will please be seated and cease conversation, we will be under way. Today this committee will be hearing about the nation's troubled foster care, adoption, and child welfare systems.

We will also learn the devastating effect of substance abuse on infants, children, and families across this land.

We will be looking to recommendations on how to respond to what has been called a national crisis. A crisis that began to grow

in 1986 and 1987 and has now reached urban and rural communities in all regions of the country.

No one predicted this. On the contrary, in June 1985, the Assistant Secretary of HHS had reported a 50 percent decline in the nation's foster care rolls over the prior 5 years and told this committee the numbers would continue to decline significantly. Unfortunately, she was 180 degrees wrong.

Over the last 5 years, we have seen the explosion of foster care as the number of children removed from their families and placed under the care of the State and the local public authorities has grown by 50 percent.

The fact is we are dealing with social developments that no one has been able to either predict or to fully explain.

In 1986, the Congress passed my amendment requiring HHS to oversee the development of State foster care and adoption information systems, but regulations have not yet been issued and legislative deadlines have long passed. So to an unfortunate degree, we operate without sufficient information on which to base our judgments.

We do know certain things. And much of what we do know is profoundly disturbing. Reports of child abuse and neglect have climbed to 2.7 million a year, more than double the number a decade ago.

Today the number of children in foster care in America exceeds 400,000. And that number is still growing.

Recently, New York reported that caseload growth in the State had slowed. Yet we are told that in some neighborhoods of New York City, more than 10 percent of all infants are being placed in foster care. Many of them are the fragile children of substance abusers. I do not know how many of you have been in hospitals to look at boarder children and some of the problems resulting from substance abuse by the parent, by the mother.

And we are seeing these children typically remain in foster care homes for extended periods of time.

In Illinois, the caseload continues to grow rapidly, with more than a 20-percent increase in the last year.

Last year, in my own State of Texas, there were more than 90,000 investigations of abuse and neglect, an increase of more than 10 percent over the prior year. Substance abuse has been found to be a factor in nearly half of all the cases.

In Los Angeles County, the number of children in foster care has increased by 80 percent over the last 5 years. Eighty percent! And the Director of the Department of Children's Services for the County is here this morning to tell us about the relationship between what is happening to children and the problems of that city.

So all across this land, children and families are in trouble. And the Federal programs that are supposed to be helping them are struggling to respond.

I do not think that any of us here think there are easy solutions to the problems of child abuse and neglect and parent substance abuse, but I surely think we have an obligation to see if we can reverse those kinds of disturbing trends.

Last year, the American Public Welfare Association published a report entitled, "A Commitment to Change." Twenty-five commis-

sioners and other officials throughout the country joined in calling for Federal and State leadership in creating a network of services to support families and children both before and after family crises develop.

Thirty-one Senators have joined me in sponsoring S. 4, a bill that incorporates this recommendation. It challenges Governors, State legislators, and mayors across the country to examine what is happening to families, to children in their communities and to develop programs to meet their particular needs.

Equally important, it provides for vigorous evaluation so they will be able to target scarce dollars on programs that really work.

In addition, S. 4 provides grants to States for substance abuse prevention and treatment programs for pregnant women and parents with children.

Senators will recall that last year, Comptroller General Bowsher told the Finance Committee that tens and perhaps hundreds of thousands of drug-exposed infants are born each year. The Comptroller General who usually tells us how to cut spending, in a highly unusual move instead recommended that more funds be spent on behalf of those children and their families.

He pointed out that this was an important investment that would save us significant money down the road by reducing the cost for foster care, special education, medical, and other services, including juvenile detention, for those troubled children as they grow up.

So in summary, today's hearing will raise questions that pose a very major challenge to this committee. What can we do to improve the condition of the many children across this country who are growing up in unstable families, and to provide additional resources for our foster care, adoption, child welfare systems, substance abuse prevention, and treatment programs? Will it really make a difference?

We are going to listen to a very distinguished group of witnesses today who are going to share their views with us on these questions. We are looking forward to their counsel.

I defer now to my colleague, Senator Packwood, for any comments he might make.

OPENING STATEMENT OF HON. BOB PACKWOOD, A U.S. SENATOR FROM OREGON

Senator PACKWOOD. Mr. Chairman, thank you. It is impossible to overstate the seriousness of the issue we have before us today. The Chairman has put it in frank perspective. And I cannot do better than to echo his words. He certainly has a longstanding interest in child welfare. And he has proven that time and again in a pot-pourri of different bills.

The recent recession and the loss of family-wage jobs has added financial strain to many who have been struggling to keep their families together. The increased numbers of single parents and teenage parents combined with the alarming use of crack cocaine among young women has put tremendous strain on often fragile family structures.

Clearly, we need to find ways to help parents care for their children, prevent the breakdown of families, and keep children out of foster care.

I have been a strong supporter of child welfare programs. I worked with Senator Bentsen to get the Family Support Act enacted in 1988. And in 1989, I worked to secure a \$100 million increase for social service block grants to the States.

I applaud the commitment of my own State of Oregon to funding for child welfare programs in the face of shrinking revenues and a budget crisis.

I support much of the content of Senator Bentsen's bill, but I am concerned about the cost, an issue that he has echoed on many other bills that we have before us. And I hope to hear today how he proposes to pay for this bill.

I have always believed that an enormous budget deficit is a burden, not just on children, not just on families, but on all Americans, lower income people in particular. In view of the drag on the economy caused by the immense deficit, adding to it is no way to help the children or the families.

Therefore, while I am very interested in this bill, I am also interested in other approaches to the problem. I want to make sure that the States have the flexibility to design child welfare programs that will achieve the goals of helping parents to function more effectively and keeping children within families in each State.

And the problems may vary from New York to Texas to Oregon. A flexible approach may be much more satisfactory than a uniform, Federal approach.

There is always more than one good approach to the problem. I look forward to hearing the details of this bill as well as those in Senator Hatch's bill. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Senator Moynihan.

OPENING STATEMENT OF HON. DANIEL PATRICK MOYNIHAN, A U.S. SENATOR FROM NEW YORK

Senator MOYNIHAN. Mr. Chairman, I would wish to do no more than to thank you for bringing this forward as you have done insistently in the 16 years that I have been on this committee with you.

I would like to make a few points for some of the people here. What we are dealing with is a crisis in family formation in our country and in our culture. And just because the Vice President says it is so, it does not follow that it is not so. [Laughter.]

This began 3 decades ago. And the Chairman is right. In the Department of Labor, we picked up these developments and got them remarkably right. I mean, as seismography goes in the social sciences, we were right, but we were thought to be ideologists not social scientists. And our forecasts were rejected.

It is very important institutionally to note that the coming crisis in American family formation was seen in the Department of Labor, not the Department of Health, Education and Welfare.

It is not your fault, Jo Anne, you were not there. But the Children's Bureau, for example, rejected the information—and that is very important institutionally—and would not pursue it.

The research facilities of our National institutes were not used. We know as little about this subject as when I wrote about it 30 years ago except we can say with some confidence that the statistics developed in this committee—and not even by much of this committee—show that over a third of American children will be on welfare before they reach the age of 18.

Historically, of the children born in the cohort immediately after our forecast in 1965, 72 percent of black children were on welfare before reaching age 18. And the illegitimacy ratios in a city like Washington would be over 50 percent. It would be about 60.

Now, this was predicted. And it is absolutely important to note that the information was rejected. And it is still rejected. And so we deal with the dependent variables like foster care as if it is something independent of this. It is not that.

But one other thing that was not predicted—and the Chairman mentioned this and again we seem to have difficulty with it—in 1985, this country was struck with an epidemic of free-base cocaine, an absolutely new event.

Free-base cocaine appeared in the Bahamas in 1983. It hit us in 1985.

An article was written in the *Lancet* in 1985, titled "Epidemic Free-Base Cocaine Abuse" in the Bahamas. The Center for Disease Control did not pay a moment of heed. I mean, this thing was happening about 300 miles offshore.

And now we have the combination. This epidemic hit in a sense a weakened population. And you see it having its most devastating effect on exactly that population which is weakened and therefore susceptible.

Again, you learn nothing from HEW. Now they have been listening, just now, but other than that, they have not. You hear nothing analytic.

The National Institute on Drug Abuse could be on the moon for all you know that it was dealing with the problems of Washington, DC.

So we have a problem, Mr. Chairman, not just regarding these children, but regarding the information base and the conceptual base on which we approach it. But I thank you.

The CHAIRMAN. Surely. Thank you very much. Senator Grassley, do you have any comments?

Senator GRASSLEY. I am going to put my comments in the record rather than go through them.

The CHAIRMAN. Thank you.

[The prepared statement of Senator Grassley appears in the appendix.]

The CHAIRMAN. Well, we are very pleased to have the distinguished senior Senator from Kentucky before us today and his Governor. Senator Ford.

STATEMENT OF HON. WENDELL H. FORD, A U.S. SENATOR FROM KENTUCKY

Senator FORD. Thank you, Mr. Chairman, for your courtesy which is not unusual. It is the main. It is a great pleasure for me to be here today to introduce a lead-off witness for this important

hearing, Governor Brereton Jones of my State of Kentucky. He is my Governor.

I have known Brereton Jones for some time now and can attest to his sincere interest in the betterment of our families, the preservation of family values, and the improved health and social condition of our children.

I commend you, Mr. Chairman, for your foresighted legislation, S. 4, the Child Welfare and Preventive Services Act.

We have ignored the needs of our children and their families far too long. This legislation takes an important step toward making child welfare programs more family oriented by giving families the assistance they need to stay together.

Our own experience in Kentucky with the Family Preservation Programs indicates that when we commit ourselves to putting families first, we can foster family values and help families help themselves. This approach can reduce out-of-home placement rates for children in need and save the taxpayers money.

Under Governor Jones' leadership, Kentucky continues to lead the nation with innovative programs and health care, education, and family services.

I believe that this committee and the government as a whole will be well served by the Governor's comments and his suggestions this morning.

Mr. Chairman, again I thank you and Senator Packwood for allowing me to present the Governor this morning and know that his testimony will be worthwhile.

The CHAIRMAN. Governor, we are pleased to have you. And thank you, Senator Ford, for your contribution. I know as chairman of an important committee that you have other obligations at this time.

Governor Jones, we have you here because we know that you have led in your State in doing what can be done by the way of family preservation. And we are looking forward to hearing about it.

STATEMENT OF HON. BRERETON JONES, GOVERNOR OF THE STATE OF KENTUCKY, FRANKFORT, KY, ON BEHALF OF THE NATIONAL GOVERNORS' ASSOCIATION, ACCOMPANIED BY PEGGY WALLACE, COMMISSIONER, SOCIAL SERVICES FOR THE COMMONWEALTH OF KENTUCKY, FRANKFORT, KY

Governor JONES. Thank you very much, Mr. Chairman. And thank you, Senator Ford. I can think of no way to feel more at home for my first testimony as Governor than to have Senator Ford make the introduction.

I very much appreciate this opportunity. And I have taken the liberty of bringing with me a very bright young lady. To my right is Commissioner Peggy Wallace who is the Commissioner of Social Services for the Commonwealth of Kentucky.

The CHAIRMAN. We are pleased to have you.

Governor JONES. In case we have a tough question when my testimony is over, I wanted to have Commissioner Wallace at my right arm.

My name is Brereton Jones, Governor of Kentucky, as Senator Ford has said. And I am privileged to be the lead Governor on child welfare for the National Governors' Association.

I want to thank you for the opportunity to be here on behalf of the nation's Governors regarding child welfare and specifically the Child Welfare and Preventive Services Act of S. 4.

The Governors are very eager to work with you and the other Members of Congress to reform the child welfare program. We are encouraged, extremely encouraged by the thrust of this legislation and believe that it goes a very long way towards improving a system that is currently in crisis.

Because increasing numbers of our adults and children face the crisis of poverty, unemployment, homelessness, inadequate health care, and substance abuse, it is more critical than ever that the policies and programs we design effectively preserve and protect families and their children in these very tough economic times.

Unfortunately, the system upon which most Americans must rely to address the needs of our troubled families is an anachronism, a Model-T system struggling vainly to meet the needs of contemporary families. It is time to rethink and to redesign that system.

It is very easy, as we all know, to talk about family values. We sprinkle reference to them with great regularity in all of our rhetoric. We pledge to promote these values in our party platforms. We even debate their presence or absence on network TV programs.

One thing I do know that it is not a "Leave It To Beaver" world anymore and many of today's kids live far from the safe suburban cocoon of Wally and the Beaver and the family values that we all remember so very fondly.

In increasing numbers, today's kids grow up poor and homeless and in families decimated by drugs and by alcohol. They live in single-parent households headed by exhausted mothers or fathers struggling to make ends meet. They suffer physical and sexual abuse. They need help. And we need a new approach.

And that is why I am so excited about this bill, Mr. Chairman. Your bill combined with innovative methods already being tested in States, such as our own Kentucky, can go a long way towards mending broken families rather than throwing them away.

Let me tell you why the Governors see this bill as fundamental to the preservation of family values. When good families are in trouble, they help one another. They find the will and the way to weather the storm and to stay together. And that is what this bill enables the States to do.

It provides new authority and flexible funding to develop and expand innovative services to strengthen families and to avoid unnecessary out-of-home placements for their children.

These services, which include family preservation, reunification, and follow-up, will help us in our efforts to find creative ways to improve child welfare, foster care, and adoption assistance services.

This bill in my opinion makes the investment as it ought to be. And that is the investment in prevention. That is the best money that we can invest.

And I submit to you that while we can get into lots of dialogue about the expense of this bill—and that is a real concern obviously—the bottom line is that the implementation of this bill will not cost the taxpayers money. The implementation of this bill will save the taxpayers money. And I think that is a fundamental and very important issue.

New funds will help us expand home-based services designed to prevent unnecessary out-of-home placements and to ensure that children and families are being served at the first sign of trouble rather than waiting until it is too late.

Keeping families together should be the primary goal of the child welfare system. And there is no way I can overly stress that point today. Keeping families together must be the primary goal of our child welfare system.

Unfortunately, statistics attest to a system that manages to do exactly the opposite. According to the American Public Welfare Association, out-of-home placements increased by 49 percent from the start of 1986 to the end of 1991.

Although there may always be the need to remove some children from the home to protect them from a harmful situation, programs designed to preserve and strengthen families should be the focus of our attention and resources if the preservation and perpetuation of family values are to be fully integral in our child welfare system.

Since the mid-1980's, some States have moved to incorporate a "families first" philosophy in their child welfare programs. Kentucky is among the States that have been successful in preventing unnecessary out-of-home placements.

We call it the Family Preservation Program. And that is precisely what we do, anything and everything required to keep the family together.

In this 4- to 6-week program, we provide intensive family counseling and support services to families with children at risk of out-of-home placement.

Specially-trained staff are available to the families 24 hours a day. If parenting skills are a problem, we show mom and dad how it is done. If there are problems in the marriage, we counsel the parents. If unemployment is a problem, we help find jobs or provide training. We meet each crisis head on and lay a firm foundation to prevent its recurrence.

It is simple. It is straightforward. And it works. Preliminary statistics in Kentucky show an 85 percent success rate at the time of case closure and that 75 percent of those families are still together and functioning 16 months later.

The program shows family values in action. And there is one added benefit, this approach saves money. And I cannot stress that enough. It does not cost the taxpayers of Kentucky money to implement this program. It has saved them money.

We estimate that our State saved nearly \$2 million in reduced out-of-home placement costs for the 445 children we serviced in our Family Preservation project last year.

This type of innovation will flourish and programs such as Family Preservation will multiply if Washington helps provide the proper environment in which they can prosper.

This bill makes great strides toward doing exactly this. However, the Governors would like to offer a few suggestions that might further invigorate and accelerate the move toward family-based child welfare programs.

Since adequate Federal support is critical, the Governors would ask that funds continue to be provided at the 75 percent match rate rather than the proposed Medicaid matching rate. This is not

a big issue for Kentucky because we are at the 72 percent rate right now, but it is for some States.

Maintaining the current match will enable States to meet crucial demands on the system without placing a greater financial burden on State budgets that are already stretched too thin.

The Governors applaud provisions in this bill that allow children who were previously determined to be title IV-E eligible to retain that AFDC eligibility in the case of disputed adoption. This will enable States to ensure that these children receive the consistent services they need in such crisis situations.

The Governors, however, take exception to the provision in the bill that would require States to submit IV-E reimbursement claims within 1 year instead of the current 2-year claim period.

This change could be administratively burdensome to the States. And we can see no real benefit in this modification to current procedures.

Data collection is another area of the proposed legislation with which the Governors have some criticism. Good systems automation will play a vital role in the successful development of a uniform, nationwide data collection system for adoption and foster care.

The 90 percent Federal match to develop and implement this system will be a boon to the States. However, the October 1, 1993 implementation date will be burdensome to some States. The Governors would prefer that the 90 percent match be available for at least three years after the release of the final regulations.

States should be encouraged to develop systems that meet our own needs as well as the Federal requirements. An arbitrary time limit works against this worthwhile goal.

Further, we suggest that the enhanced match rate be extended beyond normal maintenance of the system to include changes resulting from new Federal regulations or legislation. States should not carry the full responsibility for federally-mandated system changes.

The Governors recognize that we cannot meet the complex and interrelated needs of our troubled families without coordination among agencies at the federal, the State, and the local levels.

Child welfare agencies encounter many barriers when they attempt to streamline services. Some impediments have been created by the States and some by the Federal Government.

Therefore, the Governors support the pilot projects offered in this bill to improve coordination of services. But why limit the number of pilot projects?

Let us make them available to all the States. Children and families should be able to enter the system through any door available. If better coordination makes sense in any State, then it should make sense in all States.

Let us make a pact today between Washington and all Governors across our great nation to incorporate family values into the child welfare system. I can assure you that it works. We have seen it in Kentucky.

Families who a decade ago would have been torn apart are together today, whole, functioning, and self-sustaining because we

chose a family-based approach rather than the outmoded methods of the past.

Today's families are the foundation upon which America of the 21st century is to be built. We owe it to them. And I believe very strongly that we owe it to the children.

Once again I applaud you, Mr. Chairman, on this legislation. It is positive. It is progressive. And in the long run, it will save the taxpayers a lot of money. Thank you.

[The prepared statement of Governor Brereton Jones appears in the appendix.]

The CHAIRMAN. Governor, that is a very, very positive statement. I am appreciative of that. I was interested in what you were able to do with some 445 children. And you felt that that was in effect a \$2 million savings.

How much do you think you generally spend per family? Do you have a number on that?

Ms. WALLACE. About 20—

The CHAIRMAN. The amount of your money that you spend in servicing that family in trying to bring that family back together and resolve some of its problems?

Ms. WALLACE. We calculate about \$2,900 per child.

The CHAIRMAN. But do you think that after it is all over, you have a net savings?

Ms. WALLACE. Right. Because the cost of keeping that same child in foster care for 27 months, and that is what we have used for the average length of the stay in Kentucky in foster care, is about \$8,900.

The CHAIRMAN. Well, when we were working on the Family Support Act a few years ago and trying to reform the welfare system to make it more productive and effective, we turned to Governors then because Governors often have an opportunity to test, to try out new ideas, creative ideas to see what works and what does not work. And we have taken advantage of that.

And now, we are doing that again, to have ask guidance as we see the serious lack of substance abuse prevention in this country, lack of treatment programs for pregnant women and knowing you have this personal interest.

The problem that we are running into is the tight constraints—and they are the tightest I have ever seen because of the budget limitations; and the problems of trying to get this deficit down with the incredible competition among priorities as to where those funds are used.

I take it you would give this one of the highest of priorities.

Governor JONES. I absolutely would, Senator. I think that the time has come when we certainly have to be concerned with how we pay the bills today, but I think we have to take a more progressive and a longer-range view of what society's problems really are.

And we started our program in 1988. So we have just a few years of experience, but I can look to you today and say that I believe very strongly that at the very minimum that every dollar that we spend in this program keeps us from having to spend \$2 if we did not have this program.

So this is an investment that we feel—and our dollars in Kentucky are proportionately every bit as tight as the Federal dollars

are. We feel this is an investment that we must make. And besides it being a good economic investment, it is the right, moral thing to do.

The CHAIRMAN. Well, as I look at the problems that Los Angeles had and every major city has had to some degree—and, of course, that extends also into rural areas—I think there should be some concentration of this effort in areas like that, too. Obviously we are talking about enterprise zones, too, later on.

If we increase the funds for these objectives, where would you spend them first? What would you spend them on specifically to achieve these objectives? Tell us your highest priority.

Governor JONES. I think you have got to start with the philosophy that prevention is where the investment has to be made. If you prevent the family from disintegrating, if you prevent a mother from having a low birth-weight baby, if you prevent birth defects from the alcohol fetal syndrome and those kinds of things, that is where the investment has to start.

Just as in education, you have got to start with the early development of the child before they ever get to the first grade. Just as in health care, the dollars have to be invested in prevention. So I would start at that level.

The CHAIRMAN. Thank you. I see I am out of time. Senator Packwood.

Senator PACKWOOD. No questions.

The CHAIRMAN. Senator Grassley.

Senator GRASSLEY. No questions.

The CHAIRMAN. No. Senator Chafee.

Senator CHAFEE. Thank you, Mr. Chairman. Governor, first, I want to welcome you and Ms. Wallace.

Governor JONES. Thank you.

Senator CHAFEE. As I understand this bill, it provides for what you might call categorical streams of funding. In other words, there is a set aside for substance abuse in the funding.

And in view of the fact that each State has different problems, would you prefer that this be a block grant as opposed to the categorical stream?

Governor JONES. That would certainly be my preference because I think there are differences in the different States. And as long as each State is addressing it in a proper manner, I think you get the best in results.

Obviously, I recognize the fact that from our end, we would rather have all the money and no controls. And from your end, it is difficult to rationalize and justify that.

Senator CHAFEE. I was most interested in the statistics that you showed here in your testimony where you talk about an 85 percent success rate and that 75 percent of those families are still together. That is an extraordinary achievement. Anything in this difficult area that achieves results like that are phenomenal.

When you say a family is still together, all too often there is no family. There is a mother and some children. Is that the family?

Governor JONES. Yes. Obviously, we cannot as a government provide a father if the husband does not exist. But when you have the family unit, some of which are two-parent families, some of which

are one-parent families, but in either instance, when we start with that family unit, we want to keep that family unit together.

Senator CHAFEE. I have no further questions, Mr. Chairman. Thank you very much.

Senator DASCHLE. Senator Packwood.

Senator PACKWOOD. Thank you, Mr. Chairman. Governor, are you familiar with the bill that Senator Hatch has introduced?

Governor JONES. I have been briefed on it to some point, but I have not read it myself.

Senator PACKWOOD. It was only introduced last Thursday; so there is no reason why you should be expertly familiar with it.

The reason I ask is that, in running it by my State of Oregon, they discovered that under Senator Hatch's bill, Oregon does much better than they do under Senator Bentsen's bill just in terms of the quantity of money that comes to the State.

Now, I am sure there are winners and losers. Oregon happens to be a winner under this. And I was not responsible for devising the formula. I was curious how Kentucky came out, but you obviously have not had a chance to determine that yet.

Governor JONES. We have not, have we?

Ms. WALLACE. No.

Governor JONES. No, we have not.

Senator PACKWOOD. Then let me ask you a generic question. All things being considered—and I realize having been in the State legislature myself, that the issue of how much money is coming is a big consideration. But all things being equal, I assume that you would rather have more flexibility than less? Or would you rather have the mandate if, again, the money were relatively equal?

Governor JONES. We would rather have the flexibility quite obviously.

Senator PACKWOOD. Because then, I think it is worth taking a look at the Hatch bill. My State of Oregon, which was supporting the Bentsen bill, is now taking a look at the Hatch bill and realizing that one, they get more money; and two, they get much more flexibility.

Of course they may have some further thoughts about it. I simply do not know how every State does individually, and this information may determine how a State views the bill.

I have no more questions. I thought your statement was excellent. And I am delighted with the success that you are having in Kentucky.

Governor JONES. Thank you very much.

Senator PACKWOOD. Thank you, Mr. Chairman.

Senator DASCHLE. Thank you, Senator Packwood. I, too, would commend you, Governor, on your excellent statement. You mentioned in answer to Senator Bentsen that a priority needs to be put on preventive care, especially prenatal and neonatal care.

We know much more today about the relationship between alcoholism and drug dependency than we have known in the past and its relationship to family stress and disintegration.

And as you said in your answer to Senator Bentsen, there is substantial evidence that intervention and treatment are effective in preserving families and reversing many of the negative consequences of parental addiction.

My question is, how much of the increase, to the extent that we know that it is documented in reported child abuse and neglect, is due to parental alcoholism and drug dependency?

Ms. WALLACE. We estimate in Kentucky anywhere from 20 to 25 percent of the cases that we investigate for child abuse and neglect will have alcohol or drug abuse as a factor.

Senator DASCHLE. Twenty to 25 percent.

Ms. WALLACE. And increasing.

Senator DASCHLE. One out of every 4.

Ms. WALLACE. And increasing.

Senator DASCHLE. And increasing?

Ms. WALLACE. And increasing.

Senator DASCHLE. Commissioner Wallace, would you have any indication as to what it may have been, say, 20 years ago? That may be an unfair question, but my sense is that it is increasing. And using any other timeframe as a means of comparison, how would one compare it?

Ms. WALLACE. I am really not sure because unfortunately, we did not capture those types of statistics back 20 years ago. Our system was not sophisticated enough. We did not capture that kind of information.

Senator DASCHLE. Why have we seen this enormous increase in the number of cases of child abuse and neglect related to alcoholism and drug dependency in your opinion?

Ms. WALLACE. Well, I think any time that individuals are abusing substances, their ability to parent their children effectively and appropriately is greatly impaired. And so I think that is why we are seeing the rise in child abuse related to drugs, that parents are not able to parent their children appropriately.

Senator DASCHLE. And you are saying that to the degree that was a problem in the past, drug dependency itself was either not documented as accurately as it is today or certainly not used to the degree that we know that it is now being used. Is that correct?

Ms. WALLACE. Right. It is a lot more widespread I think. Or at least we know that it is a lot more widespread than in previous years. It could have been, but we just were not as aware of it as we are now.

Senator DASCHLE. Is the 20 to 25 percent of related cases similar from your experience in talking with other States? In other words, is your State an anomaly or do you think that is fairly consistent throughout the country?

Ms. WALLACE. I think that would be fairly consistent throughout the country.

Senator DASCHLE. Fairly consistent. If you were to attempt to correct it in this legislation or in any recommendations you could make to us with regard to how could we get the most use out of the resources that we have available to us to begin to address this issue more effectively, what would your recommendations be?

Ms. WALLACE. Well, I think we would first have to look at treatment in order to bring a parent to the position or condition—if I may use that phrase—where they could effectively parent that child then they would have to receive treatment for their addiction.

As a part of that, I think being able to in some fashion keep that family intact to the extent possible. Sometimes that is not possible

because the extent of the drug addiction. It is not possible to keep that family intact, but certainly programs that do that are very desirable and we think go a long way in supporting the whole idea of families.

And we have three such programs in Kentucky. We have 41 beds for mothers, substance abuse in women. And in two of the programs, the women can actually have their children at the program with them.

The other program has a strong parent-child component where the child is with the parent as much as her treatment program will allow.

Senator DASCHLE. What do you think of residential treatment? Is that helpful?

Ms. WALLACE. Yes.

Senator DASCHLE. Do you have programs relating to residential treatment?

Ms. WALLACE. Yes. The three programs that I just mentioned are residential programs.

Senator DASCHLE. I am almost out of time. But to the degree that we can provide treatment to pregnant mothers in a prenatal situation, what advice would you have that would be the most effective way in working with pregnant mothers and to eliminate the prospect of a child born with fetal alcohol syndrome for example?

Ms. WALLACE. Well, I think we have to begin with early education. It is too late I think once the mother has abused the substance and has exposed that infant to that substance.

I think we have to start in the early years in school programs and drug education programs in educating not only women and young girls, but also men and young boys about the hazards and dangers of using drugs.

Senator DASCHLE. Well, Commissioner Wallace, I am out of time. And I thank you both. I commend you again, Governor Jones, for an excellent statement.

Ms. WALLACE. Thank you.

Senator DASCHLE. Any further questions?

Senator PACKWOOD. I want to ask the Governor one question. Do you have a requirement to balance your budget in Kentucky?
[Laughter.]

Governor JONES. Yes, we do.

Senator PACKWOOD. Is it constitutional?

Governor JONES. Yes, it is constitutional.

Senator PACKWOOD. What do you do when you are faced with a deficit? Do you have the power as Governor just to make discretionary cuts or nondiscretionary cuts as well? How do you handle it?

Governor JONES. Yes. The Governor does have the authority to make those cuts. Our legislature only meets every other year except by a special call from the Governor, but we do have to focus, of course, on the budget with some degree of regularity. And we are in the midst of one of those situations right now.

Senator PACKWOOD. But the cuts that you can make are discretionary? You can cut something 10 percent and something else 2 percent?

Governor JONES. Yes, we can.

Senator PACKWOOD. Thank you, Governor.

Governor JONES. Thank you.

Senator CHAFEE. Can I just ask a quick question of Commissioner Wallace? I was rather interested in your response to the Chairman's question. As I understood it, you said in child abuse situations which alcohol or drugs were involved you thought are between 20 and 25 percent?

Ms. WALLACE. Yes.

Senator CHAFEE. What surprised me was that these numbers are not higher. I would have thought it would have been way up in the 70's for alcohol alone. And I find it kind of discouraging I suppose that 75 percent of your cases of child abuse do not involve—putting it in the other way around—do not involve drugs or alcohol. Am I correct?

Ms. WALLACE. Yes. That is a projected figure. We are working on—as many States are, we are working on our information system in Kentucky. Just how reliable our information system and that statistic is—but this is based upon the best information that we have available to us at this time. It could very well be higher.

Senator CHAFEE. Let me just ask one other quick question getting back to the question that I asked the Governor before about frequently you just do not have a family. The statistics are showing that in the city of Washington, some shocking number of children are born to unwed mothers. It may be as high as 60 percent. And I think I am safe in that. I know it is over 50 percent. I would say it is in the 60 percent area. And frequently these children are having children. In effect, these unwed mothers are very, very young. How do you make a family structure out of a situation like that which must be many, many of the cases that you handle?

Ms. WALLACE. Well, I think as the Governor stated, a family, while the traditional as we think of it, is a mother and father and children, a family in our terms is that mother and child. That is a family.

Senator CHAFEE. I see. And frequently, the mother is herself a teenager.

Ms. WALLACE. Correct.

Senator CHAFEE. Well, I think those statistics you had are dramatic. And I congratulate you for what you are doing. Thank you, Mr. Chairman.

Senator DASCHLE. I am informed, Commissioner Wallace, that there is a reluctance on the part of physicians oftentimes to diagnose alcoholism for insurance reasons. Is that correct?

Ms. WALLACE. Yes, for liability reasons.

Senator DASCHLE. Liability reasons?

Ms. WALLACE. Yes, liability reasons.

Senator DASCHLE. So if that is the case, is it probable that the figure that you quoted is slightly higher, perhaps substantially higher?

Ms. WALLACE. The quote, the figure I quoted is based upon the information that is reported to us by individual workers who are investigating the abuse and neglect.

Now, we are doing some things in Kentucky, capturing information about births and children who are born drug exposed. So hope-

fully, we will have some more definitive statistics in the near future to use.

Senator DASCHLE. Very good. Well, thank you. Senator Durenberger, did you have any questions or comments?

OPENING STATEMENT OF HON. DAVE DURENBERGER, A U.S. SENATOR FROM MINNESOTA

Senator DURENBERGER. Mr. Chairman, thank you. And I apologize for being late, but I agree with the Governor and Ms. Wallace. And I thank you for your leadership in this area.

I would just like to ask you a question to maybe think about. I want to premise it on a line near the end of the statement which says that children and families should be able to enter the system through any door available. And I really believe that.

I live in a town in which it does not work that way. I doubt if it works that way in my own State of Minnesota even though we think we deal with these things differently.

A lot of my friends are involved in trying to break that down just in this community because somebody who is at an automatic disadvantage because of where they live or their income or a variety of other things needs help. And they need the help from somebody they can trust or somebody they can get to.

And I have come to the conclusion over time that the categorical approach to solving problems, particularly the categorical approach that starts here and in the Labor Committee, is not going to work. It is not going to help people.

It is really not going to help people because in the end, it is like the Mayor of Washington, DC talking to the superintendent of the schools here saying, "I am not going to give you anymore money until I can be assured that at least more than 50 percent of that money is going to the kids, not to the people that run the system."

So I have tried to suggest to people, particularly at the Governor's level where it is easier to do it, that we think about what we tried to do in 1982 which was to make some major swap of responsibilities between Federal and State government.

And in the health area, if we would guarantee access for everybody in this country, financial access to medical services, ask Kentucky and the communities in Kentucky to take responsibility from conception to some other age in the teens probably, you pick it, for keeping people healthy.

We need the same kind of commitment to public health that we in our communities in Kentucky and Minnesota make to public education. And I think we have the capacity in Kentucky and Minnesota today to do it, which we did not have 25 years ago when rural legislatures would not put money into the declining cities and when you did not have a lot of people with the training that you need and the knowledge base and so forth.

But it seems to me that we are at the point that unless somebody thinks in this kind of context, coordinating and all the rest of that sort of thing, it is not going to help the problem that people are facing out there in American cities and in their rural communities today. So I hope both of you just think on that.

Governor JONES. I would certainly agree with that. And if I may comment, I would say that it seems to me that this is all part of

the overall health care picture. And we have no greater problem facing people today than how are we going to get access to quality health care for everybody.

And very respectfully, I would say that I would hope that it would be the attitude of the Congress to either really get involved and help us solve the problem or to step to one side and not create impediments to the States and let the States solve the problem.

Of course, that is specifically we talk about the risk. And this is a whole new conversation, but we got to solve this problem. We owe that. If we do not do that, shame on all of us.

Senator DURENBERGER. I would just say to my colleague on the risk issue that the New Jersey decision by some Federal district judge here a couple of weeks ago could be a disaster to the States.

And I have tried to put something together to resolve that and clarify it, but the Chairman of this committee and the ranking member and I and others worked pretty hard last November to try to cut a deal with the States.

We do not want to leave them with no solution to the Medicaid financing problem. ERISA changes are asking for a lot from some people, but I think it is absolutely essential.

So I pledge to you, Governor, that I am certainly going to be working on it.

[The prepared statement of Senator Durenberger appears in the appendix.]

The CHAIRMAN. Thank you. Senator Rockefeller.

Senator ROCKEFELLER. Mr. Chairman, I have a statement to submit to the record. And I just feel very guilty here because I am looking at Governor Jones of Kentucky. He and I served in the legislature together. He was the minority leader of the West Virginia legislature.

I lived in terror of his growing older because I knew that I would have to run against him some day for Governor and he would surely win.

And he went to Kentucky where he is doing an absolutely magnificent job where he is one of those Governors like our own Governor, Governor Caperton who, in fact, is a very close friend of Governor Jones, and both are taking the initiative at the State level to get things both for children and health care done. So I am really glad to see Brereton.

[The prepared statement of Senator Rockefeller appears in the appendix.]

Governor JONES. Thank you very much, Senator.

Senator ROCKEFELLER. Thank you for moving to Kentucky. [Laughter.]

Governor JONES. Thank you for showing me the difference between the Republican and Democratic parties. [Laughter.]

Senator ROCKEFELLER. Thank you very much, Brereton.

Governor JONES. Thank you very much, Mr. Chairman.

The CHAIRMAN. Our next witness, the Honorable Chet Brooks is Dean of the Texas State Senate, an old friend of mine who has been long involved in this subject.

Senator Brooks, we are very pleased to have you.

STATEMENT OF HON. CHET BROOKS, DEAN, TEXAS STATE SENATE, PASADENA/GALVESTON, TX, ON BEHALF OF THE NATIONAL CONFERENCE OF STATE LEGISLATURES

Senator BROOKS. Good morning, Mr. Chairman and members of this distinguished committee. I am a member of the Texas Senate where I Chair the Senate Health and Human Services Committee and serve on the legislative budget board.

It is a pleasure to meet again with you in the Finance Committee on behalf of the National Conference of State Legislatures. As you know, the organization represents the legislatures of the nations 50 States, its commonwealths, and territories.

I am here today to comment on S. 4, the Child Welfare and Preventive Services Act. My testimony is based on NCSL's child welfare policy adopted by our bipartisan, policy-making body, the State Federal Assembly.

The NCSL has made child welfare reform one of its top, Federal priorities for 1992 and is committed to working closely with this committee and other Federal policy-makers to fashion a Federal program that will help us care for our nation's children at-risk and serve our dysfunctional families and will be cost effective and workable at the State and local level.

Mr. Chairman, my testimony would certainly be incomplete if I failed to thank you for your efforts on behalf of children at-risk as well as the efforts of other members of this committee, particularly those children who are vulnerable to abuse and neglect.

As you are well aware, the number of abused and neglected and abandoned children has overwhelmed our current capacity to care for them. While trying to respond to daily emergencies, States are struggling to adequately protect these vulnerable children.

S. 4 would provide the increased Federal commitment necessary to help the States, especially Texas protect our children and strengthen families. This commitment is found not only in the increased funding that is essential to provide the services needed, but in an increase in Federal guidance that has been lacking.

We know that children and families are in trouble. And I know you confront the same constraints at the Federal level that I do in Texas where funding is concerned.

We in government have a choice. We can pay for prevention up front or we can pay for more costly care and services later. A bipartisan partnership is desperately needed among all levels of government and the private sector to better address the problems and needs of our Nation's children.

In my district, we have joined together with a private sector participant, Amoco, and community leaders, county and State resources as well to create a Children At-Risk Center in Texas City. And we hope that you will have the opportunity to visit it soon. It is now getting underway very well.

Amoco made a \$1 million community grant, its largest single community grant to that program because it believes obviously as does the community that bringing all of our resources, State, federal, and community resources together, centering them and focusing them at one location in the community will be effective.

It will be a on-stop center where children and their families can access education, health services, and social services.

I wish I could tell you, Mr. Chairman and members of the committee, that we in the State of Texas are able to protect all of our children. That is simply not the case.

In my Senate leadership roles, I have struggled to pull together a combination of limited State and Federal funds to address an increasing caseload. Our Texas Department of Human Services recently estimated that we had 435,000 cases of child abuse and neglect in fiscal year 1991.

Yet, we only investigated about half of those, 221,334. This is 10 percent improvement since I testified before this committee a year ago, but it still is a dismal picture for us.

This improvement is the beginning of a renewed effort to improve our services in Texas. Earlier this year, we started implementation of our legislation to create a new structure for child welfare services ranging from investigations of allegations of abuse all the way to preventive services.

On September 1, these services will be separated from the Texas Department of Human Services and clustered with other relevant programs in a new Texas Department of Protective and Regulatory Services. The new department will focus on programs and resources to protect vulnerable children and strengthen families.

We are committed to improving the way we train the new department staff to deal with the complex problems confronting children and families.

Of the 88,442 children in confirmed cases of abuse and neglect in Texas last year, only 34,601 received services. Only 39 percent of children in confirmed cases of abuse and neglect received some or any service from the State, ranging from a caseworker visit to foster care to parent counseling.

Our caseworkers are overloaded. They carry an average of 28 cases per worker compared to the recommended 10 to 15 cases per worker.

A point was brought up, Mr. Chairman, a moment ago about Kentucky had estimated they had about a 25 percent addiction rate directly connected to causal effect of addicted parents or addicted family members in their child abuse and neglect cases.

I have talked with caseworkers in Texas and we find that it is much higher there. It is as high as 50 percent.

The CHAIRMAN. That is sad.

Senator BROOKS. I would be glad to answer any questions. If it would be permissible with the Chair, I would like to make one quick comment about capping or about some of the issues that have been offered in other legislation.

The CHAIRMAN. All right.

Senator BROOKS. An arbitrary cap in our view would be a very unacceptable thing for the States. We would much prefer to see a partnership develop as S. 4 does. Thank you.

[The prepared statement of state Senator Brooks appears in the appendix.]

The CHAIRMAN. Thank you. Well, let me thank you for the years of work for children that you have done in the Texas legislature. You have been quite a leader in that regard.

But I must say you shock me with that 39 percent. As I understand that, that is identified cases of child abuse.

Senator BROOKS. Yes. That is confirmed cases where they have actually confirmed the abuse.

The CHAIRMAN. And only in 39 percent have you—are you doing any work at all as far as counseling and assistance are concerned?

Senator BROOKS. Yes. We have an array of services there, but it is a terribly overloaded system. And the point that I think speaks so strongly and favorably for Senate 4 is the fact that we cannot handle this by ourselves. We cannot handle it alone.

We have to have partnership. We have to have it from the Federal Government. We have to have it from the private sector and the community at large, whatever resources we can find to bring to bear to help those families and protect those children. It is critical.

The CHAIRMAN. Senator, do you have a feel for that 39 percent, as to whether or not that is representative of what is happening in other States?

Senator BROOKS. No, sir. I am sure that it probably varies in the other States. I know Kentucky, for example, has a far less number to deal with of identified cases than does Texas.

So I am sure that there are some variables among the different States. We just happen to have a pretty good handle on ours because we have done an intense study of the last 3 years, monitoring and also in preparation for trying to restructure and cluster the services as we are trying to do now so that we can get the services out in the community at a central focal point where people can come and access whatever they need for their child, for themselves, for other family members.

The CHAIRMAN. Well, thank you very much Senator. Senator Packwood.

Senator PACKWOOD. No questions.

The CHAIRMAN. Senator Moynihan.

Senator MOYNIHAN. No other questions.

The CHAIRMAN. Thank you very much, Senator.

Senator BROOKS. I really appreciated this, Mr. Chairman and members.

The CHAIRMAN. We are delighted to have you. Our next witness is Hon. Jo Anne Barnhart who is the Assistant Secretary, Administration for Children and Families, Department of Health and Human Services. We are pleased to have you back before us.

STATEMENT OF HON. JO ANNE B. BARNHART, ASSISTANT SECRETARY, ADMINISTRATION FOR CHILDREN AND FAMILIES, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, WASHINGTON, DC, ACCOMPANIED BY DR. WADE HORN, COMMISSIONER, ADMINISTRATION FOR CHILDREN, YOUTH AND FAMILIES, WASHINGTON, DC

Ms. BARNHART. Thank you, Mr. Chairman. I am pleased to be here today. And I have accompanying me Dr. Wade Horn who is the Commissioner for the Administration on Children, Youth and Families within the Administration for Children and Families.

I want to thank you, Mr. Chairman, and the members of the committee for the opportunity this morning to comment on titles I and II of S. 4, the Child Welfare and Preventive Services Act, and

to discuss the Administration's Comprehensive Child Welfare Services Amendments of 1992.

The President and the Department share the committee's concern for the enormous problems facing at-risk children and families, including the devastating effects of child abuse and illegal drug use.

We also share your commitment to improving the effectiveness of child welfare programs and services that serve these families. Yet we disagree with the general approach to child welfare reform taken in titles I and II of S. 4 because it restricts State flexibility in the use of title IV-B funds.

It fails to address the problem of skyrocketing foster care administrative costs. And it violates the Budget Enforcement Act of 1990 or the BEA by increasing direct spending for these programs by \$2 billion over 5 years without offsets.

Instead, the administration urges the committee to examine our proposal to fund a new, comprehensive Child Welfare Services program to meet the needs of families in crisis.

Although most children in this country are healthy, happy, and secure with warm, loving families to nurture them, far too many children are in extreme danger.

Over 1 million children each and every year are abused and neglected by those in whose care they are entrusted. And over 400,000 children now reside in foster care due to severe family dysfunction.

Child welfare agencies are confronted with problems and needs that are greater now than at any time in our history. And the problems are growing.

Agency services are failing to keep pace. And in too many instances, these services are deteriorating. Yet Federal spending on child welfare has increased dramatically over the past decade. Spending in title IV-E for foster care has increased from \$349 million in fiscal year 1981 to \$2.2 billion in fiscal year 1992, an increase of 537 percent.

And the current system has allowed runaway increases in administrative costs—over 2,000 percent increase in funds since 1981—with little evidence that services to children are better today because of these increases.

The overall picture is indeed critical. Since 1983, the numbers of children in foster care have been increasing. It is estimated that as of the end of 1990 more than 407,000 children—and that is approximately 5 per 1,000 of the total U.S. population for children up to age 18—were in foster care, a 51 percent increase from 1983 to 1990.

In short, the child welfare system is in crisis. We are spending more and more money and getting little positive result. The Department's view is that the crisis in foster care is not simply a matter of not spending enough money, but rather spending money for the wrong things.

The current system is far too categorical and burdensome on the State agencies. In particular, the title IV-E administration and training authorities require burdensome cost allocation plans and procedures for receiving and accounting for the expenditure of Fed-

eral funds, as well as separate reviews and audits for each of those funding sources.

Given these problems, we agree that changes in the child welfare system are needed, but it is our belief that reform within child welfare should not further fragment what is already complex and overburdened.

Instead, it should provide States with the flexibility to use their resources with discretion to provide more and better services for vulnerable children and their families with less bureaucratic and administrative burdens.

We agree that child welfare reforms are needed to relieve increasing pressures on State child welfare agencies.

However, we believe that if States were given the flexibility to spend the money available under the current-law baseline to best meet their needs, the resulting allocation of these increases would significantly improve the child welfare system.

In light of these concerns, the administration has taken a different approach to reforming the child welfare system. We urge the committee to consider the administration's proposal which would create the largest single source of Federal funding for child protective and child welfare services for children and families at risk.

The proposal would provide significant additional resources to States immediately. And it would not require budgetary offsets. The total funds available to States beginning in fiscal year 1992 and each year thereafter would grow by amounts currently projected under the budget agreement. It is a total of almost \$9 billion over the next 5 years. All categorical restrictions and requirements on the use of the new funds would be eliminated.

Although each State would be required to maintain its previous level of expenditure, the Federal match would be raised from 50 percent to 75 percent and States would know at the beginning of each fiscal year exactly how many Federal dollars they would be entitled to receive as matching for State expenditures.

The legislative proposal would also allow waivers of requirements under titles IV-B and IV-E for State demonstration programs.

To avoid adverse effects on children in foster care and adoptive placement, title IV-E entitlement programs for foster care maintenance payments and adoption assistance payments would remain unchanged.

The purpose of our proposal, Mr. Chairman, is to combine into one program similar activities and services that are focused on the same target population.

I see that my time has expired and I know that you have many witnesses today. So let me simply conclude at this point. I ask that the remainder of my statement be submitted for the record.

The CHAIRMAN. It will be done.

[The prepared statement of Jo Anne B. Barnhart appears in the appendix.]

Ms. BARNHART. Dr. Horn and I would be pleased to try to answer any questions that you may have and that we certainly look forward to working with this committee to enact effective legislation to meet the needs of children and families.

The CHAIRMAN. Well, we really would like you to work for effective legislation, but for the last dozen years, this administration has consistently every year either proposed a cut or a cap on Federal funding for foster care. No one can question the persistence and the consistency of OMB.

But I am really troubled by the low priority I think even disdain, in spite of the rhetoric, that some people in the administration have shown for a program that deals with children who are probably the most vulnerable members of our society.

The administration says it supports foster care preventive services, but the budget does not include a single new dollar to pay for it. The fact is, foster care and child welfare programs have consistently been at the low end of the totem pole with respect to the level of attention that they have been given.

Let us look at the history of what has happened. Six years ago, this committee reported out my amendment to create a foster care and adoption information system to provide the data that Congress needs to make wise policy decisions. That was 6 years ago. The administration has yet to publish the regulations.

More than 2 years ago, the Department set up a task force to propose regulations to improve the foster care quality review process.

Now, that is a process that is essential for ensuring that the children receive the services and the protection that they are entitled to. Here again, we do not have any regulations.

More than a year ago, following the finding by the Federal district judge that the city welfare and foster care systems in the District of Columbia were grossly neglecting their responsibility in caring for children in their charge, Senator Moynihan and I wrote the Secretary a letter. We asked what steps would be taken to see that the situation was not repeated in other parts of the country.

Now, Madam Secretary, I have three questions to ask of you. First, can you tell us what steps the administration has taken in response to our letter?

Second, why haven't we seen these regulations that I have referred to?

And third, if we have a crisis in foster care as the administration has said, shouldn't we try to find the resources to make the program work?

Ms. BARNHART. Yes, Mr. Chairman. You have covered a lot of territory there. And if I may, I would like to attempt to address each of those issues to the best of my ability.

The CHAIRMAN. Sure.

Ms. BARNHART. Going back to one of the earlier comments you made about the cut or the cap that the administration has put forth over the last several years, I would like to point out that I think there is one distinction that needs to be made related to past proposals and this year's proposal. The past proposals as I understand it, Mr. Chairman, were as you aptly described, either cuts or caps at the previous levels or the current level.

And the difference between those proposals and this year's proposal is that we built in the projected increases that we expect to occur and the cost that would be incurred and needed to sustain

the current foster care system. I think that is an important distinction to make.

In terms of what steps the administration is taking to address the concerns that you and Senator Moynihan raised in your letter, I would like to first of all point out that in terms of the District of Columbia, we have had staff members on detail to the District of Columbia for the past year working very closely with Washington, DC in developing a corrective action plan and putting things in place to try and improve the District's system.

We have given it a very high priority in terms of that kind of service we are providing there and the level of expertise we have provided from our staff.

Looking across the country we are doing things to try and prevent what happened in Washington, DC from happening in other places. As you probably recall, Mr. Chairman, I have had responsibility for these programs for roughly a year. And one of the things that I have done is to increase the number of staff that we have in the central office handling on these issues—an increase of 14 people this year.

In the fiscal year 93 budget, I have requested an additional 30 people to work in the area of child welfare and foster care because quite frankly I think our staffing ability was diminished in terms of being able to provide the kind of Federal leadership and to conduct the kind of oversight and monitoring that I believe is necessary to identify problems before they become the major issues they are in the District of Columbia. So that is one of the things that I have done during my tenure this past year.

As a part of that staffing increase, it has enabled us to do more reviews. We have completed 12 program reviews of the child welfare programs in the last 2 years. And we are doing another 6 this year.

And the program review actually is the review that the States, I think, find the most helpful and are the most appreciative of because it is very comprehensive.

We send in a team of experts. They stay for at least a week or two, working all over the State with various State people, looking at the system, trying to determine what the problems are in the system, and changes that need to be provided. That allows our regional offices to engage in further technical assistance and work with the State on an ongoing basis.

Of course, as you know, we also do other kinds of reviews, the IV-E reviews and the 427 reviews, all of which contribute to the body of knowledge that we have for States in trying to provide technical assistance.

One of the other things that we have done and I am actually quite pleased about, is to convene a research conference in March of 1992. And I might ask Dr. Horn to elaborate, but essentially what we did was solicit proposals from academicians and practitioners in the field to look specifically at family preservation, family reunification, and termination of parent rights so that we could get an idea of successful models that we can be promoting among the States to undertake, to mirror, and to augment in order to do a better job of meeting the crisis we have in the system.

We are in the process of compiling the results of those submissions and the proceedings from the conference. Frankly, it was a very good discussion. There were staff people from this committee present at the conference as well as from the House side and quite an impressive group of people in the field.

And my hope is that that will provide some real guidance to States in terms of being able to implement effective programs.

Wade, I do not know if you care to comment further.

The CHAIRMAN. Well, I see my time is well run out. I still do not think I have been answered insofar as why we have not gotten the regulations, but I would defer now to Senator Packwood.

Ms. BARNHART. May I address that question, Senator, about regulations.

The CHAIRMAN. Precisely.

Ms. BARNHART. I am well aware of the history of the AFCARS regulation and the fact that it has been several years since that provision was passed by this committee.

I come before you today not to make any excuses about what has transpired in the past, but simply to tell you that I have made a very strong commitment over the last year to work very hard on those regulations. And the fact of the matter is we anticipate having them published this summer.

At the time that the reorganization occurred placing the responsibility for those regulations under my purview, I was approached by representatives from the States who were concerned about the extensive length of time that had elapsed since the proposed regulations were published in September of 1990.

So I met with those State individuals and convened another meeting with my staff working on the regulations and a representative group of people from the States selected by APWA so that we could hear the concerns to be sure that we were addressing new issues that may have come to light because of the Department's long delay in issuing those regulations.

We have taken those kinds of things into consideration now. As you probably are aware, we got over 1,600 comments on the NPRM. There have been a number of issues raised to our attention, including everything from the number of elements we were requiring States to report on to the practicality issues, things like the implementation dates since, in fact, we are extremely late with the regulations.

So I apologize to the Chairman for the length of time that it has taken. I assure you that I am making it a real priority at ACF to get those regulations out. And I really have no excuse to offer.

The CHAIRMAN. All right. Thank you, Senator Packwood.

Senator PACKWOOD. In a nut shell, let me ask you if this is the major difference in the two approaches. The Chairman's bill is about \$2.1 billion in new money over 5 years. The administration wants to release \$9 billion that in essence is now programmed money that the States have to apply for. They may or may not get it depending upon whether they jump through the proper hoops.

And you are saying that we would just release this \$9 billion—in essence turn it into funds available for the States for all kind of child welfare services—and that the States would be guaranteed \$9 billion? Have I roughly paraphrased it right?

Ms. BARNHART. Yes. That is correct. What we want to do is exactly that, Senator Packwood. We want to take the current funds that we have now and that we project spending over the next 5 years available through foster care administration and training and set up a capped program that will allow States to receive the same share proportionally that they received in fiscal year 1991.

Senator PACKWOOD. So I wonder if this may not come down to a philosophical battle. My guess would be that of the \$9 billion, the States would be lucky to get \$7 billion over the 5 years under the present system. First, because it is not guaranteed and second, because they have a fair administrative procedure to go through both in their own structure and in applying for it to get it.

Now, I bet it would almost be a wash as to whether the new money in the Chairman's bill would come out to be any more money than the \$9 million the States would be guaranteed under the administration's approach.

And I wonder if given that, perhaps the real difference in this bill, assuming my guess that the money is about equal, is between wanting to mandate the spending requirements from Washington as opposed to simply saying to the States, "Here is the money within the broad definition of what it is to be spent for. Go ahead and spend it."

Ms. BARNHART. You made a couple of really important points, Senator Packwood. First, had the administration's proposal been enacted last year, my understanding is we would have had roughly \$750 million more available for States than we do this year because, in fact, the dramatic increase that we have seen over the last several years in terms of foster care administrative dollars is actually on the wane.

And so each year we delay enacting it and preserving what was built into the baseline and making it available for the States in the future, it is really going to cost the States money. That is a very important point.

Senator PACKWOOD. The reason I ask is because in reading some of the statements of witnesses that are coming later, it is very clear that they want the Federal mandates and they are not wild about giving the States a relatively broader freedom to spend this money as they want within the bounds of the program.

Ms. BARNHART. Well, we are very interested in seeing not only that States have the flexibility to be able to set up a variety of services to allow their case workers to choose from a broader range of services for the clients they are working with, but also at the same time to get rid of the sort of Rube Goldberg construction that we see out there—the hoops they are going through to try to meet the requirements of the current law under foster care.

Because right now under foster care administrative money, States are not allowed to pay for the actual services provided to the clients. So what we see are States going through some rather extensive hoops in order to maximize the use of the administrative dollars.

And we believe that if we are able to take that categorical prescription off, to simply set up this one pile of money and allow States to use it for administration, for services, for whatever, that, in fact, it would save.

Senator PACKWOOD. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Moynihan.

Senator MOYNIHAN. Mr. Chairman, I just want to once again thank you for the way you press this matter. I think we can work this out. I think we should.

Two weeks ago, a 2-year old child was beaten to death, having been put in a foster care home in which a man was living, no relation, unmarried. And he proceeded to beat the 2-year old to death. You know about that, don't you?

Ms. BARNHART. Dantre. Yes, I do.

Senator MOYNIHAN. A young child named Dantre Bradley. What happened there?

Ms. BARNHART. Well, I—

Senator MOYNIHAN. Do you have any—I mean, you cannot beat 2-year old children to death because they are annoying you while you are watching television at 3 in the morning.

Ms. BARNHART. I think that is indicative, though of some of the problems that we see. And it certainly is a tragedy. I had the same reaction.

Senator MOYNIHAN. To me it is indicative of a problem. What is the problem?

Ms. BARNHART. I was going to say I had the same reaction that you had, Senator, when I read the article 2 days ago when it appeared.

And my understanding is that he had actually been placed with relatives. And I think that raises some questions.

Senator MOYNIHAN. Relatives, "s?" You said plural. How many relatives? Does anybody know? Mr. Horn, do you know? I thought one relative.

Ms. BARNHART. Well, there was a relative, but then it was the relative's boyfriend or—

Senator MOYNIHAN. Yes. Well, one relative, not a community of concern. One woman with a—

Ms. BARNHART. The point I was going to make—

Senator MOYNIHAN. The child was murdered by the woman's boyfriend. Murdered!

That is good. You got a note there.

Ms. BARNHART. What I was going to say is that it points out one of the problems that we have when we take a look at some of the issues of relative care or so-called kinship care, and that is increasing. We are seeing more and more children—

Senator MOYNIHAN. Give me an answer to one question. What proportion of children in foster care were born out of wedlock?

Ms. BARNHART. I do not believe we have that kind of information.

Senator MOYNIHAN. Of course, you do not have that kind of information. We do not have any information.

Mr. Chairman, there has been a systematic, 30-year ban on information. We are fearful of what we will learn. So we let 2-year old children be beaten to death rather than—not you. You have been helpful.

But I cannot get a dependency report through this Congress. Democrats would rather die rather than find—they would rather have 2-year old children die rather than find out what proportion of them come from nonmarital parents.

Mr. Horn, do you know? Does anybody in the Department of Health and Human Services know what proportion of foster care children are born out of wedlock?

Dr. HORN. We do not know that answer.

Senator MOYNIHAN. Is it policy not to know? The answer is yes. It has been policy for 30 years not to know. We do not know. We have no idea who these children are. We are afraid to find out. We are not afraid to let them be beaten to death, but we are afraid to find out who they are.

Ms. BARNHART. Senator, I certainly appreciate the point you are making. As you know, you and I have had extensive discussions about data collection efforts and a variety of programs.

Senator MOYNIHAN. Yes.

Ms. BARNHART. And I must say that there are occasions when in talking over issues with my staff, with Wade and other people on the staff that I ask a question like that and I am told that we do not know. And then I say how can we not know? And then we have the discussion.

Sometimes it is due to the way we collect the data. We collect one thing in one program and one thing in another program. They never come together. Actually, I now have set up a data collection group in ACF since all the programs have been put in one agency to look at these gaps—to maybe be able to do a better job of getting a picture of some of these things.

Sometimes gaps in data that I think would be telling and important from a social point of view in terms of making long-range policy in this country are due to the fact that it is information that is largely not left up to the States.

And that is why, in going back to Senator Bentsen's point, I would say that I certainly appreciate the importance of AFCARS and the fact that we would be able to get some—

Senator MOYNIHAN. Jo Anne, my time is up. Can I just make the point to you because I know you agree with it. We never learned to do anything about unemployment until we learned to measure it.

We began to measure it with the Employment Act of 1946. We have not done anything about foster care or out-of-wedlock birth because we have not been willing to measure it. I offer that as a rule. Thank you.

Dr. HORN. May I add one thing, Senator, to that comment? I think it is unfair to characterize there being a systematic bias against collecting any information in any of the systems or the programs that we oversee.

I share the Assistant Secretary's angst at not having AFCARS, the new data collection system in foster care, developed more quickly than it has been.

On the other hand, we have developed and implemented a data collection system for records of child abuse and neglect and currently all of the States but one are participating in that data collection system.

We have also developed now a new information system for the Head Start program. We are also developing a new information system for our network of 365 runaway and homeless youth programs.

So I think that although it is a fair criticism to say that we have not moved as quickly as any of us would like on the development of a foster care data collection system, I do not think it is fair to characterize these being an absolute rejection on the part of this administration on collecting information about very important problems.

We do not have enough data. Unquestionably, that is so, but I do not think it is fair to say it is because we systematically do not believe we should have any information.

Senator MOYNIHAN. Thank you, Mr. Horn.

The CHAIRMAN. Senator Daschle.

Senator DASCHLE. Thank you, Mr. Chairman. Ms. Barnhart, you mentioned in your opening statement that we have gone from a commitment of about \$300 million to something over \$1 billion and that our progress has been minimal at best, virtually negligible and that proves that adding additional resources is not the answer.

I wonder whether it proves that. And I would like to have you elaborate if you could a little bit more. We have had witnesses prior to you today who have indicted that the degree to which the problem exists is far greater than it has been in the past.

Alcoholism is a drug dependency. The number of children living in broken homes and without parents in some cases is up dramatically. Given all of these sociological trends, how does one State with any confidence that adding resources has not helped us more successfully address the problem?

Ms. BARNHART. Senator Daschle, the point that you make about the increasing complexity of the problems and the cases that we are seeing is absolutely on target. And, in fact, the increased incidence of alcohol and drug abuse particularly, cocaine—

Senator MOYNIHAN. What is your data on the increased incidents? Your data please?

Ms. BARNHART. I did not bring those figures with me, Senator, but I would be happy to provide you with them.

Senator MOYNIHAN. Do you know they exist?

Ms. BARNHART. What I know from my staff is that based on the various kinds of reviews we have done with the States we have identified the primary reason that children are removed from the home. My understanding is that based on the reports and the surveys that were done during those reviews there are more children that are being removed from the home and placed in foster care as a result of an increase in the number of parents that are using alcohol and are drug abusers. I am speaking in terms of the foster care system now.

Senator MOYNIHAN. I did not mean to interrupt, Senator Daschle.

Ms. BARNHART. That is my basis for my saying that, Senator. And also getting back to your question, Senator, the fact of the matter is there are increasingly complex cases. At the same time, the witnesses before me today and my understanding from reading the transcript from the hearing of the Ways and Means a few weeks ago, is that Mayor Schmoke and others spoke to the need for flexibility.

And so it is not simply a matter of providing increased resources. I would like to emphasize again that in the administration's proposal, we do provide for projected increases in the system.

And since we increased the Federal match to 75 percent, in effect that means an increase to the States because they do not have to match at the 50 percent rate. So there is an increase in funds built into our proposal.

However, the real need is for flexibility for the Federal Government not to prescribe how the funds are used and not make the States jump through those kinds of hoops that I described earlier in terms of lengthy cost allocation and burdensome paperwork requirements for attributing every dollar spent to exactly the right category.

Senator DASCHLE. Well, I do not differ necessarily with your concern for too much categorization and rigid rule making. I think flexibility is probably helpful. I do think, as we have seen with Medicaid without adequate enforcement of some guidelines, some standards, a lot of the money is wasted.

And if we have the responsibility for creating a national program, do we not also have some responsibility for ensuring that when those dollars are committed, we have to ensure that they are committed properly? And isn't that what categories are all about?

Now, if we have gone overboard, that is one thing, but you can certainly recognize, based upon our miserable experience with other programs, the need for some discipline and enforcement of regulations to the extent that they are required for a national commitment to the program.

Ms. BARNHART. Certainly I recognize that. And we are not suggesting that there not be continued monitoring and oversight and that we would not expect certain standards to be continued to be met.

For example, the Section 427 reviews we do currently that look at the 18 protections that are guaranteed in the law for children would continue. In fact, we are working on revising the regulations for those, taking into consideration some recommendations made by the GAO to strengthen those regulations and those requirements.

We are not saying take all strings off and simply say we are not going to worry about what is happening to kids out there. Absolutely not.

It is just that we would like the States to have the flexibility to decide what kinds of services they would like to provide in their State for their caseworkers and front line folks to be able to choose from in meeting the needs of those families.

Senator DASCHLE. I am just about out of time, but—I am out of time. I will save my—I was just going to ask to the degree you can tell the committee, as you assess the problem and our resources, to what degree are the resources meeting the problem?

I mean, are we providing resources for half of the program to the extent that we know it? Or is it two-thirds, three-fourths?

Are you satisfied that we are sufficiently meeting the need 100 percent today at the Federal level?

Is there any way of gauging response to the problem in terms of the resources that we have available to us to the need that you see out there?

Ms. BARNHART. I was going to say that I was not really clear on the question that you are asking me. You are asking if the resources that we have today—

Senator DASCHLE. Meet the need?

Ms. BARNHART [continuing]. Meet the need. I think probably people will always tell you that the resources that they have never meet the current need. Based on the 67 programs that I have responsibility for, I have yet to have anyone tell me that the current resources meet the need.

However, I do think that it is a reasonable and a responsible approach to say what we would like to do is open up flexibility. And I realize that you said you do not dispute that and share some of those concerns, but that we allow the States to be able to make decisions to set up their programs the way they would like to and not have to go through some of these administrative—

Senator DASCHLE. That is not really an answer to my question. And I do not want to belabor the committee. We can pursue this at another time. But thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator. Senator Durenberger.

Senator DURENBERGER. Mr. Chairman, thank you. Jo Anne, I just want to take the occasion to compliment you as others have for the work that you have done during this year that you have been in office. And I appreciate it as does everyone here.

Also, I hope that with the particular focus that you have on children that somewhere, before when we begin work next year, you will have an opportunity to come here and talk to us about the long range and about how you see children in America and even how the administration focuses on children in America because that is what a lot of people are looking for in this campaign.

And I do not think we are getting it. And we are not getting it necessarily from anybody.

But I am particularly concerned as I listened to your response to Senator Moynihan that we are spending too much of our time and resources doing accountability and not enough of it doing long-range planning. And that the kind of question he asked you which are information-related questions are the ones that are really important to understand the problem.

We can all pick up the Post or the Times and we can find what went on in Washington, DC. And it is good that we live here. And it is good that we can relate to the people that live around us.

But it is not even getting any better here. If we cannot deal with the problems in the nation's capital and we are all sitting here reading about them, and we do not experience them unfortunately, but at least we are reading about them all day long. I guess some members are experiencing them, at least in this neighborhood.

We have only you and your resources as a nation to give us some sense of what is the problem and what is the most appropriate direction that we take. So I hope that you will do that.

I have a combination accountability and information question to ask you, and that relates to your recommendation to cap title IV-E, the administrative funds of this two part question.

The guidelines listed in the Federal Register clearly indicate that States can use these funds for services that are directly related to children, such as placement, case management, supervision of the recruitment and licensing of foster homes and institutions.

Is your office gathering data on what proportion of these funds States are using for services to children as opposed to overhead and all of that?

It sort of departs back to the question I asked somebody earlier, the way Federal education money ends up, half of it in administration and half of it to kids.

And the second part of the question is although the caseloads of some States are seeing a decline in their projected rate of growth, many States are reporting a greater proportion of difficult to place children.

Given the rise in more difficult cases, how can you justify capping costs that include services in which these cases will demand?

Ms. BARNHART. Well, let me say first of all that we are not proposing to cap maintenance assistance payments. That will continue to be an open-ended entitlement in terms of maintenance assistance for IV-E.

Senator DURENBERGER. All right. Thank you.

Ms. BARNHART. That is important. And I appreciate you bringing that issue up, Senator. Getting back to your question of the so-called administrative activities, we call them activities as opposed to services; roughly 35 percent of the so-called administrative costs are being used for pre-placement activities.

Senator DURENBERGER. OK. Thanks. Mr. Chairman, thank you.

The CHAIRMAN. Thank you. Senator Rockefeller.

Senator ROCKEFELLER. Thank you, Mr. Chairman. Jo Anne, I am glad that you are here. And, of course, I particularly welcome Wade Horn who was a very valuable and still is a very valuable member of the Children's Commission which is the creature of Chairman Lloyd Bentsen's brain.

So I am grateful to you Wade and we are all grateful to Lloyd Bentsen.

Wade and I, Jo Anne, were in Pittsburgh the other day talking on Children's Commission business, talking with 75 to 100 black and white and Hispanic and Asian-American kids with all kinds of problems. And I think it probably took both of us—and they were telling us, not publicly, but privately why they have tried to commit suicide and how they—I remember one young lady, and Wade will remember, told us how she punched somebody right in the face the other day.

And so one of the kids asked her why she did that. And she said, "Oh, I didn't have anything else to do." It was not a very good reason, but the fact is she punched somebody. A lot of frustration.

And that took me back to when we were in Los Angeles and working with the foster care system there. And we went to the Juvenile Dependency Courts in Los Angeles. And I assume that you think that they do things better. Well, they do not. They are struggling like everybody does.

In LA Juvenile Dependency Courts the judge has an average 10 minutes, with actually probably closer to 5 minutes per kid per case, papers flying all over the place. And often the parent does not

understanding the language being used, or the parents are not even there.

I was trying to understand the proceedings. I am grown up and educated. I had to have one of the judges whisper in my ear to interpret what was happening so I could understand it.

And it just brings up this whole question of titles IV-E and IV-B. Now, the Secretary poses Lloyd Bentsen's bill. And then he talks in his letter about there being no evidence of more better services for children coming from IV-E which is the entitlement.

There is nothing in here that I read about preservation of the families. Now, what you are going to tell me is that you have opened it up so that the States can pick the service they want to offer because you are going to convert child welfare funds into block grants.

That is clever because you can argue that there is more money available to the States. I can argue that whereas that is true, the problem is growing expeditiously, that there has been an increase of—what is it? Over 200,000 children since 1986 in our country. And actually, the number of foster children in West Virginia are the same 2,000 as it was a number of years ago, but we have lost 10 percent of our population. So in effect, the percentage of foster children has gone up in my State.

So the Secretary says no to a capped entitlement, but he calls for flexibility for States to target services. Well, I understand your argument that you use on that.

One of the things asked for in the Bentsen bill includes a 3-year pilot program to allow States to improve coordination of services. Now, do you support that in S. 4?

Ms. BARNHART. I am sorry, Senator. Do I support—

Senator ROCKEFELLER. A 3-year pilot program to allow States to improve coordination of services?

Ms. BARNHART. That is one of the demonstration programs as I recall.

Senator ROCKEFELLER. Yes.

Ms. BARNHART. Yes. In fact, there are a number of things in S. 4, Senator and Mr. Chairman, that as you know the administration does support. The demonstration that has to do with coordination is one that we do support.

Senator ROCKEFELLER. The Children's Commission was overwhelming in its need for preservation money, family preservation money. It asks that it keep the entitlement because family preservation does not always work out.

Did, in fact, you want to keep title IV-E, the entitlement, but make it a block grant because you knew that OMB was going turn you down and that you would have preferred to have the open-ended entitlement and increased family preservation services?

You believed that OMB was going to turn you down so you did not submit it? Or did you submit it in the first round and then OMB turned you down so you pulled back from it?

Ms. BARNHART. In terms of what was submitted in what round, Senator, it is hard for me to recall exactly, I believe this proposal is exactly as we originally submitted.

And part of the reason for that is we really believe it is a good proposal. Also operating in the current budget environment when

my staff and I sit down as we are doing now to begin to work out legislative proposals for the President's budget, we operate within the realities that the Congress and everybody else has to operate in terms of the Budget Enforcement Act requirements.

So we are faced with a situation, because this is a discretionary pot of money, that if we increased the funds here, we would have to decrease funding somewhere else in our own Department. And very difficult choices that have to be made.

So operating within the confines of the Budget Enforcement Act and looking at the system and trying to figure out from a policy perspective what we thought was the best thing to do, this is the proposal that we put forward to the best of my knowledge.

Senator ROCKEFELLER. Mr. Chairman, I have one more question, but I understand we have 7 witnesses or panelists. I will yield, but I would like to ask another question.

The CHAIRMAN. If I can get a precise answer.

Ms. BARNHART. I will try, Mr. Chairman.

The CHAIRMAN. All right. Let us have it.

Senator ROCKEFELLER. When we were in Los Angeles, we met with a lot of these kids, who were emancipated at the age of 18. That sounds great. The problem is they are broke. Current law, a kid cannot have more than \$1,000 of assets. S. 4 says a kid ought to be able to save enough to get out there and become independent.

Ms. BARNHART. And we support that.

Senator ROCKEFELLER. Do you support that?

Ms. BARNHART. Absolutely, we support that. It is something that I feel personally very strongly about as the administration does. The fact is that if we have kids that are resourceful and hard working and attempt to save money, then they are no longer eligible for IV-E payments because they exceed the \$1,000 asset limit.

Senator ROCKEFELLER. The Children's Commission said that 18 ought to be extended up to the year 21 if they remain in school or in training. Do you support that?

Ms. BARNHART. That would be something we have not taken a position on.

Senator ROCKEFELLER. Would you?

Ms. BARNHART. We can certainly take a look at it, Mr. Chairman, and---

Senator ROCKEFELLER. It would only be if they stayed in school or were in training.

Ms. BARNHART. We could certainly take a look at that.

Senator ROCKEFELLER. Thank you.

The CHAIRMAN. Thank you. Madam Secretary, I am sure there are many other questions that the members would like to ask you, but it has been informative. And we appreciate your being here.

Ms. BARNHART. May I just make the offer, Mr. Chairman, that as I am sure you know, I would be happy to answer any questions for the record or to answer any questions for any member even if they are not officially for the record if they would like to pursue this discussion.

And may I just take this opportunity to thank you for your long standing interest and leadership in this area and to say again that we look forward to working with you.

The CHAIRMAN. Thank you, Madam Secretary. Our next panel consists of Mr. Peter Digre who is the director of the Los Angeles County Department of Children's Services; Mr. Gary Stangler who is the director of the Missouri Department of Social Services, Jefferson City, MO, on behalf of the American Public Welfare Association and accompanied by Helen Vann, a consumer of Family Preservation Services, St. Louis, MO.

Mr. Digre, if you would proceed, please.

Mr. DIGRE. Mr. Stangler has a plane to catch. And he asked if he could go first.

The CHAIRMAN. Fine. Mr. Stangler, we will try to get you on your plane.

STATEMENT OF GARY J. STANGLER, DIRECTOR, MISSOURI DEPARTMENT OF SOCIAL SERVICES, JEFFERSON CITY, MO, ON BEHALF OF THE AMERICAN PUBLIC WELFARE ASSOCIATION

Mr. STANGLER. Thank you, Mr. Chairman. Thank you for having me back in front of the committee. I am Gary Stangler, director of the Missouri Department of Social Services and a member of the American Public Welfare Association's National Commission on Child Welfare and Family Preservation.

I am here to join the others in commending your leadership. The APWA strongly supports S. 4. We believe that it captures the letter and the spirit of the APWA's Commission most important recommendations contained in "A Commitment to Change."

We are grateful that you have met with us personally to talk about these issues and to try to make the link to the crisis. Today's child welfare system is not in a crisis. It is beyond crisis. Rather, we are in a state of chronic deterioration.

We know that many families are in a poor State. We are also well aware, as you and Senator Durenberger have stated, that there are hundreds of social, health and income programs at the Federal level. My job as a State administrator is to coordinate and bring them together.

The message I would like to leave here today with the committee is two-fold. One is that we in the States—using our own money—have pushed to establish family preservation service programs.

My Governor, John Ashcroft, took this program that he says and he believes and I believe is working out there. With me today is Helen Vann who will tell you in more compelling terms than I ever could about family preservation services and about how and why it is working.

I believe that the fundamental policy direction that will be institutionalized through S. 4 is to strengthen and preserve families and to keep them together.

Family preservation services is not simply another technology nor simply another item on a menu for us to choose from. It is a fundamental shift in the policy and focus in dealing with children and families.

We urge that you to institutionalize this policy shift and focus to keep families together. Family preservation services builds on families' strengths. It differs from our traditional historical deficit model of looking at family weaknesses and saying we have a program to help those weaknesses.

Every family has strengths to build upon even if that strength is limited solely to a bond between a child and a parent. And those of us in the field rarely, if ever, encounter a child no matter how abused, no matter how neglected who does not want to be with his or her family.

It took us decades in juvenile justice work to realize that when kids ran away from our institutions, they ran home. They did not run to L.A., they did not run to New York, they ran home. Kids want to be at home.

To institutionalize this policy shift, we need to reverse the incentives so that the financial incentives reward States for keeping families together. Our family preservation program is entirely State funded.

I earn no Federal financial participation to keep families together. I only earn Federal financial participation when I take kids out of the home. If we want these services to develop, to keep families, we need to put the funds into that service mode.

In S. 4, we believe that the demonstration authority, the flexibility granted to the States is very critical. We need to try different service approaches in the States. To date, family preservation services have been an experiment for us.

In Missouri, we have found that these services work for about one-third of all children who would otherwise go into foster care. We have found that it works in that population; about 80 percent of those children are together a year later.

With the help of the Ewing Marion Kauffman Foundation, we have been doing focus groups around the country on family preservation and foster care and family issues, including a focus group in your State, Senator Bentsen.

What we have found—which matches the rhetoric—is that people are very concerned about the family. They see family preservation in words and in action as a service that is attacking something that they call an endangered species. Over and over, people around the country told us that family is an endangered species.

Family preservation's intent is to keep families alive and to promote the formation of families, as Senator Packwood earlier mentioned.

Our system is a 911 system. We respond by definition to a crisis, to an emergency. We do too little too late. We need to refocus our efforts to put incentives in place early on so as to keep families together.

In Missouri, we have tried to saturate our urban areas with family preservation services. We have not neglected the rural areas, but we believe that the problems are most acute in our urban areas. It is our urban families that are most in desperate straights.

Finally, I will just close, Senator, by saying we strongly endorse your proposal. We will work with you to try and reorient the system to do what all of us really want to see happen. Thank you.

[The prepared statement of Gary J. Stangler appears in the appendix.]

The CHAIRMAN. Mr. Stangler, because of your time limitations and your plane to catch, we will not ask many questions of you and let you leave.

You make a very persuasive case. But the problem we have in Washington today is when we talk about a new urban initiative, the debate is that some government programs do not work very well and that if we put more money into those programs that really all we are doing is making life easier for the bureaucrats and that money does not really get to the folks for which it is intended.

How would you respond to that?

Mr. STANGLER. I would respond that you do not make our lives easier. It is what Jo Anne Barnhart called the hoops on IV-E that we have to jump through that are incredible and time consuming.

What often goes under the term of title IV-E administrative claims is actually people out there involved in labor-intensive service efforts. To do family preservation services, workers have a case-load of 2; they virtually move in with the family. This is done so that the intensive services are up front and time limited so that it is not an addictive type of service. We do not create a dependency.

Senator, I would suggest that under S. 4, the more flexibility you give to us, I promise you on behalf of all the States that money will flow to the labor-intensive efforts at the front line.

And that is really—in terms of the talk that we pursue of restructuring services, to reorient the system to family preservation. I believe that would be accomplished under your measure.

The CHAIRMAN. Thank you. Are there other questions of Mr. Stangler? [No response.]

Mr. Stangler, thank you very much for your testimony.

Mr. STANGLER. I will stay for a few minutes. I appreciate you letting me go first.

The CHAIRMAN. You made reference to Ms. Vann. Was there something that—

Mr. STANGLER. Ms. Vann has a statement. She is a consumer of Family Preservation Services and has a very compelling story to relate to you about the work in St. Louis and the success of this type of effort.

STATEMENT OF HELEN VANN, CONSUMER OF FAMILY PRESERVATION SERVICES, ST. LOUIS, MO

Ms. VANN. Thank you, Senator Bentsen and members of the Finance Committee. My family was in trouble for 3 years. We tried everything we could think of.

The CHAIRMAN. Ms. Vann, pull that mike up really close to you so that you can talk into it.

Ms. VANN. We went to psychologists, family counselors, psychiatrists, and social workers. We went to our church. We even went through the Juvenile Court system, but nothing we did could help us help our daughter.

The CHAIRMAN. Now, who is we?

Ms. VANN. My husband, my other daughter, and myself.

The CHAIRMAN. All right.

Ms. VANN. Hospitalization only sharpened Rachel's skills. Youth Emergency Services was a vacation for her. Tough Love was not nearly tough enough.

Her behavior patterns just kept getting worse and worse. We never knew what was going to happen from day to day. We just knew something terrible was going to happen.

She ran away 8 times in 8 months. She had charges filed against her dad for abuse. She drank. She smoked. She was promiscuous. She ran around with a gang. She did not respect any authority. She was really manipulative.

Our entire family was a mess. We did not know where we were going. How we were going to make it right. Everybody was really scared.

We lost our home because we could not afford all the services that we tried to take care of for her. My husband became a workaholic. It darn near destroyed our marriage.

My younger daughter who was a gifted student stopped doing well at school. She gained weight over a period of time. Her self esteem was like to the floor.

And I was seeing a psychologist just to try and sort out and keep up with the mess. And I resigned myself to the fact that I was going to be really miserable until my daughter was 18 and I could legally put her out.

I was just trying to hold onto my sanity. And it was affecting my physical health as well as my mental health.

Well, Rachel had a job and she lost it. She got thrown out of school because she did not go. So she found new ways to divert our attention. She tried to commit suicide.

We had her admitted to Hyland Child and Adolescent Center. And the doctors in charge decided that she did not belong in our custody, that we were really terrible parents.

Well, we did not have any self esteem left. We did not care. But lucky for us the State of Missouri did not have the funds or the space to put our daughter into foster care.

They wanted to put her in a residential treatment program. Well, it does not work that way anymore. They released her. She is still in court custody. She was discharged from the hospital and sent home.

Well, the Missouri Family Preservation program sent Ms. Jamie Adashek from Edgewood Children's Center to our home. Mr. Stangler was right. The woman practically lived with us. She was there. She listened to us. She helped us out. She questioned us as a group. And she got a really accurate and fair picture of our family dynamics.

She challenged us in ways to show how much we could care about each other without really hurting each other. She offered practical advice and a lot of solutions to the problems that were affecting us.

She only brow beat us as appropriate. She helped us redefine our roles in the family. She interceded in the courts and the Division of Family Services and even interpreted documents from them.

Edgewood Children's Center Family Preservation Center Services I believe has a dedicated staff of warm, caring people who are not afraid to get dirty. I mean, the woman actually offered to help my daughters clean their room which is a big deal.

We are doing a lot better. My husband still works a lot, but we spend time together. We do things together. And it is not perfect, but I do not know of any family that is. We are just doing really well now. And this is 6 months later.

The CHAIRMAN. Well, that is a moving statement. And it shows it works.

Ms. VANN. It works.

The CHAIRMAN. Thank you.

Mr. Digre, would you comment?

STATEMENT OF PETER DIGRE, DIRECTOR, LOS ANGELES COUNTY DEPARTMENT OF CHILDREN'S SERVICES, LOS ANGELES, CA

Mr. DIGRE. Thank you. Senator Bentsen and members of the committee, thank you very much for the opportunity to be here today. I also would like to express my appreciation to you, Senator Bentsen, for your leadership and the sponsorship of this wonderful piece of legislation.

I would also like to thank Senator Rockefeller and the National Commission on Children for their efforts to focus on this important issue of family preservation.

I am very, very pleased to see that there is a groundswell of support for this legislation, including the National Association of Counties, the American Public Welfare Association, the California Welfare Directors Association, and our own California State Legislature.

With all these acknowledgments, I am sure it sounds like I am still in Los Angeles at the Academy Awards. Yet, in the time I have been Los Angeles, I am always struck by the sharp contrast between the Hollywood image and reality.

In Hollywood, they can do as many retakes as they need to get the ending right. But in real life L.A., far too often gunshots have replaced lullabies, drugs and violence have replaced love and nutrient, poverty and despair have replaced opportunity and hope, parents batter their children, children kill each other, and no one is able to say, "Cut."

In our Department of Children's Services, we receive about 120,000 calls related to abuse and neglect each year. Included in those are 2,500 referrals for prenatal drug exposure.

Today, as we sit here, we are caring for 48,000 children in our Child Welfare System. And I will tell you definitely that 80 percent of these cases involve parental substance abuse. So we know this reality very well.

This reality was brought home to the rest of the American public last month as we watched Los Angeles go up in flames. The fires have stopped burning. The national guard has pulled out. Left in the rubble are children and families.

At our Department, fully one-third of the 48,000 children that we serve live in the areas most directly impacted by the civil disturbance. And we have seen firsthand that the crisis went far beyond stores and streets and buildings.

It deeply traumatized these already traumatized children and families—children and families who walk on those streets and who live in those buildings. And this time, ironically enough, even Hollywood was not spared.

I have been reflecting on why it took a civil disturbance to get us all to focus on the issue that our urban areas are in serious trouble. And then it dawned on me that we struggled with the

same problem in capturing our focus on our children and our families.

In one case, a city is destroyed. In another, a child is severely battered, or as we talked about murdered by a paramour, or born trembling from drug exposure until we do anything about it.

In Los Angeles County, we have 33,000 children in our foster care system, up 80 percent since 1985. We are going to spend \$300 million, half our budget, this year to keep families apart. It does not make any sense when we know that many of these placements could have been prevented by providing family preservation services.

We have done some good pilot projects that prove that indeed these programs do keep families together.

In addition, we are embarking on a somewhat revolutionary effort to preserve families under the authority of State legislation that allows us to offset State foster care dollars.

We are trying an approach which we believe is revolutionary in that it is an approach to empowering families and building communities rather than a particular service or way of delivering services, and in that it looks at families as a whole with an emphasis on a comprehensive, continuum of services that the whole family needs, including substance abuse treatment, employment, hard commodities, such as food, or obtaining a lease, or primary health care.

Third, we are putting the money on the streets rather than in the government coffers by directly giving the money to networks of community agencies to help empower communities to take care of their own families.

Finally, we have done the most essential thing in child welfare. We have targeted the poorest areas. And, in fact, we targeted before the disturbances every single area that was engaged in the Los Angeles riots.

Budget constraints, however, mean that only a few of the families will get the services they need. That is why we are so incredibly excited about this legislation.

At the same time, we are also very concerned about attempts to cap the title IV-E entitlement. Just as one simple example, we believe this could devastate the efforts that we and other States and counties have done to develop training programs for those child welfare workers who make the life and death decisions that affect so many hundreds of thousands of children in our country.

We believe it is absolutely crucial that this bill is passed. Indeed, we cannot afford to have this bill not passed. Thank you very much for this opportunity.

[The prepared statement of Mr. Digre appears in the appendix.]

Senator MOYNIHAN. You say Digre.

Mr. DIGRE. Digre.

Senator MOYNIHAN. We thank you very much. The Chairman had to leave to testify before the Commerce Committee, but he very much appreciates what you have said. I guess I would make the slight observation that it did not take a riot in Los Angeles to get Senator Bentsen to introduce this legislation.

Mr. DIGRE. Sure.

Senator MOYNIHAN. It has been here a long time. There have been those of us who have tried to puzzle through this subject. Let

me ask you. Of the 33,000 children in foster care in Los Angeles County, what proportion are nonmarital children?

Mr. DIGRE. I would estimate about half, but I can get you an exact figure on that.

Senator MOYNIHAN. Half. That surprises me. What proportion of children born in Los Angeles are out of wedlock?

Mr. DIGRE. I believe about—I will get you exact figures on that. I believe it is somewhere in the vicinity of 25 percent. I just read that figure a few days ago, but I am not sure.

Senator MOYNIHAN. Don't you carry those numbers around in your head? I mean, aren't those the unemployment rates? If you work in the labor departments, you know the unemployment rate in your region. These rates are different.

The other thing is do you have any epidemics? I would like to ask Mr. Stangler as well. I mean, I see an epidemiological pattern.

We have a pandemic, epidemic anyway, of free-base cocaine, the most powerful euphoric substance that we have ever encountered. And we have a history of the species encountering new forms of narcotics and stimulants. And they are all pretty devastating. I mean, they raise havoc with societies.

The population of London did not increase from 1750 to 1800. There was not a single extra person living in London. Who wants to tell me why? You guys must know. Why? Gin. That is what it did to an urban structure.

It is not like we are all alone with this; it never happened to anyone else in the world. Free-base cocaine—our Center for Disease Control in Atlanta missed it completely. Somebody ought to lose a few stripes for that.

But when you say it started in 1985, 1985 was when the epidemic hit. There must be some connection here. We are trying to think our way through this.

Epidemics end. They all do. We are proof positive that epidemics end because otherwise our species would have long since disappeared.

Mr. Stangler, what is the incident of crack cocaine in your case-loads?

Mr. STANGLER. About 15 percent of the births in the two major public hospitals in St. Louis and Kansas City.

Senator MOYNIHAN. Fifteen percent.

Mr. STANGLER. Fifteen percent of the babies are born with cocaine in their system.

Senator MOYNIHAN. Now, that would be up from zero 8 years ago. Right?

Mr. STANGLER. Up from zero probably 3 years ago in Missouri.

Senator MOYNIHAN. OK. So the epidemics take time from whatever direction they are coming from.

Mr. STANGLER. That is correct.

Senator MOYNIHAN. Yes. Well, you can work out models of this. And, in fact, it probably has to get worse before it gets better.

Mr. STANGLER. It has shown a slight increase over the last year.

Senator MOYNIHAN. Only a slight increase. So you had an epidemiological curve.

Mr. STANGLER. Right.

Senator MOYNIHAN. I will just tell you that we are all with you, but what we absolutely feel very strongly is that the data base is not there. We do not collect this kind of information. We are frightened of it. That is my view.

Mr. Daschle.

Senator DASCHLE. Thank you, Mr. Chairman. Mr. Digre, you had used a figure that sounds at least on the surface to be somewhat in conflict with what information was provided to us by Commissioner Wallace.

I asked her the question how much of a relationship is there in reported child abuse and neglect cases due to parental alcoholism and drug dependency. She said about 20 to 25 percent.

You said about 80 percent as I recall of the children in foster homes are there because of drug abuse and alcohol dependency.

Mr. DIGRE. Yes.

Senator DASCHLE. So I suppose the question is to what extent are those children in foster homes also abused? Do you have that figure or not?

Mr. DIGRE. Yes. Well, 100 percent of the kids in foster care are there because of abuse or neglect, and in 80% of those cases, there is some other kind of dependency in their family.

Senator DASCHLE. I am sorry. But related to alcohol and drug dependency?

Mr. DIGRE. I personally visit families every month. I have never met a family where addiction was not part and parcel of the abuse and the neglect that was taking place in the home.

So I would say in 80 percent of those cases, addiction is a core part of the abuse and the neglect. That is what our research indicates.

Senator DASCHLE. So in other words, there is a significant disparity in your experience and for whatever reason the experience has been in Connecticut.

Mr. DIGRE. There may be. It is an area that we have looked at very carefully. So we have indeed studied this.

And I certainly agree with Senator Moynihan's assumption that what has driven the increase in the number of children, in particular, young children in the foster care system is indeed the cocaine epidemic. There has been nearly a one to one correlation over the last 5 or 6 years.

Senator DASCHLE. I think to the extent that we do get hard numbers and good statistical data, it is critical as we start making other assumptions with regard to policy on how we treat it. What are the most successful programs?

Commissioner Wallace said that treatment in various forms ought to be of a higher priority. And I assume you agree with that.

Mr. DIGRE. Very much so. That is something that I like very much about the bill that it specifically focuses on the area of substance abuse treatment.

Senator DASCHLE. I was trying to get at some information with Secretary Barnhart that may just not exist, but in other areas, other endeavors, there always appears to be an ability to calculate the degree to which we are getting the job done, to the degree to which the resources are adequate enough to do something.

Regardless of the area, we had at least some appreciation of how successful we are based upon what resources we got. And maybe it is because I am so inexperienced in this area and I have so much to learn, but I have to tell you I do not know whether our Federal programs are adequately funded so as to meet 70 percent of the need out there, 10 percent of the need. I cannot even give you a figure within the closest 25 percentile.

Can you share any experience? Can you give me any ballpark figure? Are we close? Are we so far away from what would be the ideal in terms of resources and the needs out there?

It is probably a stupid question, but it would be very helpful if you could enlighten me to whatever extent your experience provides.

Mr. DIGRE. I think that is something that is very possible to come up with a real concrete analysis. I think overall we are within about 15 percent of what really a good system would be.

I think the point that has been made is, in fact, as family preservation programs are provided, you do start to see an offset of the trend line in terms of the endless growth in foster care. There is just no question about it. So there are offsets of cost if the proper kinds of programs are developed.

Senator DASCHLE. You are saying that it is. Did I hear you say that analyzing the need, analyzing the resources to date devoted to meeting that need that we are only at about 15 percent of where we should be at the Federal level?

Mr. DIGRE. No. I said we are at about 85 percent of where we—

Senator DASCHLE. Eighty-five percent. We are only 15 percent short.

Mr. DIGRE. That is looking at our cases and adding together all the State, county, and Federal resources that are available.

Senator DASCHLE. So with an additional 15 percent in resources, you think that we could devise programs that would adequately address all the needs out there at least to your level of satisfaction.

Mr. DIGRE. I think we could have a much more responsive and effective system that would be focused on keeping families together.

Senator DASCHLE. Well, that is helpful. Thank you, Mr. Digre. Thank you, Mr. Chairman.

Senator MOYNIHAN. Do you have relatives behind you?

Ms. VANN. My husband and my youngest daughter.

Senator MOYNIHAN. Ms. and Mr. Vann, we welcome you. He is not a relative, is he? Husbands never are.

Ms. VANN. He is relative to me.

Senator MOYNIHAN. He is relative to you and important to you. And we welcome you, sir.

Mr. Digre, thank you very much for coming.

Mr. DIGRE. Thank you, Senator.

Senator MOYNIHAN. And good luck to you. We come to our last panel, a very distinguished one. We have Dr. Heagarty. Good morning. We have Ms. Edelman. Good morning.

Ms. EDELMAN. Good morning.

Senator MOYNIHAN. And we have Ms. Hayes. And as soon as we get place cards out there, we will know which of you is which.

I am going to take the liberty of saying that so far this morning I have not heard a thing that I have not been hearing for 30 years. So I hope from this very distinguished group we are going to hear something we have not heard before. A number, just one number we have not heard before.

Counselor Edelman, you are on first. It says so here. So give us a number, any number.

Ms. EDELMAN. I would rather defer to the distinguished doctor from Harlem Hospital Center.

Senator MOYNIHAN. You can always have wrong numbers, but it says here that you are first.

STATEMENT OF MARIAN WRIGHT EDELMAN, WASHINGTON, DC, ON BEHALF OF A COALITION OF NATIONAL CHILD WELFARE, MENTAL HEALTH, AND JUVENILE JUSTICE ORGANIZATIONS

Ms. EDELMAN. Well, I guess the first thing, Mr. Chairman, I thank you for the opportunity to appear today on behalf of a broad coalition of national organizations that is co-chaired by the Child Welfare League of America and the Children's Defense Fund.

One thing that I hope is new is the breadth and depth of support for finally beginning to act on behalf of these most vulnerable children. And even though I know that you are looking for something that is substantively new, I hope that we now are beginning to build the political constituency to stop just talking about family values and family preservation and to, in fact, do something about them because we do have a consensus that we have a crisis which we have known for a very long time though that crisis has gotten worse because of homeless and drug addiction and other problems which you have already described this year.

So I want you to know there is a strong amount of support to—

Senator MOYNIHAN. I do not think I heard anything described this morning. I think that if I had not raised the issue of when did free-base cocaine appear in the community, nobody would have ever mentioned it. That raises questions of competence. But go ahead.

Ms. EDELMAN. Right. The breadth of the Coalition on whose behalf I am testifying today I think does exemplify the urgency that this committee is already aware of.

Senator MOYNIHAN. Oh, there it is in your testimony, "The overload on the child welfare system resulted from this increased demand as illustrated by the almost 50 percent increase of children in foster care since 1986."

What happened in 1985?

Ms. EDELMAN. What happened in 1985 is that I think we were probably beginning to see some of the results of the nation's waning commitment to investing in family.

Senator MOYNIHAN. No. In 1985, crack cocaine—

Ms. EDELMAN. Crack cocaine also began. And we are aware that a lot of the overload in the child welfare system is because of addiction. And crack cocaine has been something that was without precedent and we have never seen it and do not know quite what to do about.

It seems to be really extraordinarily destructive, but it is like a plague that has come upon us.

And I will simply say that black women have always held on throughout our history. And when black women and black mothers who have survived slavery and segregation have now become suicidal and/or engaging in this kind of behavior, it is extraordinary.

And it leaves us in deep despair, but it also says that we have to find ways of giving people hope again and providing the preventive measures that will give them some positive alternatives.

But it is a tragedy that we have to address it even if we do not have all the answers of how to address it. But we know that there are a number of preventive steps that can be taken.

And this legislation is one such step for improving prenatal care and other things or other preventive steps. And I hope that we can pick one of those first steps by enacting S. 4 this year, hopefully as soon as being part of an urban aid package.

And I am coming here again to ask for this urgent action on behalf of the National Association of Social Workers, the American Association for Psychiatric Services for Children, the National Foster Parent Association, the National Association of Homes and Services for Children, the Mental Health Association, the North American Council on Adoptable Children, and the American Bar Association, as well as a number of members of unions and the Junior Leagues, Catholic Charities, Jewish Committee, Urban League, all know the benefits of preventive investment and for us to move ahead to see if we cannot deal with this breakdown in our child protective and our child welfare system.

There are 5 key points that this Coalition has asked me to emphasize with you in urging you to enact S. 4 as promptly as you can. The first is that there really is a need for new investments from the Federal level to strengthen and support families.

So much more needs to be done to help families before crises intensify and separate children from their families. And we think that because of the current fiscal pressures on States, we cannot begin to fully implement a system of fully innovative family central services unless they are ensured of new investments and new Federal support.

These front-end investments are essential to enable more families to nurture, support, and protect their children. By helping families avoid the need for more intensive and costly services, scarce placement resources can be reserved for those children who really do need out-of-home care and special attention.

So we do hope that and recommend strongly that there be guaranteed new funds for family support and preservation services for reunification after care services to help preserve families that are reunited.

Second, we hope that you will pay special attention to quality of the out-of-home care that these children get. As we seek to increase services to strengthen and preserve families, we must pay a lot of attention to quality because without good, high quality services, our families cannot be preserved.

Increasingly, our foster and adoptive parents and other care takers are being asked to care for children with special physical, men-

tal, and emotional problems whose care demands not only new skills, but intensive support and supervision.

This third point that the Coalition wanted to emphasize is that any reform package must strengthen staffing and training and encourage other enhancements and service delivery.

The lack of qualified staff who are trained and supportive means that system improvements inevitably would be hampered. So we really would like to see a large emphasis on staff development and opportunities for enhanced interagency collaboration and program coordination as part of a comprehensive child welfare reform package.

And fourth, we just hope that there will be guaranteed protections for individual children and families and accountability preserved so that basic family protections and programs and services are consistent with the special needs of our children and of our families who are in the most vulnerable position in our child welfare system.

I would simply end by just emphasizing again the urgency that we have a major crisis. It has gotten worse and worse and worse. And the real demand now is for action.

With all of the rhetoric about family values, this committee and this Congress now has the opportunity to, in fact, do something now that will, in fact, help families and foster family values.

[The prepared statement of Ms. Edelman appears in the appendix.]

Senator MOYNIHAN. Thank you. A very impressive group of people that you represent here. You have heard the administration say that they are against this measure. And you do know about the Balanced Budget Agreement.

Dr. Heagarty on behalf of the pediatricians.

STATEMENT OF DR. MARGARET C. HEAGARTY, DIRECTOR, PEDIATRICS, HARLEM HOSPITAL CENTER, NEW YORK, NY, ON BEHALF OF THE AMERICAN ACADEMY OF PEDIATRICS

Dr. HEAGARTY. I am pleased, Mr. Chairman, to have this opportunity to testify before this committee. And as you have before you a prepared statement along with an attachment of the recent Academy of Pediatrics policy statement on these matters—

Senator MOYNIHAN. If you—

Dr. HEAGARTY [continuing]. I thought in the interest of time and my own interest to keep from getting too bored with myself that I might simply paraphrase the formal testimony that you have before you.

Senator MOYNIHAN. All of your formal statements will be placed in the record.

[The prepared statement of Dr. Margaret C. Heagarty appears in the appendix.]

Dr. HEAGARTY. Fine. If I had not been on the 7:00 o'clock shuttle this morning, what I would have been doing I would have been reviewing in my office with my young doctors the children who had been admitted to the Harlem Hospital in the prior 24 hours.

And so yesterday as I was doing that as I do it every day, I said to them, the young doctors, "What do you think the percentage of children that we admit to the Harlem Hospital—what percentage

of those children have families that in one way or another are involved in drugs?"

And we agreed that it was probably in the neighborhood of 15 to 20 percent. That is simply a random sample since you want data of children.

Senator MOYNIHAN. We want data.

Dr. HEAGARTY. Yes. I quite agree with you.

Senator MOYNIHAN. And we also have a rule here that data is the plural of anecdote. So do not feel bad about anecdote. [Laughter.]

Dr. HEAGARTY. I do not feel bad about anecdote either.

So about 15 or 20 percent just of the children that are admitted to the hospital, about 15 percent of the infants born at the hospital, 13 to 15 percent, have cocaine in their urine when they are born.

And you are quite correct. The appearance of crack cocaine was abrupt and startlingly about 1985, 1986 in the streets of Harlem. That addition of crack to the poverty, lack of education, and shelter has made me the very reluctant witness to the loss of a generation of children.

I mean, the absolute destruction of a generation of children over the last 7 or 8 years. While we do not have much data on the long-term effects of cocaine exposure, we do know that cocaine does lead to an increased rate of low birth-weight babies. And, of course, I attend to low birth weight, low, over, and above the long-term effects, biological effects that may or may not be in these children.

However, no matter what the high probability of the lay press about the effects of cocaine on the baby, that is a moot point. That is long-term effects. We have no data that tell us that they are all hyperactive or they are all autistic or whatever. Those require longitudinal studies that are only now just beginning. And we will have those data later, not now, no matter what the high probability is in the press.

But we are sending these children home to environments that the long-term, biological effects of cocaine pale before the environmental effects of sending children home to families that are involved in drugs or to foster care.

We know for certain—we have known for many generations that a child needs a constant nurturing figure, a consistent environment.

In the City of New York, there are 50,000 children in foster care legions, urban refugees. And many of them are damaged beyond all recognition. I am sure. I am absolutely sure of that.

So we are very late. We are very late in attempting to do anything about this. Your legislation is a good first step. And we applaud you.

One last comment. I have heard this morning a great deal about scarce resources and budgets and deficits. And it occurs to me that we as a nation do not mind investing in weegits even if the weegits do not work. We spend a lot of money sending telescopes into the sky and they do not work.

This problem is not going to be solved by a weegit, by technology. It is messier. It is more human. But we should not worry about wasting or spending money on children. Thank you, Mr. Chairman.

Senator MOYNIHAN. Thank you, Dr. Heagarty. I have been to your hospital as you know and saw this beginning about 5 years ago.

Ms. Hayes on behalf of the National Commission on Children.

Ms. HAYES. Thank you, Senator.

Senator MOYNIHAN. Senator Rockefeller regretted very much that he had to leave, but he just did. However, you are very welcome here.

**STATEMENT OF CHERYL D. HAYES, EXECUTIVE DIRECTOR,
NATIONAL COMMISSION ON CHILDREN, WASHINGTON, DC**

Ms. HAYES. All right. You have a full statement. And in the interest of time, I think what I will do is just summarize very briefly.

[The prepared statement of Ms. Hayes appears in the appendix.]

Senator MOYNIHAN. Sure.

Ms. HAYES. I thank you very much for the opportunity to be here.

Senator MOYNIHAN. We have—unless two members of the House appear, we have plenty of time.

Ms. HAYES. All right.

Senator MOYNIHAN. If they do, I am afraid that the iron laws of precedence around here mean that Ms. Johnson and Mr. Downey will speak. You will have to step aside. Good.

Ms. HAYES. Great. I want to thank you very much for the opportunity to be here on behalf of the National Commission on Children which is a joint Congressional-Presidential Commission that was the creation originally of Senator Bentsen.

This diverse Commission of 34 members that was, in fact, chaired by Senator Rockefeller released its report to the President and to the Congress and to the American people nearly a year ago and it urged the adoption of a very bold blueprint for a comprehensive national policy for children and families.

In all areas but the area of health care, we were unanimous in our recommendations. And I think that is quite significant, particularly for the kinds of issues that we are talking about today.

In this period of often extreme and paralyzing partisanship, I think the fact that the National Commission on Children representing an enormous array of points of view and the fact that we could agree on a set of recommendations offers a great deal of hope and promise for the possibility of taking action on this urgent set of issues that we are talking about.

Throughout our investigations, there was really no more shameful and distressing set of circumstances that we looked at than those facing abused and neglected children. And I think we have reached the same conclusion that many of the people who testified here today have and that is that America's child welfare system is really in shambles.

Although the goals of our policies have been quite laudable, they really have done very little to reverse the tide of broken homes and troubled families. The tragic truth is that our system is producing victims faster than it can save them.

Dr. Heagarty has talked eloquently about the problems that she sees every day. I think that any of us who have visited Harlem Hospital or the Los Angeles Juvenile and Dependency Courts can-

not help but be struck by the tragedies that affect the lives of so many children and families in this country.

In communities across the nation, we found child welfare workers, judges, people in hospitals, and social service agencies that were simply overwhelmed by the exploding number of abuse and neglect reports and the shortage of resources to really deal with the needs of these children and families.

And as a result, I think in many ways protection for children who abused and neglected by their parents has become an equally cruel form of abuse and neglect by the State.

As Dr. Heagarty and others have said, the emergence of crack cocaine has been particularly devastating. It has dramatically changed the nature of drug abuse in this country. And it has meant that the children are increasingly the tragic victims.

Because this kind of highly addictive drug is popular among women of child-bearing age, many, many children suffer the health and developmental effects of their mother's drug abuse during pregnancy.

Senator MOYNIHAN. Did you say lasting developmental effects?

Ms. HAYES. Long lasting developmental effects.

Senator MOYNIHAN. Is that what you said?

Ms. HAYES. Yes.

Senator MOYNIHAN. How do you know?

Ms. HAYES. I think that the beginning studies that we are seeing show that there are long lasting—

Senator MOYNIHAN. Look over to the right, will you? We are not interested in—

Ms. HAYES. This is—

Senator MOYNIHAN. We want data.

Dr. HEAGARTY. This is a very important issue because we have stereotyped a whole class of children by the unfortunate over generalization. Not that she is over generalizing, but there are not longitudinal controlled studies of the long-term effects of this drug.

There are studies that show that they have increased rates of low birth weight. Low birth weight we do know has predictable elements in a significant number of children of a developmental nature. And I am sure that is what Ms. Hayes means.

Ms. HAYES. Exactly. [Laughter.]

Senator MOYNIHAN. You are very—

Ms. HAYES. I was about to say that we do not have studies to allow us to know the long, long-term effects of crack use during pregnancy. But we do know that children, who are born to addicted mothers are very likely to be born too early and too small and too sick to have a good start in life. And that I think is something that we all need to take very seriously.

The miracles of modern medicine mean that most of these babies will survive, but they also face an uphill battle. And many of them will go home to families that do not have the kinds of resources to begin to meet their already enormous needs. And they will become a burden, their care will become a burden as they require special health and mental health services, special education, and for many, foster care.

On behalf of the Commission, I am very pleased to support S. 4 because it is quite consistent with the Commission's recommenda-

tions. We believe that this Nation needs to take immediate steps to address the kinds of problems that push so many families across the country, families at all income levels, to the breaking point, and that we really need to turn the child welfare system on its head.

Right now, the fiscal incentives—

Senator MOYNIHAN. We need to turn the child welfare system on its head. That is what Marx did to Hagel. [Laughter.]

What do you mean by that, Ms. Hayes?

Ms. HAYES. I would like to explain.

Senator MOYNIHAN. Please.

Ms. Hayes. I think our sense is right now, that the fiscal incentives encourage States to place children in foster care rather than to provide many of the kinds of supports and services that can prevent problems and can help keep some families safely together.

Removing a child from the family is not just a last resort, it is often the first and only step that is taken. And that contradicts much of what we know from the child development literature.

The National Commission on Children has called for a three-tiered system. We have asked for stronger community-based family support networks that offer families, any family in a community access to a broad range of supportive services.

We have called for intensive, coordinated health and social services that help children and families in need when they voluntarily seek assistance before there is a crisis.

And finally, we have called for improved child protective services and family preservation for families that are in crisis so that they can gain access to emergency care and family reunification and to expedite permanent placement when they cannot be returned to their families.

In closing, I would like to echo the views of my colleagues that the situation is urgent, that certainly we need to focus on these issues, and that we have a wonderful opportunity here to build support and to address the needs of families that are in trouble.

Senator MOYNIHAN. Thank you.

I would like to put in the record this article from the "Lancet". It was the lead article of Saturday, March 1, 1986, called "Epidemic Free-Base Cocaine Abuse".

Have you ever seen it? They try to tell us—and the Department of Epidemiology and Public Health at Yale was involved. Allan was involved. It is Bahamian. David Allan has a medical degree from Harvard and Yale, a Doctor of Divinity.

I remember somehow the first case. There are about six authors naturally. They described very briefly, very descriptively—I will find it here.

But Allan was running the psychiatric clinic called Sandilands in the Bahamas. He was the only one that was there. And one day a fellow showed up who had the previous day cut off the head of his dog and had drunk its blood and then stabbed his brother-in-law to death.

So Dr. Allan said, "Do you do this often?"

I guess my problem is this. And this is no fault of the Commission, Ms. Hayes. Not a thing you have said here which the Commissioner of Social Welfare of the State of New York in the admin-

istration of 1958 would not have said. This is a straight, social work model of what to do.

And that social work model is overwhelmed by a set of events that really shock the present state of nonmarital births. There was a sharp and so far unbroken increase that began around 1965. Why do you think it began? Does anybody have any ideas?

Ms. EDELMAN. Well, I think it is a very complicated set of questions. And I guess one of things is the breakdown in family values, things that began to happen in the economy. And I think some of the good sides of desegregation was people had more choices. Some of the bad sides was that there was a kind of change of role models and stable families began to move away from the community.

Senator, we are spending—I am obsessed at the moment with exactly these sets of issues. And one of the things that my focus has been on is how we begin to mobilize our own community, the black community first in a crusade for kids and to begin to understand what has happened to us over the last 30 years and what we can do about it.

But I think a lot of it has to do with—I think it is very, very complicated. And a lot of it has to do with the structural changes in the economy which became more severe, say, in 1973 and then the aftermath and what has been happening with the shift in jobs from the manufacturing service sectors and the decline in wages.

But it also has to do with I think some changes in family supports within communities that I am not sure that we all fully understand, but we are spending an enormous amount of time in the process of discussion about both causes, but more importantly remedies.

You highlighted these growing trends early on. As you know, these trends have now become extraordinary in the black community in terms of out-of-wedlock births and in the white community as well.

Senator MOYNIHAN. See, my question is why did it happen in Great Britain at the same time?

Dr. HEAGARTY. It did not you say?

Senator MOYNIHAN. I think it did.

Ms. EDELMAN. I do not know.

Dr. HEAGARTY. Well, this is absolute speculation, but it occurred to me that perhaps because I went to my 35th college reunion over the weekend. And so I was dealing with a group of Irish Catholic girls who were brought up in the 50's, another cohort. And that did not happen to that group of people.

And just listening to you, it occurred to me that one of the things that happened was that Dr. Rock invented the pill. And we began to shift our social norms around sexuality rather considerably under the illusion that there was a way to prevent pregnancy.

I am not sure that technological advance—but there was a fair amount of folk worrying whether or not they would get pregnant. And that may have modified their behavior somewhat. I do not know if that is true.

Senator MOYNIHAN. What do you doctors say, the pediatricians? The American Academy, what do you say about the declining age of menarche?

Dr. HEAGARTY. I do not say anything about that. It is related. The declining age of menarche, it is related to nutrition probably.

Senator MOYNIHAN. It has to be.

Dr. HEAGARTY. Yes.

Senator MOYNIHAN. What is the median age of menarche in New York City about 11 years, 9 months?

Dr. HEAGARTY. I have no idea. It may be for me—maybe it should be for me the unemployment statistics, but I do not know.

Senator MOYNIHAN. I think it is. Yes. There is an Englishman who has been tracing this around. And he goes back to Norway about 1825. And the median age is 17 years, 9 months. And everybody starts crunching down. It is under 12 in the U.S. today. The species have no experience like that.

I do not think if we are going to get anywhere with the middle class models of social work. I think we have to think epidemiologically. We need data.

My argument is that dependency is to the post-industrial period what unemployment was to the industrial age. And we never did anything about unemployment until we learned to measure it. And we learned to measure it with the Employment Act of 1946.

If we look at the Economic Report, the series on unemployment rates starts in 1948. We used to take that employment rate in the Census. We took it in the spring of 1930 and in the spring of 1940. And there was no depression in the official statistics in the United States. It did not exist. It did not happen.

I am trying to get some data going, but we still are frightened of it. People did not understand unemployment until they began to measure it. A mysterious event, but I think now less mysterious.

Right now what we are dealing with is a compound of things we do not understand. But thank God, there are people who care. And I think if anything would come out of this hearing it is the recognition the pediatricians do not know what the long-term effects of exposure to drugs in the uterus are.

And I will make a prediction. It will not be until the year 2006 that anybody will know what the effect on a 21 year old child is. It will take 21 years from them to grow up.

Dr. HEAGARTY. That is true. We do not know, but what we do know is what the loss of some sort of structured environment and constant nurturing figures to young children and those environmental influences that are noxious and devastating, never mind what the long-term effects of cocaine, the chemical is.

Senator MOYNIHAN. But if both of you were doing a paper for the American Academy of Pediatricians, who would you cite to that effect?

Dr. HEAGARTY. There are data on that actually. They come out of the 1940's and 1950's really.

Senator MOYNIHAN. That is right.

Dr. HEAGARTY. And I will begin with Anna Freud and move forward. There are a lot of data on such matters.

Senator MOYNIHAN. They come very close to case work data as against mass population data.

Dr. HEAGARTY. Yes. That is true.

Senator MOYNIHAN. And you would be surprised how little of that has been done since this has become a mass phenomenon.

Dr. HEAGARTY. You are probably right, Senator.

Senator MOYNIHAN. I mean, it is surprising. And it is as they used to say, "No accident, comrade." While it was the occasional middle-class family that got therapy, you got this good work.

Do you have any idea of the number of people who do not agree with you? And one of the things that the people who do not agree with you have learned to do is say, "Prove it." And 30 years of avoiding the research has left us in a very weak situation, but life goes on. Thank you very much.

And now in conclusion this morning, we have Representative Nancy Johnson of the State of Connecticut. We welcome you as a friend of this committee and a collaborator on many of our efforts.

**STATEMENT OF HON. NANCY L. JOHNSON, A U.S.
REPRESENTATIVE FROM CONNECTICUT**

Congresswoman JOHNSON. Thank you, Mr. Chairman. I will be brief both because I know that you have had already a long morning and because as you have just heard I have a vote convening in the House.

And in a way I do testify before you with your long extensive experience in this area, but also in the face of the conversations that you and I have had about the approach that I am going to propose I understand is redundant.

Senator MOYNIHAN. Yes.

Congresswoman JOHNSON. Nonetheless, I am anxious to get it on the record. And I am hopeful that the staff of other members of the committee will take note of the possibilities of an approach that I would like to outline for you which has recently been introduced into the House and Senate and is, in fact, the work that you and I did many months ago in preparation for this very moment.

Senator MOYNIHAN. Yes.

Congresswoman JOHNSON. Let me just say first of all that there is no question but that more money is needed to deal with the extraordinary problems of the children in our child welfare system and particularly in the foster care and adoption portion of that system.

And while the House has a very good proposal, it costs \$7 billion. It is going to be very hard to get that money. The proposal has been well developed for several years. And we have never been able to get that money.

And I really think it has become now a matter of conscious that we not let this bill languish any longer or the problems of that system go unaddressed any longer because we cannot develop \$7 billion.

When you look at the problem we are having developing \$5.5 billion for extended benefits for those who are not employed, the likelihood of our being able to agree on \$7 billion for foster children and for children in distress and families in crisis is tragically not very good.

That is simply the reality. So I want to propose that at the very least, we not repeat next year what we did this year. This year we lost over \$700 million that the foster care system could have had. Now, that \$700 million was in the Budget Summit Agreement in this Division.

Senator MOYNIHAN. Yes.

Congresswoman JOHNSON. Those projections were based on the rising number of children coming into the system. The pace of increase has declined, not a bad thing, but on the other hand not necessarily a good thing.

At any rate because the pace has declined of kids coming into the system, the States then get their money on a per capita basis. So they have not gotten as much money as was set aside for them.

And because we did not capture this money, we did not get this money sacked into our program, they got \$700 million less this year than they might have had their numbers continued on the same projectory that was predicted at the time of the Budget Summit Agreement and I guess of the preceding year.

So there is an urgency about this issue. If we move forward—and the only way to move forward is to create a capped entitlement of the administrative and training monies. That is the way we get those monies that were projected.

Senator MOYNIHAN. That does tend to work, doesn't it.

Congresswoman JOHNSON. Now, if we capture those, we do three things. First of all, we get new money that the system will not get otherwise. And I personally will go to bat for some additional new money beyond that, but we would at least get that new money. And its very big additional money, \$3.5 billion over the 5 years—over the 1992 baseline. Anyway, I will leave you some information about the dollars involved.

But it is significant new money. But also by going to a capped entitlement, we will completely wipe out that controversy between the States and the Federal Government that has caused many hours of administrative effort, that issue of what is administrative dollars and what is training dollars.

Senator MOYNIHAN. Oh, God.

Congresswoman JOHNSON. And the Senate has particularly been keen to cut the administrative money because they say administrative costs are going up too much.

Now, we all know that a lot of those quote, administrative dollars are actually preventive service dollars. The very kind of services we want to encourage. The very kind of services the States say will reduce out-placement for children.

So what we would like to do is create a capped entitlement so we eliminate the paper work of that administrative controversy and simply relieve States of their historic penalties in that area while we come to an agreement about a new way of enforcing the 427 protections.

So there are three ways in which this bill will radically reduce administrative hours spent by social workers on child welfare issues.

We had testimony before our committee that social workers are spending 80 percent of their time on administrative issues.

My bill—this bill that is being proposed would cut administration in three ways. It would completely eliminate the need to document the difference between administrative and training expenditures.

Senator MOYNIHAN. Yes.

Congresswoman JOHNSON. It would eliminate the need to document the difference between AFDC and non-AFDC kids because we

are wiping that out as criteria because we are going to serve the kids in need no matter who they are.

Senator MOYNIHAN. Yes.

Congresswoman JOHNSON. And third, it would eliminate the current 427 protections enforcement process for 2 years while we run in Washington here a panel of experts who will look at what national data do we need to collect because now we have lousy national data. We have no uniform national data.

Senator MOYNIHAN. Terrible.

Congresswoman JOHNSON. What national data do we need to collect through which we could also see whether or not States are complying with the 427 protections.

Now, in those 2 years, the 427 protection law would stay in place and Governors would have to attest that they were being enforced.

Now, some will say that is two weak, but remember D.C. was complying with the 427 protections when they were found in the courts to be doing an abominable job and so was Connecticut, one of the best States.

So 427 protections have not protected kids. And what it will do is let the Governors attest. We would then spend a couple of years of the first years getting together smart minds and people who are out there dealing with the system to include how do we through our information management technology now collect the right data that will give us a uniform data base and give us enforcement capability in the protection area.

So in those three areas we would strip out enormous amounts of paper work. That would release new resources for children. And we would capture the entitlement dollars that were predicted in the budget.

Yes, right. I realize there is a vote in the House. And how much time do we have left? Oh, I do have to go.

New York, incidentally, under this proposal would go from \$266 million to \$476 million, but we will leave that data with you.

Senator MOYNIHAN. I think you have to go. [Laughter.]

Congresswoman JOHNSON. I did want to get the administrative paper work reductions here because we have got to better use our resources. And I wanted to get on the record the capped entitlement concept that would capture money.

Senator MOYNIHAN. Thank you very much. It was not fair for Representative Johnson to have to leave so suddenly, but we are all here to vote. And that is what we all do. And she had to go to do so.

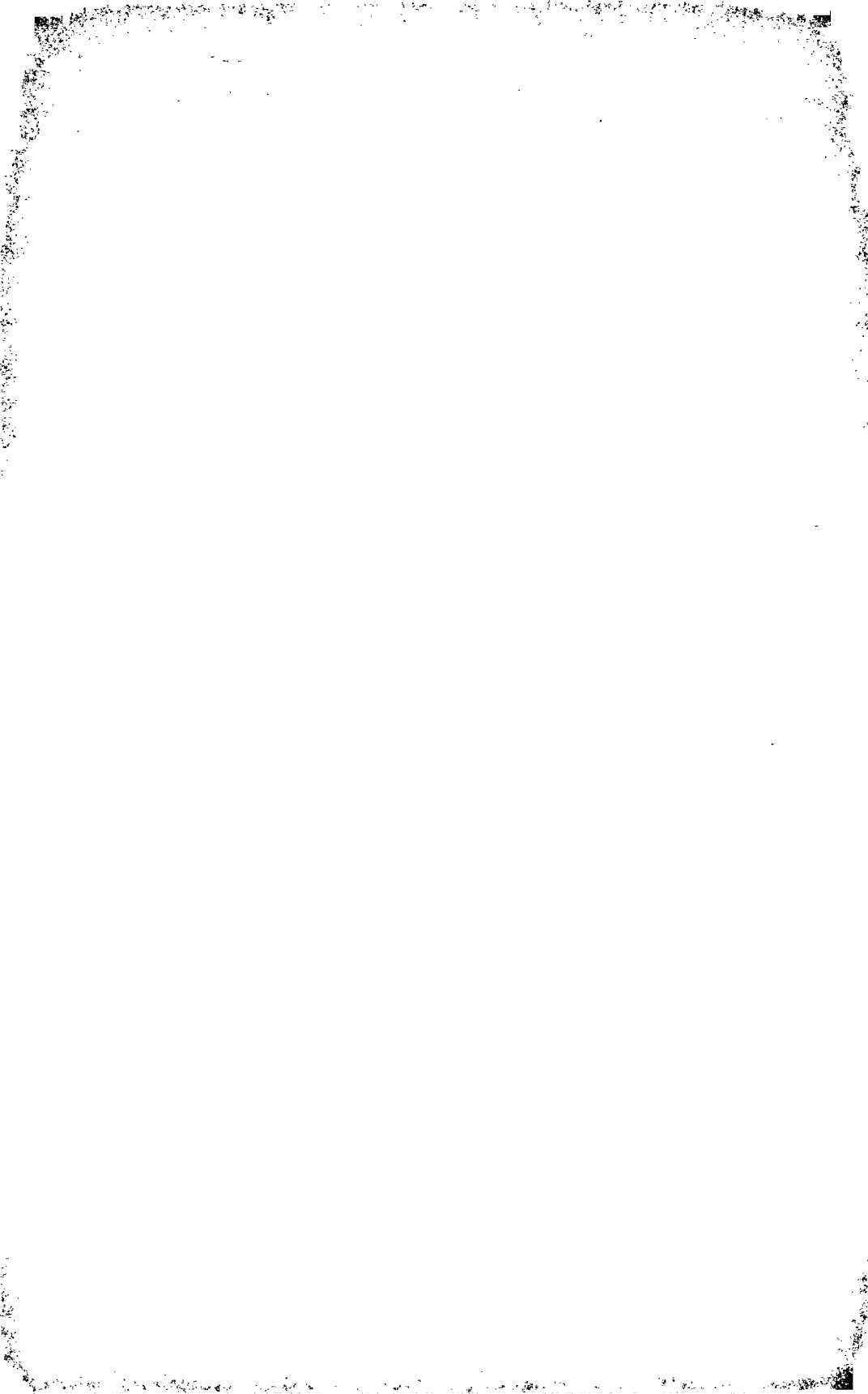
And with that, we conclude our hearing, thanking our most able reporter.

I am going to ask that a copy of the "Lancet" be put into the record and also the tables presented to us by Ms. Johnson just now. Thank you very much. And thank you all for being here.

[The "Lancet" article submitted by Senator Daniel Patrick Moynihan appears in the appendix.]

[The prepared tables submitted by Congresswoman Nancy L. Johnson appear in the appendix.]

[Whereupon, the hearing was concluded at 12:35 p.m.]



APPENDIX

ADDITIONAL MATERIAL SUBMITTED

PREPARED STATEMENT OF JO ANN B. BARNHART

Mr. Chairman Members of the committee thank you for the opportunity this morning to comment on titles I and II of S. 4, the "Child Welfare and Preventive Service's Act," and to discuss the Administration's "Comprehensive Child Welfare Services Amendments of 1992."

The President and the Department share the Committee's concern for the enormous problems facing at-risk children and families, including the devastating effects of child abuse and illegal drug use. We also share your commitment to improving the effectiveness of child welfare programs and services that serve these families. Yet we disagree with the general approach to child welfare reform taken in titles I and II of S. 4, because it restricts State flexibility in the use of title IV-B funds, it fails to address the problem of skyrocketing foster care administrative costs, and it violates the Budget Enforcement Act of 1990 (BEA) by increasing direct spending for these programs by \$2 billion over five years without offsets. Instead, the Administration urges the Committee to examine our proposal to fund a new, comprehensive Child Welfare Services program to meet the needs of families in crisis.

Although most children in this country are healthy, happy, and secure, with warm, loving families to nurture them—far too many children are in extreme danger. Over one million children each and every year are abused and neglected by those in whose care they are entrusted, and over 400,000 children now reside in foster care due to severe family dysfunction.

Child welfare agencies are confronted with problems and needs that are greater now than any time in our history, and these problems are growing. Agency services are failing to keep pace, and in too many instances, these services are deteriorating. Yet Federal spending on child welfare has increased dramatically over the past decade. Spending in title IV-E for foster care has increased from \$349 million in FY 1981 to \$2.2 billion in FY 1992, an increase of 537 percent. And the current system has allowed runaway increases in administrative costs (over 2,000 percent increase in funds since 1981) with little evidence that services to children are better today because of these huge increases.

The overall picture is indeed critical. Since 1983, the numbers of children in foster care have been increasing. It is estimated that as of the end of 1990 more than 407,000 children (approximately 5 per 1000 of the total U.S. population ages 0-18) were in foster care—a 51 percent increase from 1983 to 1990.

In short, the child welfare system is in crisis—we are spending more and more money and getting little positive result. The Department's view is that the crisis in foster care is not simply a matter of not spending enough money, but rather spending money for the wrong things. The current system is far too categorical and burdensome on the State agencies. In particular, the title IV-E Administration and Training authorities require burdensome cost allocation plans and procedures for receiving and accounting for the expenditure of Federal funds, as well as separate reviews and audits for each funding source.

Given these problems, we agree that changes in the child welfare system are needed. But it is our belief that reform within child welfare should not further fragment what is an already complex and overburdened system. Instead, it should provide States with the flexibility to use their resources with discretion—to provide more and better services for vulnerable children and their families with less bureaucratic and administrative burdens. We agree that child welfare reforms are needed to relieve increasing pressures on State child welfare agencies. However, we believe

that if States were given the flexibility to spend the money available under the current-law baseline to best meet their needs, the resulting allocation of these increases would significantly improve the child welfare system.

In light of these concerns, the Administration has taken a different approach to reforming the child welfare system. We urge the Committee to consider the Administration's proposal which would create the largest single source of Federal funding for child protective and child welfare services for children and families at risk. The proposal would provide significant additional resources to States immediately and would not require budgetary offsets.

The total funds available to States beginning in FY 1993 and each year thereafter would grow by amounts currently projected under the budget agreement—a total of \$9 billion over the next five years. All categorical restrictions and requirements on the use of the new funds would be eliminated. Although each state would be required to maintain its previous level of expenditure, the Federal match would be raised from 50% to 75% and States would know at the beginning of each fiscal year exactly how many Federal dollars they would be entitled to receive as matching for State expenditures. The legislative proposal would also allow waivers of requirements under titles IV-B and IV-E for State demonstration programs.

To avoid adverse effects on children in foster care and adoptive placement, title IV-E entitlement programs for foster care maintenance payments and adoption assistance payments would remain unchanged.

The purpose of this proposal is to combine into one program similar activities and services focused on the same target population. This proposal would allow States to use their share of the available funds in ways which meet each State's particular needs for management and support of statewide child welfare services, whether for child protective services, family preservation programs, foster care, or adoption services. This decategorization of the funds would make more children and families eligible for help, would relieve State agencies of the administrative burdens imposed under the current legislation, enable States to engage in better planning for the use of these funds, and encourage an increase in State experimentation and innovation.

We recognize there are several approaches to child welfare reform under consideration by the Congress—including S. 4. However, we believe the approach taken in S. 4 would pose serious difficulties both for funding and operating services that are truly responsive to the needs of families. The Department's views on S. 4 were conveyed to the Committee in a letter from Secretary Sullivan on April 10, 1992. That letter outlines our position in detail and our opposition remains unchanged. Broadly speaking, our concerns with respect to titles I and II are: S. 4 restricts State flexibility by its categorical requirements; S. 4 fails to allow States for flexibility to use title IV-E funds currently in the system for prevention and family preservation services; and S. 4 is too costly and is inconsistent with the bipartisan budget agreement.

The Administration's proposal addresses these problems and we believe that our proposal will go a long way toward correcting the problems inherent in the child welfare system today. Still, we do not pretend that our proposal—or any proposal for that matter—will meet all the problems or challenges that today's families are facing. Indeed, changing the distorted picture that faces too many of America's families and children today will ultimately require, in the words of Secretary Sullivan, the implementation of a new "culture of character" and the development of new "communities of concern." If we hope to adequately address the problems facing our children and families, we must recognize the central importance of repairing and supporting the American family. That is our ultimate challenge.

In conclusion, I want to thank the Committee for this opportunity to present our views. Notwithstanding our opposition to S. 4, we agree with the Committee that improving the child welfare system is of critical importance. It is my sincere hope that we will be able to work together to enact effective legislation that reforms the way we finance child welfare activities to provide States the flexibility needed to protect the rights of children and is in accord with the Budget Enforcement Act.

[Submitted by Senator Lloyd Bentsen]

THE SECRETARY OF HEALTH AND HUMAN SERVICES,
Washington, DC, April 10, 1992.

Hon. LLOYD BENTSEN, *Chairman,*
Committee on Finance,
U.S. Senate,
Washington, DC.

Dear Mr. Chairman: We take this opportunity to inform you of this Department's views on S. 4, the "Child Welfare and Preventive Services Act," which is currently pending before your Committee. The bill amends programs under titles IV-E (foster care and adoption assistance) and XIX (Medicaid) of the Social Security Act.

In summary, we strongly oppose enactment of S. 4, because it would impose additional Medicaid mandates on States and increase direct spending over five years by \$7-10 billion without offsets a violation of the Budget Enforcement Act of 1990 (BEA). Of this increase in direct spending, \$2 billion would be spent on child welfare services, *in addition to* the \$6.7 billion projected funding increase for foster care and adoption assistance already accounted for under the existing baseline. In contrast, the President's Comprehensive Child Welfare Services proposal would redirect the projected 16 percent annual growth of title IV-E administrative expenses toward real services for low-income children. The Administration's approach is wholly consistent with the BEA. If S. 4 were presented to the President in its current form, this Department would recommend a veto based on its inappropriate mandated Medicaid expansions and excessive costs.

COMPREHENSIVE CHILD WELFARE SERVICES

The Department shares the Committee's concern about the need to improve the effectiveness of child welfare service programs in order to address the enormous problems of at-risk children and families, including the devastating effects of child abuse and illegal drug use. We recognize the need for early intervention and effective preventive services. We further agree that flexible use of resources should be made available to States for services to children, and we support rigorous evaluation of family preservation activities to see if they fulfill their promise of reduced foster care placements. However, while we appreciate the Committee's commitment to addressing these issues, we are concerned with the approach taken in S. 4.

It is our belief that child welfare reform legislation should not further fragment the already complex and overburdened system, but should provide States with the flexibility to use scarce resources to provide more and better services for vulnerable children and their families with less bureaucratic and administrative burdens. We agree that child welfare reforms are needed to relieve increasing pressures on State child welfare agencies. However, we believe that if States were given the flexibility to spend the money available under the current-law baseline to best meet their needs, the resulting allocation of these increases would significantly improve the child welfare system.

Accordingly, we urge the Committee to consider the Administration's proposal to fund a new Comprehensive Child Welfare Services program. This new program would be the largest single source of Federal funding for child protective and child welfare services for children and families at risk. As with current title IV-B funds, States would be given the flexibility to use these funds for a wide variety of prevention and family preservation services for all children and families in crisis, without regard to the current limitations related to Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI) eligibility.

The Administration's Comprehensive Child Welfare Services proposal complies with the pay-as-you-go provisions of the BEA by restructuring the rising level of resources currently projected to fund reimbursements for State administrative and training costs under the foster care and adoption assistance programs under title IV-E of the Social Security Act (the Act). The current entitlement programs for foster care maintenance and adoption assistance payments would remain unchanged.

The new financing structure and the removal of categorical restrictions would be advantageous to at-risk children and States assisting them. By eliminating the administrative and training reimbursement process, the bill would free States from the burdensome claiming and reporting procedures currently required to receive Federal funding for these activities. At the same time, States would be able to use these funds to provide a much wider variety of services to meet the needs of all children and families in crisis.

In contrast, we have several major concerns with the approach to child welfare reform taken in S. 4. First, S. 4 expands entitlement programs and restricts State flexibility in the use of funds. S. 4 would establish a new appropriated entitlement, under which expenditures could be made only for family preservation, reunification, follow-up, respite care, and family support in addition to current Federal funding for child welfare services under title IV-B. S. 4 would also establish a separate State grant program under title IV-B for comprehensive substance abuse programs for low-income pregnant women and custodial parents. Because the circumstances of States are different, title IV-B funds should remain flexible to allow States to direct funds where they are most needed, and to respond to local needs as they change.

Second, S. 4 fails to address the foster care administrative cost problem. Title IV-E foster care administrative costs have been growing unchecked. Between FY 1987 and FY 1991, State claims for administrative costs have grown at almost twice the rate of growth in the number of children served. Costs have risen from \$297 million to an estimated \$688 million, an increase of 132 percent. At the same time, the foster care caseload has grown by 71 percent. The Department is concerned that there is no evidence that the increase in title IV-E administrative claims has resulted in more or better services for children. Although S. 4 does reduce the deadline for States to claim reimbursement under title IV-E from two years to one year, the bill maintains the open-ended nature of administrative costs, while doing nothing to restrict State efforts to continually expand the types of activities it can claim for Federal reimbursement under the guise of "administrative costs." We believe any child welfare bill must address the problem of escalating administrative costs under title IV-E in order to resolve these problems.

Third, as indicated above, we object to the costs added by S. 4, which are inconsistent with the bipartisan budget agreement. We favor instead allowing more flexibility to use projected funding increases to meet the needs of children and families. The projected increase under the current child welfare program will amount to \$6.7 billion in Federal matching funds over the next five years. This \$6.7 billion increase in baseline funding provides enormous room to improve the child welfare system within the framework of the BEA, a flexibility available to few Federal programs.

MEDICAID

The child health provisions of S. 4 include a variety of mandates and options for States to expand their Medicaid coverage of children. While the Administration agrees that providing improved delivery of health care services to low-income children should be a priority on our nation's health care agenda (and the President's plan announced February 6 reflects this priority), we do not believe that further expansions of the existing Medicaid program, such as those proposed in S. 4, are appropriate. In fact, the Administration has supported the Nation's Governors in opposing mandated expansions of Medicaid.

In contrast, the President has proposed a Comprehensive Health Reform Program that addresses the service delivery and access problems related to providing quality care to low- and moderate-income pregnant women and children not currently covered by Medicaid. Under the President's proposal, the Medicaid program would be significantly improved and transferable tax credits and deductions would make health insurance more available and affordable for low- and middle-income families. Coordinated care would be encouraged, ensuring increased access for high quality and cost-effective care. Preventive health care activities would be emphasized, reducing the need for more expensive treatment of chronic or acute conditions that are preventable.

Under the President's plan, States could create programs that combine State and Federal funds, tailoring health care coverage to the needs and priorities of the low-income persons in their State. The President's comprehensive proposal maintains State flexibility which, coupled with his proposals for health insurance market and malpractice reform, offers a more unified approach to meeting the health care needs of our nation's children.

The President's health care proposal would remove barriers to coordinated care within both Medicaid and the broader health insurance market. An increased use of coordinated care would alleviate many of the access problems for low-income people under the traditional fee-for-service system and, if implemented in conjunction with the \$79 million expansion of the Healthy Start program outlined in the President's Budget, would directly address the Committee's concerns about child health.

S. 4 relies instead on incremental expansions in Medicaid, a program that has been criticized for being wasteful and confusing and for paying for fragmented, substandard care. State Medicaid programs currently rely primarily on a costly fee-for-service system of health care and complex eligibility requirements. We support

adoption of the President's proposal for comprehensive health care reform, as well as implementation of the Healthy Start program, to improve the existing Medicaid program and offer expanded access to care to all children and adults in America.

Notwithstanding our strong opposition to S. 4, we agree that improving the child welfare system and the health care system is a high priority for both the Congress and the Administration. The Department looks forward to working with you and the Committee to enact effective child welfare legislation consistent with the BEA.

The Office of Management and Budget has advised that there is no objection to the presentation of this report, and that enactment of S. 4 would not be in accord with the program of the President.

Sincerely,

LOUIS W. SULLIVAN, M.D.

PREPARED STATEMENT OF STATE SENATOR CHET BROOKS

Mr. Chairman and Members of the Senate Finance Committee, my name is Chet Brooks and I am a member of the Texas Senate where I chair the Senate Health and Human Services Committee.

It is a pleasure to appear again before you and the Finance Committee on behalf of the National Conference of State Legislatures (NCSL). As you know, NCSL represents the legislatures of the nation's 50 states, its commonwealths and territories. I am here today to comment on Senate Bill 4, the Child Welfare and Preventive Services Act. My testimony is based on NCSL's child welfare policy, adopted by our bipartisan policymaking body, the State Federal Assembly. The NCSL has made child welfare reform one of its top federal priorities for 1992 and is committed to working closely with this Committee and other federal policymakers to fashion a federal program that will care for our nation's children at-risk while simultaneously being cost-effective and workable at the state and local level.

Mr. Chairman, my testimony would be incomplete if I failed to thank you for your efforts on behalf of children at risk, particularly those vulnerable to abuse and neglect. As you are well aware, the number of abused, neglected and abandoned children has overwhelmed our current capacity to care. While trying to respond to daily emergencies, states are struggling to adequately protect these vulnerable children. S.4 would provide the increased federal commitment necessary to help the states, especially Texas, protect our children and strengthen families. This commitment is found not only in increased funding that is essential to provide the services needed but in an increase in federal guidance that has been lacking.

Mr. Chairman, we all know children and families are in trouble. I know that you confront the same constraints that I do in the Texas legislature. We in government have a choice: we can pay for prevention upfront or pay for further more costly problems in the future. A bipartisan partnership is needed between all levels of government and the private sector to work together for our nation's most valuable resource, our children.

I would like to tell you that we in the state of Texas are able to protect all of our children. As Chairman of the Senate Health and Human Services Committee, I have struggled to use a combination of limited state and federal funds to address an increasing caseload. Our Department of Human Services recently estimated that we had 435,141 cases of child abuse and neglect in FY91. Yet, we only investigated 221,334 children's cases. This is a 10% improvement since I testified before this Committee last year.

This improvement is the beginning of a renewed effort to improve our services in Texas. This year, my legislation to create a new structure for child welfare services from investigations of allegations of abuse to preventative services was enacted. On September 1, these services will be separated from the Texas Department of Human Services, to a new Texas Department of Protective and Regulatory Service. The new department will focus our efforts to protect vulnerable children and strengthen families. We are committed to changing the way we train the new department's staff to deal with the complex problems of children and families from investigations to services.

The State of Texas, like most states, contributes between 60%-66% of the funding for all child welfare services. Investigations of child abuse reports should not have to compete with services, but it's hard to justify investing in services when we can't substantiate abuse and neglect. Of the 88,442 children in confirmed cases of abuse and neglect in Texas, only 34,601 received services. Only 39% of children in confirmed cases of abuse and neglect received some service from the state ranging from a caseworker visit to foster care to parent counseling. Our caseworkers are over-

loaded. They carry an average of 27½ cases per worker compared to the recommended 10-15 cases per worker.

State legislators want to fund preventive services and services to strengthen families and avoid out-of-home placements, but we cannot do it alone. We cannot and should not tolerate any child in danger, yet we do not have the funds to increase services, despite general revenue contributions that have increased over the years. S. 4 would provide the resources to enhance state efforts and provide needed reforms while retaining state flexibility.

NCSL believes that the provision of support services, including in-home family services to at-risk families is the key to reducing the number of children in the foster care system. Unfortunately, state efforts to seek cost effective alternatives to foster care have been hampered by inadequate funding, confused federal guidelines and tardiness for reimbursement to states for mandated program expenses. It has been twelve years since Congress enacted any changes to our programs for children at-risk. The time is right to reexamine our systems for children in crisis.

TITLE IV-B CHILD WELFARE SERVICES

In Texas, we have not been able to provide family preservation services extensively as other states have tried successfully. As the members of this Committee are aware, more than 30 states have experienced fiscal distress and continue to be in a budget crisis. We have chosen to improve our investigations of allegations of misconduct and funded a series of family preservation pilots in San Antonio, Houston, and East Texas. Our Department of Human Services has found results similar to the states with more ambitious programs: the incidence of reabuse has decreased dramatically, fewer children have been placed outside their homes, and family strengthening services have eliminated the more expensive cost of long-term foster care. An increase in flexible federal dollars would allow us to pursue family preservation services.

Financial support for the maintenance of children placed outside the home (Title IV-E) is currently provided as an entitlement, but similar support for intervention and reunification services (Title IV-B) is not provided. This inequity inhibits state efforts to develop more services for children at-risk in vulnerable families. Since Title IV-B's full funding is not guaranteed, it has never been funded at its authorized level. S. 4 would provide increased flexible funds for states to enhance their services to families. NCSL strongly supports new entitlement funding for Title IV-B to enable states to develop and expand intensive family preservation, reunification and follow-up activities.

We need skill building in addition to an increase in resources. We have relied too long on private foundations to make the difference. And while the foundations like the Edna McConnell Clark Foundation and the Annie E. Casey Foundation have provided technical support encouragement and seed money for states' efforts, their success suggests that the federal government should provide both technical assistance and evaluations of current family preservation efforts. S. 4 provides additional funds and direction for HHS to provide technical assistance to states while requiring them to rigorously assess the effectiveness, outcome and impact of these services.

Substance abuse has certainly contributed to our increase of child abuse and neglect cases. Caseworkers report that an increasing percentage of their intake caseload are families where substance abuse appears to be a problem. In our big cities, more children are born addicted and are dying in the hospital from their mothers' addiction. An increase of flexible resources to deal with this problem is critical. However, rather than a set-aside within Title IV-B, state lawmakers believe that these funds should be part of the family preservation and reunification entitlement. We believe that states with less of a substance abuse problem or already funding nonmedical assistance to pregnant women and caretaker parent with children who are in treatment programs should be allowed to use the increase in resources for other family preservation activities or populations.

S. 4 contains demonstration projects that will allow the state and federal government to work together to test child welfare innovations. Families and children in the child welfare system face complex problems that often require interdisciplinary and interagency solutions, such as homelessness, substance abuse and HIV infection. Coordination of services is essential for families with multiple needs. In my district, we have joined together with AMOCO to create a Children At-Risk Center, a "one stop" center where children can get education and health services in addition to social services. Your proposed demonstration would help us work together with the federal government to identify barriers and encourage states to combine existing programs to serve vulnerable children and families. Another demonstration project

would enable states to combine funding streams. We appreciate your recognition of the role of states to test policy ideas.

Mr. Chairman, we applaud your inclusion of an advisory commission to study the reasonable efforts provision of P.L. 96-272. States have struggled with their own definitions of what constitutes a reasonable effort to prevent out-of-home placement and family treatment and reunification. Currently, a variety of court cases, rather than experts in the field of child welfare are making these definitions. Thank you for addressing this important cornerstone of P.L. 96-272.

THE ADMINISTRATION'S PROPOSAL

While I have not seen formal legislative language, I am extremely concerned about the President's proposal for child welfare reform in his FY 1993 budget. While fiscal pressures challenge us, state and federal government alike, to ensure that each tax dollar is utilized as effectively and efficiently as possible, I am very concerned that in the guise of efficiency, efforts are being made to limit resources available to states for child welfare services. Unfunded mandates, blanket transfers of responsibility and dismantling of existing administrative funding structures has been and remain counterproductive and disruptive.

Mr. Chairman, in the last session, some in Congress and the Administration attempted to cap Title IV-E administrative and training dollars and we discussed then how that would cripple states' efforts. As you are well aware, "administrative" costs are a misnomer. These crucial dollars pay for activities that include preplacement costs and personnel costs for social workers. Preplacement activities fulfill the intent of Congress in P.L. 96-272 to reduce the number of children in foster care. Training is critical for foster parents and adoptive parents who open their homes and their hearts to children with special needs. These children are often emotionally and physically disabled having suffered harm from their parents, often substance abusers.

As this Committee knows, we in the states want flexibility to provide a broad array of services based on the diverse needs of our communities. However, capping this entitlement, even with increases over a five-year period, is unacceptable. When Congress created the entitlement for Title IV-E, it was with the understanding that needs vary from unforeseen circumstances, not only from state to state. No one predicted that "crack" cocaine would create a foster care crisis in our inner cities. The entitlement gave states the flexibility to address this crisis. NCSL urges you to continue to strongly oppose efforts to limit Title IV-E funds. Saving children's lives are too important to limit existing entitlement authority.

TITLE IV-E FOSTER CARE

The number of children in out-of-home placements has risen in Texas from 7,156 in 1990 to a projected 9,400 in 1992. This increase far exceeds our increased number of investigations. We believe that this increase is due to an increase in the most difficult cases. Unfortunately, in Texas, the average foster child spends time with almost four families during his or her time in foster care. While we have shortened the time a child spends in temporary care from five placements in 1991, our goal is to limit the trauma of family detachment that adds to these children's plight. Without a sense of permanency, these children are damaged and tend to be more violent, less respectful and have fewer social skills.

We must recognize, however, that foster families need support. NCSL believe that efforts to increase the numbers of foster parent families and provide respite services for foster families are critical for the foster child and family's well-being.

TITLE IV-E ADOPTION ASSISTANCE

NCSL believes that children need permanent placements. In 1989, the Texas Legislature examined ways to increase the number of adoptive families for children with special needs. We increased our financial commitment to adoptive parents this year even though resources were limited. Your proposal to continue a child's eligibility for the special needs allotment after a disrupted adoption has our support. We also support your proposal for a tax credit for families who adopt these children.

AUTOMATED SYSTEMS, DATA COLLECTION, AUDITS AND REVIEWS

Texas, like many states, is still working on creating an acceptable state plan to automate the child welfare system. It currently takes a monumental effort to find out the name of a child's caseworker. The Texas Senate appropriated the funds necessary to begin to put together a state of the art automation system. It will cost \$27 million to build the system. Your proposal to provide a 90 percent federal match

for statewide information and data collection systems has my and NCSL's strong support. However, there are still no final regulations for foster care reporting systems. We urge you to examine this situation and to consider providing enhanced federal matching authority for intake and investigations reporting systems as well.

S. 4 requires that states submit all claims for Title IV-E expenditure reimbursement (maintenance and administration) within one year of expenditure, rather than the current requirement of two years. While the intent of this provision is to help HHS more accurately project the federal funds to reimburse entitlement claims and prevent the backlog of claims that often places a fiscal burden on states, the reduction in the claiming time may not solve the problem. The federal government has been reluctant in the past to propose supplemental appropriations to cover past unreimbursed Title IV-E claims and has not proposed sufficient funds to meet the actual amount of back claims owed. NCSL believes that states with county administered systems may have difficulties meeting this deadline due to different fiscal years, contracts with private providers, and the difficulty of processing multiple claims. Therefore, NCSL opposes any reduction in claiming time.

Mr. Chairman, NCSL urges you to consider adding provisions to S.4 to provide for new regulations for Title IV-B and Title IV-E financial and program audits and to prohibit or continue the moratorium on collections of disallowances for Section 427 reviews. There is currently a lack of uniform interpretation of federal law and regulations by federal regional offices. Some states are sanctioned for an activities that are allowed in a state in a different region.

HEALTH MANDATES

Mr. Chairman, while you requested that my testimony today focus on the child welfare provisions of S. 4, NCSL is extremely concerned about the health care services mandates in S. 4. As you schedule hearings on the Medicaid provisions of S. 4, I urge that NCSL be permitted to testify and provide detailed comments.

FUNDING

Given the pressures of the 1990 federal budget agreement, we understand that funding for S. 4 will be a serious challenge. It may be necessary from our perspective to find additional revenues to fund this bold initiative and other worthwhile children's programs. NCSL would encourage you to avoid options that would transfer or mandate new costs upon the states or tap revenue sources that would further imbalance the intergovernmental fiscal system. We are prepared to work with you to ensure that your funding efforts match the serious needs that must be addressed.

On behalf of the National Conference of State Legislatures, I thank you for this opportunity to share our comments and for your consideration of our concerns. We appreciate the urgency with which you have approached child welfare reform. Unless we work together to redirect our system toward family based services, it is clear that a generation of children will soon be growing up in out-of-home placement. We should not allow this to happen. We cannot afford it fiscally and our nation's children's lives are at stake.

PREPARED STATEMENT OF PETER DIGRE

INTRODUCTION

Senator Bentsen, Members of the Committee. I appreciate the opportunity to testify today on behalf of the Los Angeles County Department of Children's Services.

Before I begin, I would like to express our appreciation to you, Mr. Bentsen, for your leadership and your sponsorship of the Child Welfare and Preventive Services Act (S. 4). This legislation is right on target and will go far in empowering families to raise their own children in a safe and healthy environment. It is also encouraging to note that the Senate is demonstrating bipartisan support for S. 4.

Additionally, I would like to take this opportunity to commend Senator Rockefeller and the National Commission on Children for their efforts to promote family preservation and otherwise make this world a better place for children and families.

I am also pleased to acknowledge a groundswell of support for Congressional action on child welfare reform. The National Association of Counties—which represents counties all across this country—has taken on passage of S. 4 as its top human services priority for this year, as have the California County Welfare Directors Association and the American Public Welfare Association. Last year, the California State Legislature *unanimously* supported a resolution, AJR 12, calling for (a) reform of the Adoption Assistance and Child Welfare Act, (b) strengthening of

States' ability to provide comprehensive family preservation services, (c) provision of a 90% federal match for child welfare data collection systems, and (d) respite care for foster parents of special needs children, all of which is contained in S. 4.

HOLLYWOOD A FAR CRY FROM REALITY

With all of these thank-you's and acknowledgments, it must sound like I'm at the Academy Awards, rather than the U.S. Congress. Hollywood must be rubbing off on me.

And yet, in the year and a half I've been in L.A., I can't help but notice the stark contrast between Hollywood and reality.

In Hollywood, they can write the script, edit, splice or do as many retakes as they need to get the ending they want. If someone is shot, they get up and walk away once the scene is over.

But in real life, where gunshots have replaced lullabies, drugs and violence have replaced love and nurturance, and anger and despair have replaced opportunity and hope, parents are abusing their children, children are killing each other, and no one is able to say, "Cut."

At the Los Angeles Department of Children's Services—where we responded to over 120,000 reports of abuse and neglect last year alone, including over 2,500 referrals for perinatal drug exposure; where we care for more than 48,000 children at any given time; and where 80% of our cases involve parental substance abuse—we know this all too well.

This reality was brought home to the rest of the American public last month as we watched Los Angeles go up in flames. But for now, at least, the fires have stopped burning, the sirens have stopped screaming, and the looters have stopped looting. The National Guard has pulled out and the clean-up has begun.

Left in the rubble are children and families.

At DCS, where one-third of our children live in the areas most directly impacted by the civil disturbance, we saw firsthand that this crisis went beyond stores and streets and buildings.

It also affected children and families—children and families who shop at those stores, who walk down those streets and who live in those buildings. Children and families who must deal with racism, poverty, unemployment, violence and despair on a daily basis.

And this time, even Hollywood wasn't spared.

A couple weeks ago, I had the chance to testify before the House Ways and Means Subcommittee on Human Resources. Its Chairman, Tom Downey, is trying to attach his counterpart to S. 4, or H.R. 3603, to the Urban Renewal Initiative being considered in Congress. He recognized that any plan to rebuild the structural and economic underpinnings of urban communities must include a plan to restore the overall foundation of the children and families who live in them.

So, I would ask you to consider following suit and doing whatever it takes to make S. 4 a part of the Urban Renewal Initiative. This is critical for urban communities, such as Los Angeles, and it will also benefit troubled children and families living in rural and suburban areas, as well.

I can't help but wonder why it had to take a civil disturbance for some of us wake up to the fact that a great number of our families are in serious trouble.

And then it dawned on me that the same mentality seems to govern our approach to helping children and families: in both cases, we wait until a crisis occurs—in one instance a city is destroyed; in another, a child is severely battered or born trembling from drug exposure—until we do anything about it. And by that time, it's often too late.

In Los Angeles County, over 33,000 children were in foster care in 1990, up nearly 80% since 1985. Cost for that care jumped 90% to over \$265 million. Next year (State FY 1992-93), we can expect to spend over \$300 million—nearly half our budget—to keep families apart.

This doesn't make sense.

FAMILY PRESERVATION PROGRAMS PREVENT ABUSE, IMPROVE FAMILY FUNCTIONING, AND REDUCE OUT-OF-HOME PLACEMENT AND ITS COSTS

It doesn't make sense when we know that many of these placements could have been avoided had we been able to provide the whole range of intensive home- and community-based services, also known as family preservation services, needed to keep children safely in their own homes.

The Department of Children's Services is currently involved in several collaborative family preservation efforts with various private agencies. We also offer our own Black Family Investment Project and a Latino Family Empowerment Project.

Many of these projects have already been successful in reducing the need for out-of-home placement and its costs by preventing abuse, improving family functioning and otherwise enabling children to remain safely in their own homes.

In addition, our County is also embarking on a broader, somewhat revolutionary effort to strengthen families and prevent placement under the authority of State legislation, AB 546, which permits us to divert a percentage of our state foster care dollars to family preservation services.

Our plan is revolutionary in the sense that it:

(A) Views family preservation as an **approach** to strengthening families, rather than a particular service or way of delivering services.

(B) Looks at families holistically, taking into account the overall needs (not just child welfare needs) of **each** family member (as opposed to the identified child[ren]) in the context of the family's community and cultural background, with an emphasis on providing a comprehensive, coordinated continuum of services (from intensive in-home intervention—to substance abuse treatment—to employment services—to housing assistance—to hard cash to obtain a lease or buy emergency items).

(C) Puts the money on the streets, rather than in our own coffers. In other words, we will be giving money directly to networks of community-directed agencies to help bolster their ability to provide services to families, and ultimately, to help empower the targeted communities to address their own needs.

While we are excited about these efforts and would like to expand them County-wide, budget constraints mean that they are still only available for a portion of our County's children and families who might benefit from them.

S. 4 A MAJOR STEP IN THE RIGHT DIRECTION

That is why we are especially encouraged by legislation such as S. 4, which would help us expand these and other efforts to strengthen families and prevent placement.

More specifically, we are particularly pleased with the provisions of S. 4 that would:

(1) **Create a new capped entitlement under Title IV-B Child Welfare Services for family preservation services:** This will help reverse current incentives for foster care and empower families to safely raise their own children.

(2) **Add a second capped entitlement for comprehensive substance abuse prevention, treatment and follow-up programs for pregnant and parenting women, caretaker parents and their children.** This provision will enable us to expand services for substance abusing families and in turn will diminish the need for more costly foster care, hospitalization and other specialized services for drug-exposed infants and youth.

Before I finish listing what we like about this bill, let me say a word about **entitlements**—because I think to many, particularly those on fiscal committees, the word "entitlement" is a dirty word. Dirty in the sense that it is unlimited and out of control. But what Mr. Bentsen is proposing is a **capped** entitlement. And that means that spending **will** be limited and **will** be under control. The only difference is that now we will be guaranteed that the money we need will be there for those who need it.

So, to continue, we are also in favor of the provision in S. 4 that will:

(3) **Provide a 90% federal match for the start-up costs of developing and implementing automated data collection systems.** This will enable us to better tailor services to the children and families we serve. Scanners at the supermarket check-out line are more sophisticated in tracking groceries than are our current systems for tracking child abuse reports.

FAMILY PRESERVATION IS ONLY PART OF THE ANSWER

At the same time, we cannot expect family preservation services to correct all of the problems facing families or repair years of systemic neglect. Nor can we neglect the children already in placement.

Family preservation services **must** be viewed and **must** be made available as part of a continuum of family empowerment and investment opportunities. So, in addition to investing in family preservation services and in the provisions in S. 4 mentioned earlier, I urge you and your colleagues on Capitol Hill to:

(1) **Oppose all attempts to cap Title IV-E and otherwise shift foster care costs to the states and counties. New resources are needed for Child Welfare Services (CWS); they should not come at the expense of foster care, case management, staffing, recruitment of foster parents and training.**

States and counties are already shouldering 60% of the burden of carrying out federal CWS requirements and many States, including California, are just beginning to maximize Title IV-E claims. In Los Angeles, we have just begun to get three University-based training academies off the ground at USC, UCLA, and Cal State-Long Beach. These training academies are pivotal in providing the training our social workers need to make life and death decisions and to be better equipped to handle the increasingly more difficult and more complex situations they encounter. This effort might fold and the chance to expand to other parts of the State and County would be lost if Title IV-E training funds were suddenly cut.

(2) **Support efforts which reduce stress and assist families in meeting their children's needs, such as child care, adequate health insurance and economic opportunities for all parents.**

(3) **Improve access to health and mental health treatment for children in foster care by promoting services integration and ensuring full implementation of OBRA '89.**

(4) **Assist foster youth in attaining and maintaining independence by (A) permanently reauthorizing the Independent Living Program; (B) removing asset limit restrictions for youth in ILP (as in S. 4); and (C) providing foster care maintenance payments or other funding for transitional living programs for these youth; and**

(5) **Support respite care for foster parents who care for special needs children, including those affected by parental substance abuse (as in S. 4).** This will provide much-needed relief for foster parents, and in turn, help us recruit and retain these valuable caretakers.

Together, these provisions will keep more children off our doorstep and move us closer to a child welfare system where foster care is what is was intended to be: **the option of last resort, not the only option.**

CLOSING REMARKS

In closing, I'd like to comment on the fact that I've heard many say, "We love this bill, it's a great idea, we agree we need to invest in families. **But**, we just can't afford it." To them, let me suggest that just the opposite is true. **WE CANT AFFORD NOT TO PASS THIS BILL.**

The unfortunate events in Los Angeles over the past month left no doubt that we, as a nation, are paying an extremely high price for our failure to invest earlier in programs and services that support children and families. If nothing else, this experience taught us that we can either pay now or pay much more later.

It comes down to this: investing in families is a basic economic issue. How we decide to spend our money today has a direct impact on whether we will have a healthy, productive, educated workforce; what our bottom line will look like; and what we will be paying for down the line.

Using the Hollywood analogy, we have an opportunity, using S. 4 as the script, to produce our own epic film; to direct our own destiny; to take what we know works and splice it together to write our own happy ending—one in which communities and families are empowered to take care of their own children.

Only in real life, it will take the means, the commitment and the political will to invest early on in families.

The Department of Children's Services stands ready to assist you in ensuring passage of this critical legislation—either on its own or as part of an urban renewal package. Again, I thank you for this opportunity to testify today.

Attachment.

LOS ANGELES COUNTY AB 546 FAMILY PRESERVATION PLAN EXECUTIVE SUMMARY

INTRODUCTION

Dramatic increases in parental substance abuse, homelessness, poverty and other socioeconomic conditions over the past decade have contributed to a steady increase in the number of children referred to public and private agencies because of abuse and neglect. These conditions have also fueled an increase in the number of children removed from their parents and placed in foster care settings for their safety. The Los Angeles County Department of Children's Services (DCS), for example, received 108,088 referrals for abuse and neglect in 1990, up 36% since 1985. Over 33,000 children were in foster care in 1990, up nearly 80% since 1985. Costs for that care rose over 90% between 1985 and 1990, to \$265.5 million.

Also to blame for increases in out-of-home care is a lack of basic supports for families, such as adequate housing, health insurance and prenatal care. Community-based services, particularly early intervention and in-home support services that could assist families before minor problems develop into major crises leading to child abuse, are equally scarce. Further, those services which do exist are often uncoordinated and inaccessible. Fiscal incentives at the state and federal levels which favor out-of-home placement have also led to an over-reliance on the most restrictive, most expensive, and most inappropriate types of care for too many children.

In response, the State of California recently enacted legislation (AB 546) to enable county child welfare departments to divert a percentage of their foster care dollars to services to strengthen and preserve families, also known as "family preservation services." A broad-based community planning effort coordinated by the Commission for Children's Services led to the development of the County's AB 546 Plan, which DCS has submitted to the State.

LOS ANGELES COUNTY'S AB 546 FAMILY PRESERVATION PLAN: A COMMITMENT TO STRENGTHENING AND PRESERVING FAMILIES

Los Angeles County's AB 546 Family Preservation Plan is a commitment by the County to strengthen and preserve family life by identifying goals and principles of family preservation and then implementing them; strengthening essential community supports breaking down barriers to interagency coordination; fundamentally restructuring the service delivery system to integrate family preservation into the child welfare services program; and bringing a broad array of resources together to combat the devastating impact on families of child abuse, substance abuse, poverty, racism, ignorance and violence.

HOW WILL SERVICES BE DELIVERED?

Given the importance of a strong community for healthy families, the Plan calls for the establishment of community family preservation networks (CFPNs) comprised of a comprehensive system of services designed to meet the needs of at risk children and their families. The lead agency of a CFPN will deliver or arrange for the delivery of a full range of family preservation services, consistent with the goals, principles and definition outlined in our Family Preservation Plan. In addition, CFPNs will be required to develop linkages to other resources within the community (e.g., health care, housing, child care) to help ensure that the goals of this effort are maintained over time. As health, education, and welfare programs move to deliver services in a more comprehensive and integrated manner, CFPNs can assume further responsibilities.

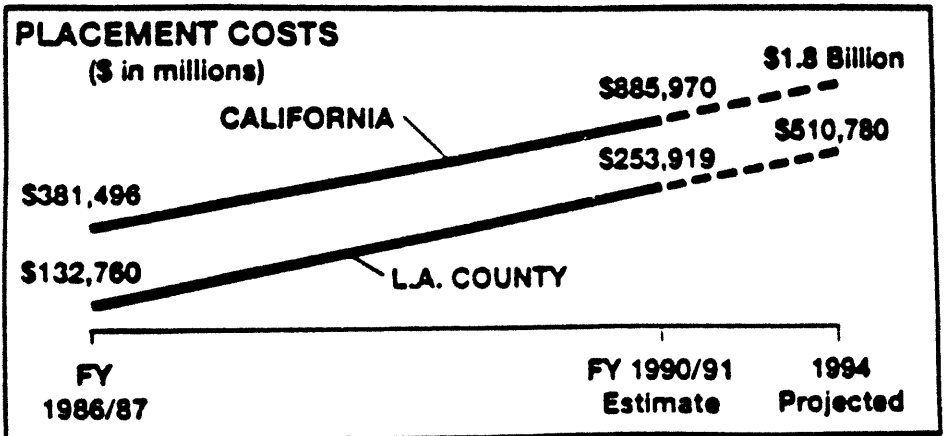
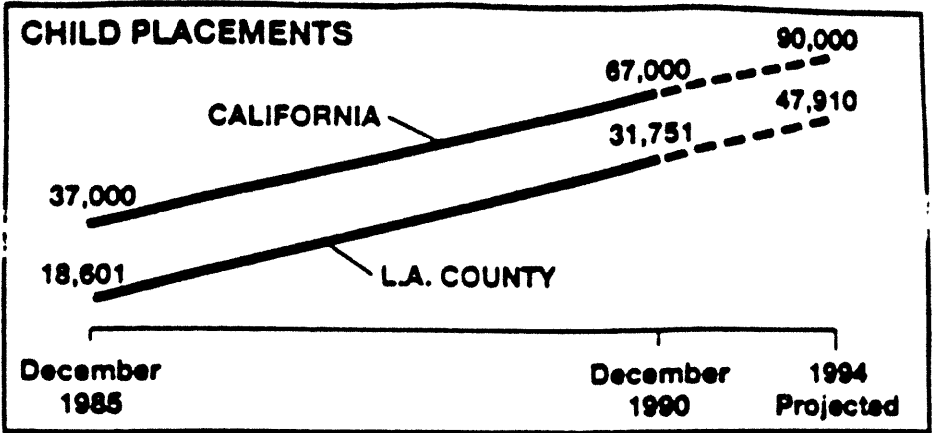
WHAT TYPES OF SERVICES WILL BE AVAILABLE?

In recognition of the multiplicity of problems experienced by families in the designated communities, a comprehensive, coordinated continuum of services will be offered to meet their needs, including:

- Intensive in-home intervention services, such as teaching and demonstrating homemakers; parent aides; in-home emergency caretakers; and in-home counseling
- Individual, group and family counseling services
- Substance abuse testing and treatment
- Day treatment
- Respite care
- Family advocacy
- Transportation to services
- Housing assistance
- Mental health treatment
- Parent training
- Employment services, literacy classes and job training
- Greater access to income support
- Child care
- Medical assessments, referrals and follow-up for children
- Community foster care for enhanced visitation and respite

FOSTER CARE PLACEMENT

TRENDLINES - CHILD PLACEMENTS, PLACEMENT COSTS



FOR EVERY \$10 SPENT STATEWIDE TO REMOVE A CHILD FROM HIS HOME ONLY \$1 WAS SPENT TO PREVENT PLACEMENT.

Projection Source: County Welfare Directors Association Ten Reasons to Invest in the Families of California, Spring 1990.



LATINO FAMILY EMPOWERMENT PROJECT A FAMILY SERVICE MODEL

BACKGROUND

The purpose of the Latino Family Empowerment Project is to prevent child abuse and neglect, prevent out-of-home placement of Latino children and strengthen the family through the provision of intensive, culturally-specific, home-based, time limited child welfare services.

The Project will also strengthen families by ensuring that participating families are connected with a support network within the community.

MAJOR FEATURES

- Demonstrate a model for intervention services that can be replicated throughout the County of Los Angeles for strengthening Latino families.
- Enhancement of the assessment process and criteria relating to Latino families and children at risk, including continued involvement of the families in their own case plan and goals.
- Provide services in a totally bilingual/bicultural child welfare model.
- New insights and research to address the needs of the various Latino ethnic groups serviced by DCS.
- Internship opportunities for Latino students enrolled in Social Work Degree programs.
- Training and consultation services to DCS and other County departments regarding services to Latino families.

**INTER-UNIVERSITY CONSORTIUM OF CHILD WELFARE****Title IV-E Training Project**

As part of the Department's overall goal of improving our ability to deliver protective, preventive, foster care and adoptive services to children and families, DCS must provide comprehensive training programs for a variety of professional, clerical, administrative and agency support staff. In fulfilling this responsibility, DCS contracted with the Inter-University Training Consortium formed by the University of California, Los Angeles, the University of Southern California, and California State University Long Beach Schools of Social Work to provide core and enrichment training programs during the next three years. This contract represents the first time that DCS has utilized Federal Title IV-E training funds, in combination with University matching funds.

The IUCCW began offering a variety of core and enrichment training curricula in December 1991. Training delivery to date has included:

- Eight-week orientation programs for newly-hired Children's Social Workers (CSWs);
- In-service enrichment courses for experienced CSWs, Supervisors and Managers;
- Establishment of three Graduate Student Instructional Units at DCS regional offices to train and prepare MSW students for work in Public Child Welfare.

Through linking our Departmental training resources with those of the participating Universities, and with the ability to access Title IV-E Federal training funds, DCS has substantially expanded the scope and quality of training for our staff.

CHILD WELFARE

ISSUE: Millions of children are reported abused and neglected each year, an increasing number largely attributed to growing substance abuse in families. At the same time, county foster care caseloads have increased dramatically, yet federal funding patterns encourage placement and offer little help to strengthen and treat families and children.

In January 1991, Senate Finance Committee Chairman Lloyd Bentsen (D-TX) introduced S. 4, the Child Welfare and Prevention Services Act, with 21 Democratic cosponsors.

The bill includes the following provisions:

- strengthens families and protects children;
- provides comprehensive substance abuse treatment;
- assists children in foster care;
- encourages service coordination;
- strengthens staffing; and
- enhances access to health care for children.

In June 1991, Representative Thomas J. Downey (D-NY) introduced his Family Preservation Act of 1991 (H.R. 2571). Rep. Downey's bill came after a series of hearings which included NACo testimony. The House bill contains the following provisions:

- converts child welfare services (Title IV-B) to a capped entitlement;
- creates a set-aside to strengthen families with an emphasis on families in crisis due to substance abuse;
- permits the use of foster care and adoption assistance (Title IV-E) and Title IV-B funds to reduce out-of-home placements;
- eliminates the means test from foster care and adoption assistance programs;
- mandates states to participate in the AFDC emergency assistance program; and
- increases Social Services Block Grant (Title XX) funds by \$400 million in 1994.

STATUS: In September 1991, consideration and markup was held by the House Ways and Means Committee's subcommittee on Trade. One month later, Downey introduced a related measure, H.R. 3603. This measure was referred to Committee on Ways and Means, with no further movement to date. No action has been taken in the Senate. Tax legislation has taken first priority.

NACo POLICY: NACo supports a modification of P.L. 96-272 to strengthen the ability of counties to operate in-home care family preservation programs. Additionally, it supports funding sufficient for states and counties to implement programs that protect children from abuse and neglect. NACo opposes proposals that would place an administrative cap upon the Title IV-E program as an unwarranted shifting of costs to states and counties.

Assembly Joint Resolution No. 12

RESOLUTION CHAPTER 76

Assembly Joint Resolution No. 12—Relative to federal child welfare and foster care programs.

[Filed with Secretary of State August 26, 1991]

LEGISLATIVE COUNSEL'S DIGEST

AJR 12, Bronzan. Federal child welfare and foster care programs.

This measure would request the President and Congress to review and update provisions of the federal Adoption Assistance and Child Welfare Act of 1980 and to support provisions that (1) strengthen the ability of states to operate family preservation programs, (2) encourage the development of family preservation programs, as specified, (3) provide for a 90% federal match under Part E of Title IV of the Social Security Act, and (4) provide respite care for foster parents.

WHEREAS, The Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272) has been in effect for over a decade; and

WHEREAS, The number of abused and neglected children being placed in out-of-home care for their protection is increasing; and

WHEREAS, Existing family preservation programs initiated by California show great benefits and cost effectiveness; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature hereby respectfully requests the President and the Congress of the United States to do all of the following:

(a) Review and update provisions of the federal Adoption Assistance and Child Welfare Act of 1980 (P.L. 96-272).

(b) Support provisions that strengthen the ability of states to operate family preservation programs that result in a reduction of the need for out-of-home placements utilizing funding provided under Part E of Title IV of the Social Security Act (42 U.S.C. Sec. 670 et seq.) for the placement of children;

(c) Support provisions that encourage the development of multifaceted, broad-based, family preservation programs combining features of juvenile justice, mental health, and social service programs;

(d) Support provisions that provide for a 90 percent federal match under Part E of Title IV of the Social Security Act (42 U.S.C. Sec. 670 et seq.) for the planning, development, and installation of statewide automated child welfare data-processing systems;

(e) Support provisions that provide respite care for foster parents to ~~assist~~ them in meeting the needs of children who are victims of

substance abuse or have special medical needs, and be it further

Resolved. That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Governor, to the Secretary of the State Health and Welfare Agency, to the Secretary of Child Development and Education, to the Director of the State Department of Mental Health, to the Director of the State Department of Social Services, and to the Director of the Department of the Youth Authority

PREPARED STATEMENT OF REPRESENTATIVE TOM DOWNEY

I would like to express my sincere appreciation to the Chairman, Senator Bentsen, for allowing me the opportunity to come before you today to testify on this most vital issue to our nation's children and families.

I would also like to commend the Chairman for his exceptional work on this issue and for his fervent efforts to pass his bill, S. 4. The Senator's bill is very similar to my own, both in its substance and in its goals. You, Mr. Chairman, are key to the enactment of family preservation legislation, and I am confident that if the Senate Finance Committee were able to move their bill, the Ways and Means Committee would be spurred to action as well. I would also like to thank the Chairman for holding these hearings today in order to further explore the issues surrounding family preservation.

One year ago this month I introduced the Family Preservation Act, a bill designed to enable government to meet its growing responsibilities to strengthen and preserve families. The Family Preservation Act would address urgent and substantial resource needs at the State level, encourage State and local innovation in establishing programs designed to keep families intact and prevent expensive foster care placements. Under the bill, the title IV-B program would be converted from an authorization to a capped entitlement, at substantially increased funding levels. The bill also would increase funding and make improvements in the title IV-E foster care and adoption assistance programs, in recognition that quality foster care and adoption assistance will always be needed for some children and that family preservation is not realistic for every family. The bill would also substantially increase funding for the title XX Social Services Block Grant.

At a time when the country is replete with queries about the national debt, and a balanced budget amendment is discussed as a possible political reality, you may wonder how I can sit before you today and unequivocally call for increased Federal spending. The answer is that I know the dismal status of our current child welfare system, and I know that if we don't reverse the downward spiral soon, we are going to face immense social and economic costs in the years to come.

Growing social problems have placed insurmountable demands on State and local child welfare systems. High poverty rates, increasing family breakup, AIDS and the crack cocaine crisis have combined to substantially increase the need for social and support services. For example, between 1980 and 1991, the number of reports of child abuse and neglect tripled, from 900,000 cases in 1980 to 2.7 million cases in 1991. Since 1985, the number of children in foster care increased by nearly 50 percent, to 407,000 children in 1990.

The system designed to protect children and families in crisis is now facing a crisis of its own. Child welfare agencies in many cities are overwhelmed by the increasing numbers of children needing attention and the multitude of problems which many of these children face. Staff shortages, shrinking numbers of foster family homes, overloaded family court dockets, and cutbacks at all levels of public spending for social services such as substance abuse treatment and mental health services have placed a strain on child welfare agencies that ultimately hurts the children these agencies are designed to protect.

In response to these pressures, and with very limited resources, some States and localities have demonstrated that children and families in dire circumstances can be supported and preserved. Despite the bleakest of environments, many families have resources that can be marshalled and strengthened with some outside support. In the face of severe budget constraints, some States are betting that investments

in family preservation programs will not only serve children and families well, but also will yield a budgetary return. This is the goal behind the Family Preservation Act—to keep existing families together whenever possible and to avoid the costly and often ineffective placement of children into foster care.

Witnesses before the Subcommittee on Human Resources have testified during the past year regarding the effectiveness of family preservation programs in various States. On average, 80 percent of families in intensive family preservation service programs have remained together at least one year after intervention ended. In Denver, 93 percent of families participating in intensive family preservation services were intact six months after participation, and 83 percent were together one year after receiving services. Family preservation projects in areas of New York City with the highest rates of foster care placement have avoided placement in out-of-home care for 300 children since December 1991. During the first year of a program in Los Angeles serving 300 children, there were no new allegations of child abuse or neglect, and 95 percent of the children remained with their families.

Many of my colleagues on the other side of the aisle favor a bill introduced by Congresswoman Nancy Johnson, a fellow member of the Human Resources Subcommittee. While I commend Mrs. Johnson and her cosponsors for their thoughtful proposal, I believe that the Johnson Child Welfare Bill is clearly insufficient to meet the urgent needs within the current child welfare system.

First, based on the assumption that foster care growth is slowing down, the Johnson bill would cap title IV-E administration and training money over the next five years. While I recognize and applaud the desire to exercise fiscal responsibility, the States are in desperate need of financial resources, and capping IV-E monies would only hinder their ability to meet their child welfare demands. Even if current projections are correct and the growth rate in foster care begins to moderate, States tell us that the children now entering care are more troubled and more difficult to serve than foster children in earlier years, and they require a greater level of resources. There is simply not a dollar-for-dollar connection between the number of children in care and the resources needed for placement services, administration and training. Further, we should be very wary of relying too heavily on five-year projections in the child welfare area. Five or six years ago, few people predicted that Federal foster care spending would have increased almost four-fold by now, or that children entering foster care would have increased by 50 percent. In addition, if we are going to begin capping entitlement programs, why should we begin by capping resources going to our youngest and most fragile citizens?

Second, the Johnson bill is said to greatly increase State flexibility in how IV-E dollars are spent. The Family Preservation Act, in fact, provides similar flexibility by building upon the title IV-B program, which already is an extremely flexible statute. Further, the Family Preservation Act increases funding for title XX, the Social Services Block Grant, which provides maximum flexibility for States.

Third, the Johnson bill was designed to reduce paperwork and administrative detail by placing a two-year moratorium on section 427 reviews and IV-E fiscal reviews. While I sympathize with the desire to eliminate unnecessary paperwork and Federal interference in State activities, I believe the Federal Government has an obligation to make sure children in foster care are protected and to monitor State compliance in this area. H.R. 3603 recognizes that there are problems with the existing system of section 427 reviews and title IV-E financial reviews. However, H.R. 3603 would replace the current system with a new integrated review process that has been carefully developed and would provide States with both the incentives and the technical assistance to improve their programs. On the other hand, the Johnson bill would result in virtually no Federal compliance reviews for two years, while waiting for an advisory commission—with a very vague mandate—to develop something new.

In the wake of the Los Angeles uprising, many have discussed the possibility of incorporating family preservation legislation into an urban initiative. The Subcommittee on Human Resources recently held a hearing on the extent to which the Family Preservation Act would address urban America's need for social services to strengthen families. The witnesses at the hearing articulated that the problems facing adults in urban America—poverty, violence, substance abuse, homelessness, unemployment, and the lack of a social services infrastructure—are particularly devastating to the children who grow up in an environment of turmoil and insecurity. Child welfare workers today must address the increasing needs of drug-exposed children, children with AIDS, abandoned children, and children and adolescents with severe emotional disturbances. For example, between 1986 and 1989, referrals of drug-exposed infants increased by 268 percent in New York City, 342 percent in Los Angeles, and by 1,735 percent in Chicago. The Family Preservation Act would be

a significant step in providing the resources necessary to address the urgent needs in America's cities.

The anthropologist Margaret Mead once said that "there is no greater insight into the future than recognizing when we save our children, we save ourselves." The first step in saving our children is protecting our most vulnerable and fragile children—those who have been left without the secure home environment of a loving and stable family. Indeed, there could be no greater goal of government than to defend those who are too young and too weak to defend themselves.

Again, I would like to thank the Chairman and the members of the Finance Committee for allowing me the opportunity to testify before you today. In the weeks ahead, I will be working with my House colleagues on possible ways to reduce the overall cost of the Family Preservation Act, while maintaining its essential goals, and to identify appropriate revenues to pay for these necessary services. While I agree that budget deficits jeopardize the future of our children, the crisis of child abuse and neglect is a far greater threat to many children's lives today. I believe the Family Preservation Act, and Senator Bentsen's S. 4, are reasonable and responsible approaches to the problems facing vulnerable children and families, both now and for the future.

PREPARED STATEMENT BY SENATOR DAVE DURENBERGER

First of all, I would like to thank the Chairman for convening this hearing and for his ongoing leadership on an issue which is so vexing to our communities back home.

He has gathered a distinguished panel of witnesses and know we are all looking forward to their unique experiences and thoughts on the important issues involved in child welfare reform.

Surely, the issues of child welfare, foster care, child abuse and neglect, and families at imminent risk of dissolution are among the most pressing and serious challenges facing this nation.

How we as legislators address these issues requires a policy debate which carefully analyzes the complicated and pressing nature of the problems.

These are not issues that fit nicely into 30 second sound bites, or into slogans on placards or bumper stickers, or into speeches that assign blame to stereotypes or fictional characters.

These are issues that help define the proper role of government, that help set priorities, that make difficult choices between solutions applied by well-meaning professionals that, despite our very best intentions, oftentimes don't work.

For whatever we in Congress think about the effectiveness of welfare for adults, children who have absolutely no control over their circumstances must be treated with the utmost care and sensitivity by all those who make decisions effecting them from Congress, to the Administration, to state and local governments, to the non-profit sector, and to individual communities, neighborhoods and families themselves.

As is true in Texas and Oregon, and all of our home states, there—is a great deal of interest in these issues on the part of Minnesotans.

In the past few months, I have spoken with many Minnesotans in the child welfare arena, the majority of whom support the Bentsen proposal.

And, although I have not cosponsored S. 4, I am supportive of many of the goals of this bill including its emphasis on preservation of families, early intervention, and preventative treatment.

Since no one has proposed a funding source for S. 4 however, I am concerned about its cost and the open-ended commitments made by any new entitlement. But, I believe there are many important contributions being made by the legislation and I again compliment our chairman for his leadership in putting this matter before us.

I also want to thank the Administration for addressing these complex issues and for providing an alternative to S. 4. As I said before, I think it is important that we all be thinking about these issues and I am pleased that the President has joined this debate.

No issue as complex and controversial as how best to preserve and protect families and children will be addressed without the active direction and leadership that only a President can offer.

I must say, however, that I have serious concerns regarding some parts of the Administration's proposal. At a time when most states are seeing a dramatic increase in the number of difficult to place children they serve in foster care, it does not seem a wise course to me to cap costs which directly serve children.

So, I am looking forward to working with my colleagues on both sides of the aisle, with the Administration, the people represent back home as we craft legislation that is bipartisan, that can be enacted and signed this year, that reflects the fiscal and budgetary realities we have too long ignored, and that addresses the complex issues we are about to hear addressed by our witnesses here today.

America's families and especially those children who are most at risk in America's families are demanding that we do nothing less. Thank you Mr. Chairman.

PREPARED STATEMENT OF MARIAN WRIGHT EDELMAN

Mr. Chairman, and members of the Finance Committee, I am Marian Wright Edelman, President of the Children's Defense Fund (CDF). I am appearing this morning on behalf of a broad coalition of national organizations, co-chaired by CDF and the Child Welfare League of America (CWLA), that has been working hard these past three years to develop and secure critically needed reforms to benefit some of our country's most vulnerable children and their families. The coalition appreciates your invitation to testify today and to lend our support to efforts to ensure that major child welfare and family preservation legislation is enacted this year.

The breadth of our coalition exemplifies the breadth of support that exists for making immediate investments to strengthen and preserve families and to shore up our failing child protection system. Groups like the National Association of Social Workers, American Association for Protecting Children, the National Association of Homes and Services for Children, the National Foster parent Association, the North American Council on Adoptable Children, the American Bar Association, as well as the American Federation of State, County and Municipal Employees and Service Employees International Union, have seen first hand the devastation that results when early investments are not made on children's behalf. Others too, including the Association of Junior Leagues, Catholic Charities, the American Jewish Committee, the National Urban League and the National Black Child Development Institute, know the benefits of preventive investments for children and their families.

There is a strong consensus among these organizations and many others that have long served and advocated for our most vulnerable children and families that the crises facing many families and children today have never been worse and that the child welfare system is severely overburdened and in crisis itself.

As Congress seeks to find ways to address the crises facing our cities and our nation, we urge you to make provisions to strengthen and preserve families and protect children a central piece of any urban package. The crises in our cities threaten families' economic stability, their health, their basic survival and the futures of their children. Perhaps no fact tells us more clearly that something is badly awry in American society than that, in 1991, every 12 seconds an American child was reported abused or neglected. When families cannot function for their children in their nurturing, caregiving and educational roles, then ultimately the larger community will not function either. If we truly want to strengthen our cities, we must take steps to strengthen our families. The coalition I am representing today is depending on you to turn all the strong, impressive rhetoric we have been hearing about the importance of families into a new reality that will promise families the supports they need to nurture and protect their children. The Urgent Crisis

The crisis is urgent. Growing child poverty, unemployment, homelessness, and substance abuse and its attendant violence, are ravaging families and communities, and victimizing our children. Many families get little help, if any, before problems intensify and their children end up at the door of the child welfare system—or eventually the juvenile justice system, or the adult criminal justice system. Too frequently, in looking at the bigger picture, we forget that it is our child protection and child welfare system that is expected to pick up the pieces after our economic, health, and education policies and programs have failed families. The pressures on the system are increasing dramatically.

INCREASING CHILD ABUSE AND NEGLECT

Nationwide, child abuse and neglect reports increased 31 percent between 1988 and 1990. In 1991, according to a survey by the National Committee for the Prevention of Child Abuse, an estimated 2.7 million children—42 out of every 1,000 American children—were reported abused and neglected.

- In New York City in 1991, a child was reported abused and neglected an average of every six minutes; reported cases of child abuse and neglect almost tripled in the past decade.

- In **Utah**, the number of children involved in child abuse and neglect investigations increased 19.4 percent between 1990 and 1991. In **Texas**, child abuse and neglect reports increased by more than 41 percent between FY 1988 and FY 1991.
- Of the more than 9,000 children with substantiated cases of maltreatment in **Minnesota** in 1990, 45 percent were victims of neglect and abandonment, frequently suffering from lack of safe and habitable housing.

GROWING SUBSTANCE ABUSE PROBLEMS

Growing parental substance abuse is a primary factor in these escalating reports of abuse and neglect. *Children at the Front: A Different View the War Alcohol and Drugs*, a report of the CWLA North American Commission on Chemical Dependency and Child Welfare, details the devastating impact that substance abuse is having on children and their families. With over 4.5 million women of child-bearing age current users of illegal drugs, children are too often the innocent victims. The Commission reported that an alcohol or drug-exposed infant is born every 90 seconds in the United States.

AN OVERLOADED CHILD WELFARE SYSTEM

The overload on the child welfare system, resulting from these increased demands, is perhaps best illustrated by burgeoning out-of-home caseloads. An estimated 407,000 children were in foster care in 1990, an almost 50 percent increase since 1986, and children needing care have a multitude of problems, posing special challenges for caretakers.

- **New York, Illinois and Michigan**, have all reported increasing numbers of infants entering foster care. In **New York and Illinois** the number roughly doubled between 1984 and 1989. In **California**, 4,400 infants were in foster care in 1989, an increase of 235 percent from 1985.
- The **Rhode Island** Department for Children and Their Families reports that almost half of the families with children in care have serious alcohol and/or drug involvement. In **Minnesota**, despite the high correlation between chemical dependency and neglect, the state has seen a drop in the number of treatment places available for mothers with minor children.
- CWLA's National Commission on Family Foster Care reported that as the demand for foster homes for children with complex needs is growing, the number of available foster parents has declined over 30 percent since 1984. The National Association of Homes and Services for Children hears repeatedly from its residential programs in **Texas, New York, Michigan** and other states, that are being asked to care for children who come to them from 10 or 12 failed placements.
- The crises in the system also prevent children from moving to adoptive families when appropriate. An April 1992 report of the Binsfeld Commission on Adoption in **Michigan** reported that 20 percent of the children in care in the state are awaiting adoptive planning or placement. The North American Council on Adoptable Children reported to Congress last year that as of January 1991, less than one percent of the nearly 80,000 children in foster care in **California** were children who are legally free for adoption and for whom adoptive homes are being sought.

OVERBURDENED STAFF AND COURTS

Unmanageable caseloads and poor staff supports jeopardize the system's ability to obtain and retain the qualified staff necessary to meet appropriately children's needs. Courts are overloaded too. As a result, children are in jeopardy.

- The National Association of Social Workers reports that inadequate supervision, training and support, overwhelming responsibilities, poor working conditions (including concerns about personal safety), and noncompetitive salaries have resulted in high rates of staff turnover and enormous vacancy rates. Workers, the vast majority of whom have no formal social work training, may be responsible for upwards of 70, 80, 100, or in the **District of Columbia** as many as 250 children, each.
- Courts are responsible in most jurisdictions for determining when placement outside the home is necessary, periodically reviewing the care children receive, and freeing children for adoption. Yet, judges today may be expected to review as many as 100 cases in a day, meaning that few cases can receive the careful attention they deserve. In **Rhode Island**, there was a 90 percent increase in

cases filed between 1982 and 1989—without a comparable expansion of judicial and court personnel. Between 1984 and 1990, the **New York Family Court** and the **Michigan Probate Court** reported increases in cases filed of 157 percent and 316 percent respectively.

CRITICAL STEPS TOWARD REFORM

There is a strong consensus not only about the urgency of the crises facing children and families and the systems charged with meeting their needs but also about the steps that must be taken to address these problems. Coalition participants agree that enhanced federal support is urgently needed to: Strengthen and preserve families and prevent their unnecessary separation; Improve the quality of out-of-home care; Enhance adoption assistance; and Strengthen service delivery through enhanced staffing and training, and court improvements. We have worked closely for over three years to develop and reach broad agreement on about 30 specific proposals for federal reforms directed to these goals. The recommendations grew out of our pooled knowledge of what is working in states and communities and a brokered understanding of the types of reforms that will help yield real change for our most vulnerable children and families.

Children in the child welfare, mental health, and juvenile justice systems have similar needs and the systems are seeking similar reforms. Some of the coalition's reform proposals have already been passed by Congress, or are being moved forward now by other Committees. Many of the recommendations, however, are addressed by the reforms in S. 4, the Child Welfare and Preventive Services Act, and in H.R. 3603, the Family Preservation Act.

This morning I would like to outline briefly four major principles which emerged from the work of the coalition, which we ask you to use to guide the Committee's work as you prepare for action on S. 4.

- *First, the growing crisis in child welfare will not abate until additional resources are provided at the federal level to strengthen and support families:*

There is a strong consensus within the coalition that the status quo is unacceptable and that much more must be done to help families before crises intensify and separation of children from their families becomes the only alternative. States, particularly given the fiscal pressures they now face, cannot fully implement a system of innovative family-centered services, ranging from informal family support centers to the more intensive family preservation services, unless they are ensured new funds for this purpose. These front end investments are essential to enable more families to make better choices for their children, and to nurture, support and protect them. They can help many families avoid the need for more intensive services later on. They will also help reserve scarce placement resources for children who really need out-of-home care and ensure greater attention to their special needs.

The coalition recommends new entitlement funds for family support and family preservation, based on 12 years of experience in observing, often on a firsthand basis, the implementation of the reforms incorporated in the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272. Public resources for programs to support and preserve families have fallen far short of the need. For example, funding for the Title IV-B Child Welfare Services Program has been held to about a six percent increase in real dollars since 1981 (without accounting for caseload growth) and remains frozen at its 1991 funding level, despite the fact that reports of abuse and neglect increased over 150 percent during the past decade.

New funds for front-end services, and for reunification and after care services to help preserve families that are reunited, are critical to support and strengthen families. They also are critical if states ever are going to be able to slow the growth in out-of-home care expenditures that states from coast to coast have experienced.

Family support programs help parents with young children better care for their children and can prevent abuse and neglect. In **Oregon**, the Children's Trust Fund teen programs, which provide home visiting, parenting education and other supports, have reduced the likelihood that children in the families would be abused or neglected by an estimated 80 percent. **Hawaii's** statewide home visiting program, targeted on at-risk families with infants, had a 99.7 percent success rate in preventing abuse.

More intensive family preservation programs are being implemented in communities in about 32 states, and in about half of these, including **Illinois, Iowa, Kentucky, Michigan, Missouri, New Jersey, New York** and **Tennessee**, efforts are underway to establish these programs on a statewide basis. Federal support is needed to expand and sustain such efforts. The goal of intensive family preservation services for families whose children are at imminent risk of placement is to "remove the risk, not the child." Caseworkers respond to families within 24 hours of referral;

they see only two to three families at one time for about six weeks; they are available to families around the clock and work in the family's own home. They ensure that the child is protected and do whatever is necessary to help the family resolve the crisis at hand and get hooked up with necessary services and supports.

Although it is too soon to document conclusively, there is evidence that intensive family preservation services can keep children safe and families together and reduce the pressure on the foster care system. In Michigan, for example, their Families First Program has had an impact on new foster care placements in the counties where it is operating. New foster care placements rose by 28 percent between September 1988 and September 1990 in counties without Families First, but declined by 10 percent in counties with the program. The state estimates that without Families First, between 904 and 1,532 more children would have been in foster care on September 30, 1990, at a cost to the state of between \$9 and \$15 million.

- *Second, improvements in the quality of out-of-home care for children whose families cannot be preserved are also critical*

As we seek to increase family support and family preservation services, we must also ensure enhanced support for improving the quality of out-of-home care for children whose families cannot be preserved. Increasingly foster parents are being asked to care for children with special physical, mental and emotional problems whose care demands not only new skills but intensive support and supervision. Federal support for respite care for foster parents caring for children born drug exposed, children with HIV infection, or children who have been sexually abused, will help significantly in the recruitment and retention of foster families to care for these children. Improvements are also needed to address barriers to the adoption of children with special needs, particularly children with genetic or social histories indicating a high risk of physical, mental or emotional disabilities that are likely to appear after the adoption is finalized. Post-adoption services, as the state of Texas has recognized, are also critical to preserving adoptive families. For older youths in care who do not go home or to adoptive homes, continuing assistance is needed to help them live independently when they leave care.

- *Third, to ensure that program improvements in the areas of family support and family preservation or quality out-of-home care will actually benefit children, and reform package must strengthen staffing and training and encourage other enhancements in service delivery*

Absent a pool of qualified staff who are trained and supported, service expansions and system improvements inevitably will be hampered. At least some first steps must be taken to address staff recruitment, retention and training issues. Court improvements also are essential if children are to be protected and served appropriately.

Opportunities for enhanced interagency collaboration and program coordination must also be a part of a comprehensive child welfare reform package. Child welfare, mental health and juvenile justice organizations in the coalition see a need not only to address the crises at hand but to explore what broader changes can be made to ensure that families are strengthened and that quality out-of-home care is available for children who need it. The reforms enacted this year should help give us answers that can instruct later system reforms and enhance cross-system efforts on behalf of children and families.

- *Fourth, protections for individual children and families must be maintained*

It was clear throughout the coalition's debate and negotiations about reforms needed in child welfare that there is consensus about the importance of ensuring that children are assured basic protections so that programs and services are consistent with whatever special needs they may have. Accountability for individual children and families must be preserved.

S. 4 takes important steps to protect some of the most vulnerable children and families in this country. These children and families are counting on you to get them help this year. They cannot wait. You cannot afford not to act. The Children's Defense Fund and the Child Welfare League of America and other members of the coalition look forward to working with you. Thank you.

Attachment.

February 19, 1992.

Dear Senator/Representative: In every state, an increasing number of infants, children ad families face crises of unparalleled dimensions, while the child welfare system designed to help them is collapsing under burgeoning and complex caseloads. Comprehensive child welfare legislation is urgently needed to protect the safety and development of our children and preserve ad strengthen our families.

The following organizations strongly endorse two comprehensive child welfare bills now pending in Congress—S. 4, the Child Welfare and Preventive Services Act, sponsored by Senator Lloyd Bentsen; and H.R. 3603, the Family Preservation Act, sponsored by Representative Thomas Downey. While not identical, both bills recognize the crises facing our most vulnerable children and families and take essential steps to strengthen the ability of child welfare systems to help them.

We urge you to co-sponsor S. 4 or H.R. 3603, and actively support final enactment in 1992 of comprehensive child welfare legislation that most appropriately meets the needs of children and families.

Sincerely,

Adoption Exchange Association; Adoptive Parent Support Organization; American Academy of Child and Adolescent Psychiatry; American Association for Marriage and Family Therapy; American Association of Psychiatric Services for Children; American Federation of State, County and Municipal Employees; American Humane Association; American Jewish Committee; American Psychological Association; American Public Welfare Association; American Society for Adolescent Psychiatry; American Youth Work Center; Association of Junior Leagues International; Behavioral Sciences Institute; Black Administrators in Child Welfare; Catholic Charities USA; Child Welfare League of America; Children Awaiting Parents; Children's Defense Fund; Council of Jewish Federations; County Welfare Directors Association of California; Family and Child Services of Washington, D.C.; Family Resource Coalition; Family Service America; General Federation of Women's Clubs; Girl Scouts of the USA; Hunter College Center for the Study of Family Policy; Jewish Federation of Metropolitan Chicago; Juvenile Justice Trainers Association; Mental Health Law Project; National Association for Family Based Services; National Association of Community Mental Health Centers; National Association of Counsel for Children; National Association of Counties;¹ National Association of Foster Care Reviewers; National Association of Homes and Services for Children; National Association of Social Workers; National Black Child Development Institute; National Center for Clinical Care Programs; National Committee for Prevention of Child Abuse; National Council of Community Mental Health Centers;¹ National Court Appointed Special Advocate Association;¹ National Exchange Club Foundation for Prevention of Child Abuse; National Foster Parent Association; National Mental Health Association; National Network of Runaway and Youth Services; National Urban League; New Jersey Foster Parents Association; North American Council on Adoptable Children; Parsons Child and Family Center; Service Employees International Union; Society for Behavioral Pediatrics

PREPARED STATEMENT OF CHARLES E. GRASSLEY

Mr. Chairman, I appreciate your making this opportunity for a hearing today on a vital issue to our communities, our states and this nation. We hear stories every day of children who are in difficult, often destructive homes, and we are challenged to find creative solutions to these difficult issues.

While the Nation has been focussed on the recent violence in Los Angeles, many of these children live with violence on a daily basis, yet often go unnoticed because they are not the lead story on the evening news.

Our goals in all we do concerning these challenging issues should be the best interests of the child and the preservation of the family.

Sometimes these two goals seem at odds with one another, which is why we must consider creative and innovative solutions that open avenues of change for children, families & communities.

In Iowa, a recent study shows a snapshot of the foster care population: 56% are between the ages of 16 and 18; 16% are between the ages of 7 and 12. It is reasonable that the age of the child will affect the kind of care needed and the extent of that care.

Iowa has some innovative solutions to the needs of our children such as a family preservation program known as a "home builders model." It provides intensive services for 6 weeks to deal with families in crisis and provide assistance through counseling and other forms of intervention.

I am looking forward to reviewing the remarks of our experts here today as I consider this important legislation. I want to support legislation that provides more op-

¹ Support added after letter sent on February 19, 1992.

portunity for states like Iowa to explore creative solutions to the challenges that are before our families, states and Nation.

PREPARED STATEMENT OF SENATOR ORRIN G. HATCH

Thank you, Mr. Chairman. I am pleased to be here this morning, and I commend the Chairman for his efforts to improve our child welfare system with the introduction of S. 4, the Child Welfare and Preventive Services Act.

I am interested to learn from our panelists today how we can improve services to the over 400,000 children in foster care, keep families together where possible, and expedite the permanent placement of children into a caring home. The problems that create the need for these services are complex and heartbreaking. We are all alarmed by the number of reported incidents of child abuse and neglect, the increasing rate of substance abuse among parents, and the number of children in foster care.

I am pleased that our House colleague Congresswoman Nancy Johnson will be here today. We have together introduced a bill that we believe will allow the states the additional flexibility they need with the funds they receive for administration and training.

Again, I commend the Chairman for his leadership in this key area and look forward to working with him on what is truly a bipartisan issue.

PREPARED STATEMENT OF CHERYL D. HAYES

Good morning. Mr. Chairman and members of the Senate Finance Committee, I am Cheryl D. Hayes, Executive Director of the National Commission on Children. As you know, the National Commission on Children is a joint Congressional-Presidential body, established through legislation introduced by Senator Bentsen. It is chaired by Senator Rockefeller, and its 34 members were appointed in equal numbers by the President and both houses of the Congress. Our mission during the past three years has been to investigate the status of children and families in America and to offer proposals for public and private sector action over the coming decade.

In June 1991, the Commission reported its findings and recommendations to the President, the members of Congress, and the American people. In a landmark report entitled Beyond Rhetoric, the Commission presented the bold blueprint for a comprehensive, national policy for America's children and families. In all areas but health care, this diverse, bipartisan group reached consensus on the problems threatening our youngest citizens and their families, on the goals for fundamentally new and revised public and private sector policies and programs, and on the strategies necessary to achieve those goals. In this period of extreme and often paralyzing partisanship, I believe this consensus is truly astounding. And it is extremely promising, because it offers the concrete basis for real progress to improve the lives and prospects of this and future generations of Americans.

Throughout the Commission's travels across the country, face-to-face discussions with children and adults, and reviews of the relevant statistics, we encountered no more disturbing and shameful circumstances than those facing abused and neglected children. Like you, Mr. Chairman, we reached the inescapable conclusion that America's child welfare system is in shambles. Although the goals of family reunification and permanency planning established in the Child Welfare and Adoption Assistance Act of 1980 are as valid today as ever, our policies have done virtually nothing to reverse the tide of broken homes and troubled families.

The tragic truth is that our child welfare system is producing victims faster than it can save them. Growing poverty, urban decay and violence, family disintegration, and the epidemic of substance abuse -- especially crack cocaine -- since the mid-1980s have dramatically increased the number of children who suffer maltreatment and must be removed from their homes. Some are taken into state custody for their own protection; others are abandoned by parents who are too stressed and drained to care for them. These children are often very troubled and difficult to place. Many have significant health and developmental needs that require expensive, specialized care. In communities across the country, child welfare workers are overwhelmed by the exploding number of abuse and neglect reports they must investigate and hampered by the shortage of resources they need to help these needy children and their families. As a consequence, vulnerable youngsters are shifted endlessly from one foster home or institution to another. And through no fault of their own, they are effectively denied a permanent, stable family. "Protection" from abuse and neglect at the hands of their parents too often turns into an equally cruel form of abuse and neglect at the hands of the state.

The emergence of crack cocaine has been particularly devastating. It has dramatically changed the nature of drug abuse in America and the population who are affected. Increasingly children are the tragic victims. Because this highly potent and addictive drug is popular among women of childbearing age, many children suffer the lasting health and developmental effects of their mothers' drug use during pregnancy. They also suffer a double hit, because their parents' irritable and violent behavior very often leads to maltreatment. In communities nationwide in recent years, the evening news has been littered with horror stories of children who experience gross negligence and inhumane physical abuse at the hands of their drug abusing parents.

The long-term effects of crack use during pregnancy are not yet fully known. But we do know that children of addicted mothers are far more likely to be born too early and too small and too sick to have a good start in life. In Chicago, the members of the National Commission on Children visited the neonatal intensive care unit of the Cook County Hospital. There we saw 75 tiny babies -- many weighing less than two and a half pounds -- clinging to life by tubes and wires. If they were strong enough to cry at all, they wailed inconsolably and their little bodies trembled violently from withdrawal. Because of the miracles of modern medicine, most of these babies were expected to live. But they all face an uphill battle with health and developmental problems that will likely plague them throughout childhood and perhaps throughout life. The burden on their families is expected to be enormous. And undoubtedly many of their families, already fragile and troubled, will not be up to the task. The public burden for their care -- for health and mental health services, for special education, and for foster care -- will also be tremendous.

I am pleased to add my support to your efforts to gain passage of S. 4, the Child Welfare and Preventive Services Act, because it is so consistent with the recommendations of the National Commission on Children. We believe, as you do Mr. Chairman, that this nation absolutely must take immediate, dramatic steps to relieve the pressures and stresses that push too many families at all income levels to the breaking point. To do this, we really need to turn the existing child welfare system on its head. Right now the fiscal incentives are for states to place children in foster care rather than to provide the supports and services that can prevent problems and keep many families safely together. Too frequently, removing a child from his/her family is not a last resort. It is the first and only available step to address the needs of a vulnerable child and a deeply troubled family. This contradicts everything we know about healthy child development.

Accordingly, the National Commission called for a comprehensive, community-based approach to strengthening families and enabling parents to do a good and responsible job of raising their children. We recognize that some children and families will continue to need intensive protective services and interventions and that resources must be available to care for children and get families back on the right track when these emergencies occur. But we also believe that basic supports and services and early preventive intervention will reduce the need for many children to be removed from their homes. To achieve these ends, the Commission recommended a three-tiered approach that includes:

- community-based family support networks that offer any family in a community access and referrals to a broad range of supports and services;
- intensive, coordinated services that help children and families in need who voluntarily seek assistance in overcoming their problems;
- improved child protective services and family preservation for families in crisis that provide emergency care and family reunification, and expedite permanent placement when children cannot be safely reunited with their parents.

Among the most critical preventive services are programs for substance abusing pregnant women and parents. In many large urban areas, as many as 80 percent of all children entering foster care are the victims of their parents' drug abuse. Yet how often have we all heard the familiar laments about overburdened drug treatment programs that can't begin to accommodate the long lines of clients knocking on their doors or programs that have spaces but won't take a pregnant woman and can't provide child care for her other youngsters. Until we begin to address ourselves to the special needs of families affected by substance abuse, we will never make any substantial progress in reducing the rapidly rising numbers of children in foster care. And in the process, we must ensure that available resources are flexible enough to meet these families' multiple needs through an array of coordinated services rather than through narrowly targeted programs that address part but not all of their problems.

To enable states to provide and coordinate critically needed preventive services and eliminate any incentive to remove children unnecessarily from their families, the great majority of commissioners urged that Title IV-B become an entitlement. By converting Title IV-B to a capped entitlement and increasing the level of funding for preventive services, the Child Welfare and Preventive Services Act would take us a long way toward achieving this goal. It is this kind of bold action that is needed — to establish a federal policy framework and provide the necessary resources to states and communities and to encourage local communities and service providers to develop programs responsive to the needs of their own families and children. Therefore, I urge speedy enactment of this legislation.

PREPARED STATEMENT OF MARGARET HEAGARTY

Good morning, Mr. Chairman. My name is Dr. Margaret Heagarty. I am director of pediatrics at the Harlem Hospital Center in New York City, and a professor of pediatrics at the College of Physicians and Surgeons of Columbia University. It is a privilege to appear before you today formally on behalf of the American Academy of Pediatrics, whose 43,000 members are dedicated to the promotion of maternal and child health. At heart, of course, I am here on behalf of the untold (but burgeoning) numbers of women and children whose lives have been ravaged by substance abuse; on behalf of beleaguered health care and social service professionals in the trenches who are bound to confront the crisis; and on behalf of advocates across America who appreciate what continuing public and political neglect is doing to these vulnerable families.

Finally, I am also here to urge in the strongest possible terms that The Child Welfare and Preventive Services Act (S. 4) be passed promptly, replete with the strongest possible funding and the strongest possible statutory language in support of imperiled mothers and children. In the face of this crisis, it is already very late. Anything less would not only be too late—but much too little.

Mr. Chairman, I want to express to this panel the Academy's deep appreciation of your continued emphasis on these serious issues. As a nation, we have not yet begun to come to terms with our tragic proliferation of drug-exposed infants and children, but these hearings—and this legislation—offer real promise of progress.

For pediatricians that promise is critical. As we meet this morning, perhaps one of every 10 infants is exposed to illicit drugs during pregnancy. More and more infants are admitted to special-care nurseries for complications caused by their intrauterine exposure to drugs of abuse. It is heart-rending to see many of these babies with birth defects (as a result of Fetal Alcohol Syndrome, for example) or to watch others of them struggle through withdrawal from drugs. I come before you today to speak for these infants and children, but also for their unfortunate mothers. As a humane and compassionate nation, we must reach out now to these tragic young women afflicted with the problems of substance abuse.

The Academy understands that the most appropriate prevention of intrauterine drug exposure lies in the education of women about the hazards of drugs to the fetus, and to themselves. If this fails, effective drug treatment programs must be made readily available to pregnant women, and to women who are anticipating or who are at risk for pregnancy.

Admirably, S. 4 provides such coverage. You formally recognize that crack/cocaine and alcohol abuse (along with unemployment, poverty and homelessness, to go no further) are increasingly destroying families, victimizing innocent children and overwhelming an already embattled health care and child welfare system. Your legislation acknowledges that American families, under growing stress, receive little help or support in their struggle to care for their children.

The Academy applauds provisions in the pending legislation which would improve and expand the federal child welfare services program (IV-B) by adding a new capped entitlement component to assure increased funds for comprehensive substance abuse prevention and treatment programs for pregnant and parenting women, caretaker parents and their children. Significantly, these funds would support comprehensive programs directed at substance abuse prevention, treatment and follow-up. They would also provide for a range of important additional services, among them, prenatal, gynecological and pediatric care; parenting education; nutrition; home visitation; child care, and transportation. More specifically, any state at its discretion may provide such services as room and board at a residential sub-

stance abuse treatment facility for a qualified individual and, where appropriate, the individual's child.

Further, under S. 4, Medicaid-eligible pregnant women, caretaker parents and their children will be eligible for both medical services (funded through the Medicaid program) and non-medical services (funded through the new title IV-B program). Notably, the state may also use these new IV-B funds to pay for these non-medical services for other low-income pregnant women, caretaker parents and their children, regardless of their Medicaid eligibility.

Yet, for all its merit, Mr. Chairman, does S. 4 in fact offer sufficiently broad services at sufficient levels of funding to meet the need? Are we being honest with ourselves? To be sure, no measure with such sweeping child welfare aspirations can remain plausible today without having taken fundamental and far-reaching aim at substance abuse and its impact on families.

While the issues are everywhere urgent, the situation in New York City, where I practice, is particularly acute.

Our community has some of the most adverse health status and socioeconomic problems in the nation. Infant mortality rates and low birthweight deliveries are extremely high. Perhaps a million children of substance abusing parents live in New York State alone. Pediatricians, caught in the crossfire of this latest epidemic, continue to face two basic problems: (1) infants exposed to substance abuse in the prenatal period are at high risk for a host of medical problems, and (2) the mothers are often unable or unprepared to care for their children.

In response to these concerns, federal and state authorities—indeed all of us—simply must move more aggressively to support models designed to provide services to children who are exposed to drugs prenatally (1) to prevent abuse; (2) to increase the skills and understanding of both parents and foster parents who provide care for these children; and (3) to reduce developmental delays in participating children. Of course, the models must include a range of services designed to provide concrete assistance to these high-risk mothers and infants, including intensive medical evaluation and follow-up, parenting classes, home-based intervention and linkage to appropriate social service agencies in the community.

Programs with any hope for success in caring for these children and their substance-abusing mothers must be carefully tailored to meet the unique needs of this vulnerable population. Consider the following:

(1) There is a high incidence of multiple diagnoses among these mothers (e.g., drug dependency, AIDS, sexually transmitted diseases, psychiatric illnesses such as depression and borderline personalities). Effective interventions will require the incorporation of mental health principles and professionals into every aspect of the program.

(2) Centers caring for these infants and their mothers face enormous financial burdens. Based on the experience of most programs which care for such poor, undereducated, high-risk women and children, it is clear that the care is extremely complicated and labor-intensive. Unfortunately, the most critical services, those of nursing coordinators and social workers, are not routinely funded through the existing reimbursement process. But services by these professionals make a tremendous difference in terms of quality of care and ability to assure long-term follow-up.

(3) Most mothers (more than 95 percent) in this population are poor, inner-city, minority women who live in drug-infested neighborhoods without basic amenities which most of us consider among the bare necessities of life. Approximately one-third do not have a refrigerator; many have no telephone, and move frequently. Safe child care and transportation are major issues. Concern about the safe arrival of the public assistance check is real. Many of the mothers are "overprogrammed," i.e., obligated to attend parenting classes, undergo drug treatment, visit other children in foster care, and keep appointments for WIC, public assistance, housing, etc.

Most of the women have had late or no prenatal care, and therefore the paper work is not in place for their infants to be immediately placed on Medicaid or WIC. (There is generally a six- to eight-week lag, during which period the infant's nutrition is dependent on the mother's breast feeding without nutritional counseling or on her purchasing the formula herself—from her own meager funds.) In addition, a large number of women freely admit that they discovered their pregnancy late, beyond the time when they could have obtained a legal abortion, which many of these women say that they would have had. Even these women, however, clearly want to keep their infants once they are born.

A large number of these women, themselves victims of domestic violence, child abuse, prostitution or incarceration, are without hope and without goals. They have few social supports, unmanageable daily stress, and lives that are out of control. In the face of their overwhelming needs, they often need help just to use help. Tradi-

tional programs which offer services encumbered by bureaucracy, and which do not take into account the obstacles faced by these depleted families, are doomed to failure. We must understand that these women in dire need of help will not participate unless the service programs reach out to them, unless we help them to reach their own potential, unless we empower them to help themselves. **SUCCESSFUL PROGRAMS MUST MEET THESE FAMILIES MORE THAN HALFWAY.**

(4) Inpatient detoxification programs are traditionally geared toward drug-using males, and make no provision for mothers who must find emergency child care at a moment's notice. Very few inpatient programs today provide residential care for mothers with their children. Many women who have in the past been inpatients in drug treatment programs for acute detoxification state that the outpatient programs, following their hospitalizations, proved to be thoroughly unsatisfactory. And, of course, most drug treatment programs for Medicaid patients have such long waiting periods as to discourage anyone.

Mr. Chairman, I have not conveyed to you this morning an optimistic picture. While it is true that S. 4 formally recognizes the import of addressing substance abuse issues in promoting child welfare, it remains to be seen if the legislation effectively meets the need. My advice to you, in the time left before enactment, is to review the Child Welfare and Preventive Services Act carefully, to assess its capacity to genuinely reach your (and our) aspirations for maternal and child health, and to exert the boldest possible leadership in its behalf.

The Academy will continue to extend its full—and grateful—support.

[Submitted by Congresswoman Nancy Johnson]

RAPID RISE IN ESTIMATED CHILD WELFARE SPENDING, 1992-97

A.—ESTIMATED YEARLY SPENDING

[Billions of dollars]

1992	1993	1994	1995	1996	1997
1.058	1.298	1.551	1.789	1.973	2.158

B. TOTAL AMOUNT AVAILABLE TO STATES, 1993-1997

\$8.769 billions

C. TOTAL INCREASE ABOVE 1992 BASELINE, 1993-1997

\$3.479 billions

D. AMOUNT AVAILABLE PER STATE, 1993-1997—SEE ATTACHED

Note. OMB Estimates. Figures include estimated expenditures on IV-E Administration and Training for both Foster Care and Adoption.

STATE ALLOCATIONS UNDER
JOHNSON/HATCH CHILD WELFARE BILL

Estimated State-by-State Allocations of Proposed Comprehensive Child Welfare Services Grant.
Preliminary estimates based on expenditures for 1981 in claims already submitted and allowed. *1/*

Mar-82

State	Title IV-E Administration and Training Costs for 1981	Allocation (percent)	Proposed Child Welfare Services Grant				
			1983	1984	1985	1986	1987
TOTAL	828.5	100.0	1,288	1,561	1,788	1,873	2,158
Secretary's Discretion		1.0	13	18	18	20	22
Alabama	4.8	0.8	7	8	10	11	12
Alaska	2.8	0.3	4	5	6	6	7
Arizona	8.1	1.0	13	18	17	18	21
Arkansas	3.2	0.4	5	6	7	8	8
California	178.8	21.0	272	328	378	414	463
Colorado	3.8	0.4	6	7	8	8	9
Connecticut	12.0	1.6	20	28	27	30	36
Delaware	0.8	0.1	1	2	2	2	2
Dist of Columbia	2.4	0.3	4	4	6	6	6
Florida	21.3	2.6	38	39	48	50	56
Georgia	18.8	2.0	28	31	38	39	43
Hawaii	1.2	0.1	2	2	3	3	3
Idaho	1.0	0.1	2	2	2	2	2
Illinois	34.7	4.2	64	64	74	82	90
Indiana	8.3	0.8	8	10	11	12	14
Iowa	8.3	0.8	10	12	13	18	18
Kansas	6.8	0.8	10	12	14	15	17
Kentucky	20.0	2.4	31	37	48	47	62
Louisiana	12.4	1.6	18	23	27	28	32
Maine	2.0	0.3	4	6	6	6	7
Maryland	14.3	1.7	22	27	31	34	37
Massachusetts	14.6	1.8	28	38	32	36	38
Michigan	61.4	8.1	80	85	110	121	133
Minnesota	12.1	1.4	18	22	28	28	31
Mississippi	1.1	0.1	2	2	2	3	3
Missouri	11.9	1.4	18	22	28	28	31
Montana	2.0	0.2	3	4	4	6	6
Nebraska	3.4	0.4	6	6	7	8	8
Nevada	1.7	0.2	3	3	4	4	4
New Hampshire	3.1	0.4	6	6	7	7	8
New Jersey	8.9	1.1	14	18	19	21	23
New Mexico	3.8	0.4	6	7	8	9	9
New York	184.4	22.0	278	342	384	438	478
North Carolina	2.1	0.2	3	4	5	6	6
North Dakota	1.8	0.1	2	2	3	3	3
Ohio	38.8	3.9	61	61	70	77	86
Oklahoma	3.9	0.5	6	7	8	9	10
Oregon	7.1	0.8	11	13	15	17	18
Pennsylvania	38.2	4.6	69	71	82	80	88
Rhode Island	6.8	0.7	9	10	12	13	14
South Carolina	8.8	0.7	9	11	12	14	16
South Dakota	1.1	0.1	2	2	2	3	3
Tennessee	8.7	1.0	13	16	19	20	22
Texas	27.7	2.8	48	61	69	66	71
Utah	2.9	0.2	3	4	4	6	6
Vermont	3.9	0.4	6	6	8	7	8
Virginia	7.4	0.8	12	14	16	18	19
Washington	11.3	1.4	18	21	24	27	29
West Virginia	1.9	0.2	3	4	4	6	6
Wisconsin	14.2	1.7	22	28	30	31	37
Wyoming	0.4	0.0	1	1	1	1	1

1/ The proposal would allocate funds in 1983-1987 based on each state's share of expenditures for 1981 according to claims submitted as of March 31, 1982 and allowed as of July 31, 1982.

Final allocations could be significantly different from those estimated in this table if more claims are submitted before March 31, or if some disputed claims are resolved before July 31.

PREPARED STATEMENT OF GOVERNOR BRERETON JONES

Good morning, Mr. Chairman, members of the committee. My name is Brereton Jones, Governor of the Commonwealth of Kentucky and the Lead Governor on Child Welfare for the National Governors' Association. Thank you for the opportunity to

talk with you today on behalf of the nation's Governors, regarding child welfare and specifically the Child Welfare and Preventive Services Act (S. 4).

The Governors are eager to work with you and the other members of Congress to reform the child welfare program. We are encouraged by the thrust of this legislation and believe that it goes a long way toward improving a system that is currently in crisis.

I would like to commend you, Mr. Chairman, for your initiative in introducing this legislation. Because increasing numbers of our adults and children face the crises of poverty, unemployment, homelessness, inadequate health care, and substance abuse, it is more critical than ever that the policies and programs we design effectively preserve and protect families and their children in these tough economic times.

Unfortunately, the system upon which most Americans must rely to address the needs of our troubled families is an anachronism—a Model-T system struggling vainly to meet the needs of contemporary families. It's time to rethink and redesign that system. It's easy to talk about family values. We sprinkle references to them into our rhetoric. We pledge to promote these values in our party platforms. We even debate their presence or absence in our network TV programs. One thing I do know—it's not a "Leave It To Beaver" world anymore and many of today's kids live far from the safe suburban cocoon of Wally and the Beaver and the family values that we remember so fondly. In increasing numbers, today's kids grow up poor and homeless, and in families decimated by drugs and by alcohol. They live in single parent households headed by exhausted mothers or fathers struggling to make ends meet. They suffer physical and sexual abuse. They need help. We need a fresh approach. Your bill, combined with innovative methods already being tested in states such as my own, can go a long way toward mending broken families rather than throwing them away.

Let me tell you why the Governors see S. 4 as fundamental to the preservation of family values. When good families are in trouble, they help one another. They find the will and the way to weather the storm and stay together. That's what S. 4 enables the states to do. It provides new authority and flexible funding to develop and expand innovative services to strengthen families and to avoid unnecessary out-of-home placements for their children. These services, which include family preservation, reunification, and follow-up, will help us in our efforts to find creative ways to improve child welfare, foster care, and adoption assistance services. New funds will help us expand home-based services designed to prevent unnecessary out-of-home placements and to ensure that children and families are being served at the first sign of trouble, rather than waiting until it is too late.

Keeping families together should be the primary goal of the child welfare system. Unfortunately, statistics attest to a system that manages to do just the opposite. According to the American Public Welfare Association, out-of-home placements increased by 49 percent from the start of 1986 to the end of 1991. Although there may always be the need to remove some children from the home to protect them from a harmful situation, programs designed to preserve and strengthen families should be the focus of our attention and resources if the preservation and perpetuation of family values is to be fully integral in our child welfare system.

Since the mid-1980s, some states have moved to incorporate a "families first" philosophy in their child welfare programs. Kentucky is among the states that have been successful in preventing unnecessary out-of-home placements. We call it the Family Preservation Program and that is precisely what we do—anything and everything required to keep families together. In this four- to six-week program, we provide intensive family counseling and support services to families with children at risk of out-of-home placement. Specially trained staff are available to the families 24 hours a day. If parenting skills are a problem, we show Mom and Dad how it's done. If there are problems in the marriage, we counsel the parents. If unemployment is a problem, we help find jobs or provide training. We meet each crisis head on and lay a firm foundation to prevent its recurrence. It is simple. It is straightforward. It works. Preliminary statistics show an 85 percent success rate at the time of case closure and that 75 percent of those families are still together and functioning 16 months later. The program shows family values in action. And there is one added benefit—this approach saves money. We estimate that our state saved nearly \$2 million in reduced out-of-home placement costs for the 445 children we served in our Family Preservation project last year.

This type of innovation will flourish and programs such as Family Preservation will multiply if Washington helps provide the proper environment in which they can prosper. S. 4 makes great strides toward doing so. However, the Governors would like to offer a few suggestions that might further invigorate and accelerate the move toward family-based child welfare programs.

Since adequate federal support is critical, the Governors would ask that funds continue to be provided at the 75 percent match rate rather than the proposed Medicaid matching rate. Maintaining the current match will enable states to meet crucial demands on the system without placing a greater financial burden on state budgets that are already stretched too thin.

The Governors applaud provisions in S. 4 that allow children who were previously determined to be Title IV-E eligible to retain their AFDC eligibility in the case of disrupted adoption. This will enable states to ensure that these children receive the consistent services they need in such crisis situations. The Governors, however, take exception to the provision in S. 4 that would require states to submit IV-E reimbursement claims within one year instead of the current two-year claim period. This change could be administratively burdensome to the states and we can see no real benefit in this modification to current procedures.

Data collection is another area of the proposed legislation with which the Governors have some concern. Good systems automation will play a vital role in the successful development of a uniform, nationwide data collection system for adoption and foster care. The 90 percent federal match to develop and implement this system will be a boon to the states. However, the October 1, 1993, implementation date will be burdensome to states. The Governors would prefer that the 90 percent match be available for at least three years after the release of the final regulations. States should be encouraged to develop systems that meet our own needs as well as the federal requirements. An arbitrary time limit works against this worthwhile goal.

Further, we suggest that the enhanced match rate be extended beyond normal maintenance of the system to include changes resulting from new federal regulations or legislation. States should not carry the full responsibility for federally mandated system changes.

The Governors recognize that we cannot meet the complex and interrelated needs of our troubled families without coordination among agencies at the federal, state, and local levels. Child welfare agencies encounter many barriers when they attempt to streamline services. Some impediments have been created by the states, some by the federal government. Therefore, the Governors support the pilot projects offered in S.4 to improve coordination of services. But why limit the number of pilot projects? Let's make them available to all the states. Children and families should be able to enter the system through door available. If better coordination makes sense in any state, then it should make sense in all states.

Let's make a pact today between Washington and all Governors across our great nation to incorporate family values into the child welfare system. I can assure you that it works. We've seen it in Kentucky. Families who a decade ago would have been torn apart are together today—whole, functioning, and self-sustaining because we chose a family-based approach rather than the outmoded methods of the past. Today's families are the foundation upon which the America of the twenty-first century is to be built. We owe it to them—we owe it to their kids.

The Lancet • Saturday 1 March 1986

EPIDEMIC FREE-BASE COCAINE ABUSE

Case Study from the Bahamas

JAMES F. JEKEL DAVID F. ALLEN
HENRY PODLEWSKI NELSON CLARKE
SANDRA DEAN-PATTERSON PAUL CARTWRIGHT

Departments of Epidemiology and Public Health, Yale University, School of Medicine, New Haven, Connecticut, USA; Community Psychiatry Clinic, Nassau, Bahamas; National Drug Council, Nassau; and Sandilands Rehabilitation Hospital and Sandilands Hospital Drug Clinic, Nassau

Summary Beginning in 1983, a sharp increase was noted in the number of new admissions for cocaine abuse to the only psychiatric hospital and to the primary outpatient psychiatric clinic in the Bahamas. For the two facilities combined, new admissions for cocaine abuse increased from none in 1982 to 69 in 1983 and to 523 in 1984. Although there was some evidence for a rise in cocaine use during this time, as the drug became cheaper and more available, a primary cause of this medical epidemic seemed to be a switch by pushers from selling cocaine hydrochloride, which has a low addictive potential, to almost exclusive selling of cocaine free base, which has a very high addictive potential and causes medical and psychological problems. Although the use of free cocaine base is rising around the world, this is the first report of a nationwide medical epidemic due almost exclusively to this form of the drug, although similar problems are reported with smoking coca paste in South America.

Introduction

THE past decade has seen an increase in the use of cocaine in the United States and UK. This drug is not generally perceived as being as harmful as heroin.¹⁻³ However, data are accumulating to suggest that cocaine is, indeed, a very dangerous drug.¹⁻⁴

Data from the US National Institute on Drug Abuse point to a 91% increase in cocaine-related deaths between 1980 and 1983.⁵ Kleber and Gawin⁶ have suggested that certain drugs have a low proclivity for producing compulsive-addictive behaviour, so that, say, less than 15% of people using such drugs become addicted; examples are alcohol and marijuana.

At the other extreme are drugs such as heroin and nicotine that lead to a compulsive-addictive use pattern in most users. Cocaine may lie at either of these extremes, depending on the method of use.⁷ For example, nasal inhalation of cocaine ("snorting") or chewing coca leaves is unlikely to lead to addiction while smoking ("freebasing") or injecting ("shooting") the drug is. A switch in the pattern of cocaine use from snorting to freebasing could thus produce a big increase in the number of addicts without a change in the prevalence of cocaine use.

Some are talking now of a cocaine "epidemic" because use of the drug seems to be rising steadily.² It would be more accurate to talk of a "long-term secular trend" because "epidemic" suggests a sudden imbalance between the forces that promote and retard a disease. However, a change in cocaine use in the Bahamas does meet the criteria for an epidemic of cocaine abuse.

Our study was initiated by physicians in the Bahamas who were concerned about an apparent rapid increase in cocaine abuse in clinical settings. Several sources were examined retrospectively to see if this clinical perception of a recent large increase in cocaine-related admissions to psychiatric facilities was accurate.

Methods

The only psychiatric hospital in the Bahamas is the government-run Sandilands Rehabilitation Hospital (SRH) on New Providence. Patients are referred there from the other islands. In 1980, almost two-thirds of the Bahamian population lived on New Providence, most of them in Nassau. The other three hospitals in the Bahamas (two on New Providence and one on Grand Bahama) seldom accept drug abuse patients: they have few psychiatric patients.

The main community mental health clinic in the Bahamas is the Community Psychiatry Clinic (CPC) in Nassau. Most patients who do not go to private psychiatrists or other private physicians use the SRH outpatient services or the CPC. The two small government clinics in Freeport and Eight Mile Rock saw 47 cocaine addicts in 1984, only 14% of the total seen by Bahamian mental health clinics and only 9% of those seen at all government facilities. Drug abuse patients seen in emergency rooms are referred to SRH. Data from the CPC and the SRH on psychiatric cases provide a more complete picture than could be obtained in most areas of the world. Unfortunately, age and sex specific population data from the 1980

census were not yet available so we could not calculate incidence rates. However, because the population was stable over the period of this study, data on trends of new cases are almost as interpretable as rates. An incident case of cocaine abuse was defined as the first admission to the CPC or the SRH for cocaine abuse, even if other diseases were present. If the predominant drug in a polydrug user was cocaine, the case was considered a cocaine abuse admission.

Data Sources

The CPC publishes a monthly summary of cases. We focused on new patients. Alcoholism, non-cocaine-related drug abuse, and cocaine-related drug abuse were studied from the beginning of adequate records in 1982 up to June 30, 1985. Monthly admissions to the SRH were available for 1980-84 and these data indicated the number admitted for alcoholism and/or drug dependence (and whether or not cocaine was the primary drug) and distinguished first from repeat admissions. Admissions to CPC and SRH for alcoholism showed a slow, steady increase and will not be discussed further.

Drug abuse patients among the wealthy minority on the Bahamas will usually seek care outside the CPC or SRH (including the United States) and some cases on the family islands are treated by local physicians. However, there is no evidence of a change in the accessibility of care or the referral patterns in the Bahamas so changes in the pattern of new admissions reported here do reflect changes in the scale of cocaine abuse in the community. Some patients may have been admitted to both the CPC and the SRH, there being no central data system to exclude such duplicate entries. However, doctors who work at both places feel that overlap will have been very small. During the study period, only 4 drug patients admitted to the SRH were referred from the CPC. Likewise, in discussion with most of the few private psychiatrists on New Providence, it was clear that few of the Bahamian drug abusers they see are not referred to the CPC or the SRH. We conclude that the combined incidence data on new drug abusers from the CPC and the SRH cover most people in the Bahamas whose use of cocaine or other drugs caused problems severe enough for them to seek medical assistance.

Results

Community Psychiatry Clinic

The CRC opened in 1980 but new and returning patients were not distinguished in the clinic statistics until 1982. Fig 1 shows how quarterly numbers of new cocaine-related admissions have risen from none in 1982 to 299 in 1984, there being a probable decline in 1985. During the early phases of cocaine appearance in the CPC, some of the cocaine use may have been recorded only as "drug abuse" or "drug dependence", but the number of such cases would have been small. If the patient used several drugs (as most did), the drug that seemed to have precipitated the problems for which they sought help was recorded.

Drug abuse increased from 1% of the clinic's patients in 1982 to 9% in 1983 to 39% in 1984, and was 31% in the first 6 months of 1985. The big increase in 1984 was due almost entirely to cocaine dependence. Cocaine-related new admissions really began in the third quarter of 1983. New cases of depression and/or schizophrenia have been fairly stable over time, suggesting that the increase in drug patients was not primarily due to increased clinic awareness.

Sandilands Rehabilitation Hospital

SRH has a long tradition of treating acutely ill alcoholics and drug addicts from the whole of the Bahamas. 86% of the 1984 drug admissions were from New Providence.

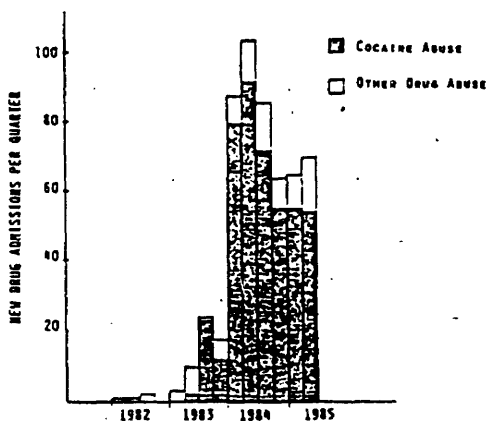


Fig 1—Incidence of new drug abuse admissions to the community psychiatric clinic, Nassau, Bahamas, 1982-85.

Although there were a few cocaine-related admissions during the first three quarters of 1983, a marked increase began in the last quarter of 1983. The number of first drug admissions for which cocaine was the primary cause increased sharply from 1 in 1980 to 224 in 1984 (Fig 2). The number of first admissions due primarily to other drugs was more stable. So great was the increase in admissions for cocaine abuse that recording of admission numbers became less complete after November, 1984; numbers for the last quarter of 1984 are estimated from those for October and November.

Often a patient would be admitted with drug abuse and symptoms suggestive of underlying psychiatric disease. Usually the paranoid, hallucinations, and so on were due to the drug use, so whenever cocaine or other drug abuse was indicated as being important, the patient was considered a drug admission.

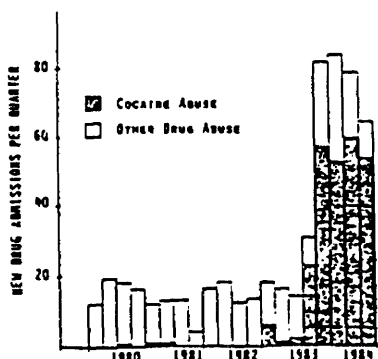


Fig 2—Incidence of first admissions for drug abuse, Sandilands Rehabilitation Hospital, Nassau, Bahamas, 1980-84.

Mode of Cocaine Use

Smoking (freebasing) accounted for 98% of cocaine-related referrals in 1984. Cocaine base (known in the Eastern USA as "crack") is produced when cocaine hydrochloride powder is treated with alkali. It is volatile with modest heating and is easily absorbed through the lungs and rapidly transmitted to the brain. Some experienced addicts made their own freebase cocaine in the early 1980s but most did not know how to do it or did not bother, and the predominant form used to be snorting. By 1984 the pushers were selling only the freebase form, smoked using a home-made pipe ("cigmoke"). When cocaine is smoked up to 80% of it reaches the brain, and the "rush" can begin in 8-12 s, producing a short period of ecstasy. This fleeting sensation is most powerful on the first use of cocaine and though addicts seek to repeat it the same sensation is not experienced again.

The most common pattern of usage varies from a few hours, during which time the user may consume 4-5 g cocaine, to a few days of intermittent use, usually over a weekend, during which time up to 10 g may be consumed. Most patients report using the drug at freebasing parties or "base houses".

Clinical Spectrum

Cocaine-dependent individuals usually seek help during or after some crisis, financial, social, medical, or psychological. For example, an addict whose money had gone might seek help on his own initiative or under pressure from family, friends, or employers. Others, who had had to steal to support the habit or whose addiction had made them violent, were referred by the courts.

The most common physical problems were seizures, severe itching ("the cocaine bug"), loss of consciousness ("tripping out"), cardiac arrhythmias, vertigo, pneumonia, gastrointestinal symptoms, and avitaminosis associated with severe malnutrition. Several addicts were referred from maternity wards.

The cocaine addicts often presented with severe depression, manifest by unkempt appearance, insomnia, anorexia, withdrawal, and suicidal ideation. There were at least 10 cocaine-associated deaths, 5 of which were suicides. Cocaine psychosis was common: the patient would present with severe agitation, impaired judgment, paranoid ideation, intense denial, violent behaviour, threats of suicide or homicide, and hallucinations. In periods of lucidity they would try to mislead the physician, and a relative or friend was needed to confirm the psychotic state.

Demographic Characteristics

For 1984, 81% of cocaine admissions to SRH were males and male drug abusers in general were aged 11-56 years (mean 25). Cocaine users tended to be slightly older than other drug users (26 vs 22.5 years). Female drug addicts were aged 15-39 years (mean 24 years). Almost all patients were Bahamian.

Other Forms of Surveillance

Most patients seen at the Sandilands Hospital drug clinic were referred after discharge from the SRH so data from this clinic were not included. About 60% of the patients seen were using both cocaine and cannabis, although it had usually been

cocaine that had precipitated the hospital admission. Neither suicide nor drug-related death is usually recorded on death certificates in the Bahamas so we decided not to use vital statistics as a surveillance method. Police statistics showed some increase in street drug arrests in 1984, but not of the magnitude suggested by the clinic and hospital admission data. In 1980-83 drug arrests averaged 1094 a year with no clear trend over time. There were 1501 arrests in 1984, an increase of 37%.

Discussion

In the Bahamas, data from public psychiatric services demonstrate an epidemic of cocaine abuse requiring medical care. Cannabis and alcohol were often used to control adverse symptoms from cocaine use. In early 1983 something—a major change in the incidence of new drug users, especially cocaine users, or in the method of use—upset the previous drug-use equilibrium, suddenly involving hundreds of people to seek treatment for complications of drug abuse.

The most obvious explanation is that cocaine was suddenly introduced to the islands or that its price fell. Former addicts, who were on cocaine in the 1970s, confirm that cocaine powder had been available, if expensive, for years, but that in late 1982 or early 1983 the drug suddenly became much more plentiful as production in South America increased. The street price of cocaine in Nassau fell to one-fifth of its former level.

Ex-addicts also told us that at about the time that cocaine became more plentiful and cheaper drug pushers switched from selling powdered cocaine ("snow") for nasal inhalation or injection to the pure alkaloid form ("rocks" or "freebase") which is used exclusively for smoking. It suddenly became very difficult to obtain powder in Nassau. By making this change, the drug pushers were forcing all cocaine users to become addicts. Many pushers are themselves addicts and have to sell the drug to feed their own habits. Selling freebase guarantees an eager market for the increasingly available cocaine.

Smith⁹ claims that an important reason for the increase in cocaine deaths in the San Francisco area was higher potency cocaine. Siegel¹⁰ reported that the recovery of cocaine free base from pure cocaine hydrochloride, using various street kits, ranged from 41% to 72% and, although the kits removed some of the adulterants, some lignocaine and ephedrine, for example, was often left with the cocaine. Ex-addicts indicated that the street cocaine powder in Nassau had usually been "cut" (diluted) about 50% before sale. Although we have no direct data about cocaine purity, the sources for the cocaine remained similar; nor is the extraction process perfect. Changes in levels of purity seem to be an inadequate explanation for our findings.

We conclude that the medical epidemic of cocaine-related physical and psychiatric problems in the Bahamas was related to the interaction of the availability of cheaper cocaine and a switch from powder to free base.

Monitoring the method of selling may be crucial both for Western nations, the targets of the cocaine market, and for developing nations such as the Bahamas via which the drug is shipped and those South American countries that produce it. We found surveillance of medical services to be a quick and effective way of monitoring some aspects of the drug situation in the Bahamas, and it could be in the self-interest of target nations to assist producer and trans-shipment countries not

only to control drug abuse but also to maintain an intensive surveillance system. As cocaine freebasing becomes more popular and particularly if the vending pattern switches to the freebase form (as is starting to happen in some US cities), emergency rooms, mental health clinics, and psychiatric hospitals will need to prepare for an unprecedented influx of drug addicts.

Supported in part by grant from Council for International Exchange of Scholars, US Information Agency. J. F. J. is a Fulbright faculty research fellow. We thank Dr Norman Gav, Minister of Health, Commonwealth of the Bahamas; Ms Barbara McKislev Coleman, National Drug Council; and Mr Moses Dreyfus, Sandilands Rehabilitation Hospital for their support. And we pay tribute to the success of Chrysothemis Finlason who, besides providing crucial insight for this paper, gave his life in the war against drugs.

Correspondence to J. F. J., Department of Epidemiology and Public Health, School of Medicine, Yale University, PO Box 3333, 60 College Street, New Haven, Connecticut 06510, USA.

REFERENCES

1. Siegel RK. Cocaine smoking. *J Pharmacol Ther* 1982; 14: 371-195.
2. Roberts LN. The current history of intravenous drug use. *Am J Publ Health* 1984; 74: 616-17.
3. O'Malley PM, Bichman JG, Johnson LD. Paroxysmal, acute, and covert effects of intranasal abuse among American youth. *Am J Publ Health* 1984; 74: 642-54.
4. Farnes JJ, Young RT, Lewis C. Cocaine abuse: the evolution from coca leaves to freebase. *J Drug Educ* 1981; 11: 111-15.
5. Sperts JV, Shacter FC. Drug-induced eye stress I. Cocaine: photometry and implications. *Am J Ophthalmol* 1984; 101: 119-21.
6. Howard RE, Hester DC, Davis GJ. Acute retinal and choroidal infarction following cocaine abuse in a young woman with normal coronary arteries. *JAMA* 1983; 254: 93-94.
7. Kleber HD, Givoni FH. The spectrum of cocaine abuse and its treatment. *J Clin Psychiatry* 1984; 45: 18-23.
8. Bazzari MA, Wise RA. Toxicity associated with long-term intravenous heroin and cocaine self-administration in the rat. *JAMA* 1983; 254: 81-83.
9. Fillion W. The danger of cocaine. *JAMA* 1983; 254: 98.
10. Smith DE. *Cocaine in Man* New York: 1984: 8.

PREPARED STATEMENT OF SENATOR DONALD W. RIEGLE, JR.

Mr. Chairman, I would like to talk about two areas related to family preservation and this bill, S. 4. First, my home State of Michigan has one of the best family preservation programs in the country—Families First. This program was recently the subject of a Bill Moyers documentary.

Families First has been a tremendous success, not only from a cost savings perspective, but more importantly, it has been a success in human terms. Eighty (80) percent of the families in crisis served by the Families First program are still together one year after participation in the program. That represents a total of 974 families in Michigan that are still living together because of Families First—and I do not believe that anyone here would disagree with the fact that it is in the best interest of a child for his or her family to remain intact unless there is evidence to the contrary.

If you want to talk about cost savings, the data is no less compelling. Families First costs Michigan about \$1,800 per child served, or about \$4,500 per family served. The average cost for a child in Foster Care is \$10,000—to put a child in an institution: \$42,000. And Michigan has not even implemented Families First statewide—a full functioning Families First would bring the cost down even further.

The second area I want to discuss is the role family preservation can play in helping our urban areas. A short time ago I had a meeting with several members of the Michigan chapter of the National Association of Black Social Workers. These are the people who are on the front lines in the battle to save our cities. They named, as the most important key to saving our urban areas, one thing—family preservation.

When we talk about proposals to create employment and business opportunity in our cities, we must not lose sight of the conditions in which our children are growing up. All of us know how violence and drug abuse have destroyed the world in which our inner city youth live. Family preservation programs can buffer the affects of violence by giving children lasting, positive relationships with significant adults.

I strongly support this legislation, and I am proud to be a co-sponsor.

PREPARED STATEMENT OF SENATOR JOHN D. ROCKEFELLER IV

Mr. Chairman: I hope this hearing serves as the catalyst needed to act on problems that demand our leadership and our intense commitment.

Child abuse and neglect are tragically escalating. We have all read pathetic accounts in our local papers of children "lost" in the foster care system. Courts are so overwhelmed with cases that judges are expected to render "fair" and "informed" decisions about the best place for a child or teenager after 10 or 15 minutes in Court.

Our child welfare system is broken. The most basic needs of thousands and thousands of America's most vulnerable children are being neglected.

Mr. Chairman, your bill, S. 4, the Child Welfare and Preventive Services Act—which I am proud to cosponsor—is legislation that should be on the top of everyone's agenda for immediate action. We should get this bill to the President's desk, and

persuade him to pass it immediately. Senate Bill 4, and its counterpart in the House, will make desperately needed repairs to the child welfare system.

I became acutely aware of these problems through the work of the National Commission on Children, which I chair and which is represented today by our Executive Director, Cheryl Hayes. In fact, Senator Bentsen created the commission in order to draw more attention to issues like this, and achieve consensus on ways to respond to them. And we did exactly that. After two years of traveling the country and talking to experts, we issued a bold, unanimous report with recommendations on a range of the most pressing issues facing children and families, including child welfare.

I will never forget the Children's Commission trip to Los Angeles, where we focused on the child welfare system. We went to the Court where judges, attorneys, and social workers struggled to resolve hundreds of cases—forced to decide in minutes whether a child should be taken out of his or her home. We held a hearing where we learned about the way Title IV-E—the entitlement in the child welfare system—almost compels states to solve cases by putting children in foster homes. And we heard how Title IV-B—the part of the program that supports family preservation is horribly underfunded. The result? A lopsided system that deters prevention and preservation, and almost forces states to wait until it's too late.

One of our witnesses was a teenage boy who had spent most of his childhood in foster care. He first gave his name, and then his case number. He talked about being removed from home, but not understanding why. He looked up the word "foster" in the dictionary and learned it meant substitute for something—he felt that he was a substitute.

The Children's Commission firmly stated that children are best off in strong, stable two-parent families. Our federal policies need to be fundamentally reformed to support families. We should take the steps called for in S. 4, a bill to encourage states to create innovative programs to strengthen families and avoid out-of-home placements. But we also must recognize that family preservation is not a panacea. For some children, especially those living in homes that place them at imminent risk of severe physical or mental abuse or neglect, out-of-home options are necessary and must be available.

The point is that foster care should not be the first resort nor the only solution for troubled families.

The key changes proposed in Senator Bentsen's bill reflect the same goals recommended by the entire National Commission on Children: a fundamental shift toward family preservation and early intervention that should lessen the need to remove children from their homes. Pilot efforts for coordination among programs so that caseworkers will be able to concentrate on the needs of the child and the family, rather than on administrative requirements that have to be met to justify services and ensure reimbursement. This legislation calls for new investments in substance abuse treatment for pregnant women, mothers, and those who care for children—this is absolutely critical if we hope to get their children off on the right foot. This bill should be enacted by Congress, and signed into law because our child welfare system is broken and until we begin to fix it, the system designed to help children will continue to harm them.

Sitting in a LA courtroom in the spring of 1990, I realized that our child welfare system desperately needed fundamental reforms. This was before the riots in the very same city that shook this country and forced us to begin focusing on the problems of despair and hopelessness of our inner cities. There are tragic costs to families caught in the vicious cycle of poverty and hopelessness, and costs to our society as a whole. We cannot ignore the problems plaguing vulnerable children and families. We must push forward on, child welfare reform, for the sake of children, families and our future.

PREPARED STATEMENT OF GARY J. STANGLER

Mr. Chairman, thank you for this opportunity to testify today. I am Gary Stangler; director of the Missouri Department of Social Services. I am here on behalf of the American Public Welfare Association and APWA's National Commission on Child Welfare and Family Preservation. APWA represents the cabinet-level officials in the 50 states responsible for administering publicly-funded human services, including child protective services, foster care, independent living, adoption assistance programs, and, in an increasing number of states, family preservation services.

I am here today to testify on what Missouri and other states have done to change the way we deliver services to children and families, and how S. 4 can support and strengthen those efforts. I want to begin by applauding *your* efforts on behalf of our

nation's most vulnerable families during a very difficult time. There has been growing attention to the interests and needs of middle class families, and your support for programs that can make a difference in the lives of those living in poverty remind us that we must not turn our backs on our most needy citizens. We commend you for your persistence in assuring adequate unemployment benefits to the victims of the recession, as well as your diligence in the areas of child care, welfare reform, health care reform and child support enforcement. Such programs provide critical support to the growing number of children and families in need, and have a direct relationship to the ability of families to stay together.

Your concern for the needs of vulnerable families is equally evident in the leadership you have shown by introducing S. 4. This legislation recognizes the consensus that has developed that we do too little too late for our families in crisis. S. 4 supports and furthers the notion that we must make earlier social investments in order to stem the growing reliance on removing children from their own homes as the focus of child welfare services. S. 4 builds on existing efforts in communities across the country.

Before addressing S. 4, let me first describe the state of the child welfare system today, and how the crisis we are experiencing has led my state and others to take a different approach to serving families.

THE CHILD WELFARE CRISIS TODAY

My colleague, Secretary Charles Hayward from the Delaware Department of Children, Youth, and Their Families, described our experiences most vividly in testimony before this Committee in 1990. And the Chairman himself used Secretary Hayward's words in introducing S. 4 last January; they bear repeating. He said, "the child welfare system has become little more than emergency rooms responding—as we will continue to dot reports of child abuse and neglect. We are using our limited resources to provide the most expensive treatment and intervention approaches in acute family crises. In short, we are doing too little, too late. We need to do more. The future of America's children is at stake." Unfortunately, little has changed since Secretary Hayward spoke those words. While we have built a consensus about how to change that "emergency room" response, the dimension of the problem continues to grow. The societal problems that plague our families have only worsened due to the recession. Families that are newly unemployed, poor, homeless, and hungry continue to flood our agencies every day.

- The number of families needing public assistance has grown steadily during the recession—a 26% increase in families on AFDC since July 1989. Today one child in seven needs the support of AFDC.
- Children are our poorest citizens—12.7 million children lived in poverty in 1990, according to the Census Bureau.
- Single-parent families are on the rise—24% of kids now live in single-parent families, 13% more than just ten years ago.
- Family dissolution is growing; more than a million children experience divorce each year, and over 6 million children live away from their parents.
- And for families with children, median income—for those fortunate enough to have jobs—fell 5% in real terms between 1979 and 1990.

The increasing pressures on families are readily apparent to child welfare agencies. Last year, child protective service agencies across the country responded to a record 2.6 million reports alleging child abuse and neglect. Data from APWA's Voluntary Cooperative Information System (VCIS) show the U.S. child substitute care population reached 407,000 at the end of FY 90. This figure represents an increase of 45.4% over a period of four short years. And children who were removed from their families during this time are not exiting the system—being reunified with their families or being adopted—at the same rate as in the early 1980s. According to VCIS, the decline in exits suggests that services designed to provide permanency for children in foster care are becoming even further constricted. The lack of services is documented by an APWA survey of public child welfare agencies that found only three services offered statewide by child welfare agencies across the country: child protective services, family foster care, and special needs adoption.

Of course, statistics are not the entire story. In addition to rising caseloads and lack of service availability, we continue to see new and challenging populations in our systems. Many more infants and very young children are entering care. Many of these infants are born testing positive for drugs, as well as AIDS. These infants pose new challenges for child welfare administrators, not only in developing new specialized services, but in coordinating with other systems that have the expertise

to deal with these problems, such as substance abuse treatment programs, medical experts, and mental health systems.

An increasing number of adolescents are entering the foster care system, many of whom have few social support networks. Again, this creates new challenges for administrators and workers to prepare youth for the transition from foster care to independent living, and to help prevent this population from becoming the next generation of homeless, poor and disconnected adults.

The inability to serve the increasing number of families in severe crisis entering our system takes a severe toll on our workers. They are increasingly frustrated over the inability to provide any material assistance to their clients, and spend the majority of their time moving from one crisis to the next.

I am not here today with only the bad news. I would like to describe the national consensus that has developed on what we should do to deal with the crisis in child welfare, and how critical federal legislation is to our efforts.

APWA'S NATIONAL COMMISSION ON CHILD WELFARE AND FAMILY PRESERVATION

APWA's National Commission on Child Welfare and Family Preservation, chaired by Sue Suter, director of the Illinois Department of Children, Youth and Families, completed its examination of the child welfare system and released its final report, *A Commitment to Change*, in January 1991. Drawing on testimony from experts around the country and building on states' experiences in testing innovations in prevention and early intervention, the Commission recommended new approaches, directions, and investments essential to support the healthy functioning of families.

A NEW SERVICE FRAMEWORK FOR CHILDREN AND FAMILIES

At the core of the Commission's proposal is the notion that a new service framework must be created to support children and families throughout their lifecycles. Child welfare services are focused on helping families in acute crisis, families threatened by a variety of social and economic problems that are often beyond the scope of child welfare to address, such as poverty, homelessness, drug and alcohol abuse, and serious physical and mental health difficulties. The only way to stem the tide of families bringing such acute problems to the child welfare system is to make strong community investments—both human and financial—to address the needs of vulnerable families before crises emerge. Creative intervention strategies designed to support the new service framework must also involve other community stakeholders, including mental health, education, health, juvenile justice, business, and the public at large.

The Commission's proposed new service framework consists of three major components. The first, **Supporting Families for Healthy Child Development**, offers an array of primary prevention programs and services to families in neighborhoods. Locally controlled programs would respond to community needs and provide all families with opportunities for healthy growth to prevent the need for more intensive or intrusive interventions. Services would be voluntarily selected by families to meet their individual needs and interests and would be available to any family wishing to participate.

The second component, **Assisting Families and Children in Need**, would offer assistance to strengthen and preserve families before their problems become severe. Families needing help may be experiencing more than one problem—poverty, unemployment, poor health, homelessness—or they may be suffering emotional or behavioral problems. Assistance would be organized to help the family as a whole with whatever unique sets of difficulties exists. We must get away from the practice of compartmentalizing specific problems—sending families here for medical care, there for housing help, to yet another local agency for counseling. The services provided under Component II would provide intake and assessment, referral to service providers, advocacy for service development and interagency coordination, and case management to assure that services are received and needs are met.

The third component, **Protecting Abused and Neglected Children**, is the element that most closely resembles today's public child welfare system. Child protective services is a public responsibility; serving children and families in which serious maltreatment has occurred must remain a public responsibility. But to effectively serve these children and families, CPS must be part of a much broader children and family service system and a shared community concern, as outlined. To protect children and preserve and strengthen families, a core set of services must be in place, including family-based services to avoid removal of children from families when safety can be assured; out-of-home care services, including emergency shelter, family foster care, group care, relative care, and residential child care; reunification services to prepare the child and family for a return home and to provide aftercare sup-

port to the family once the child has returned home; adoption services for children who cannot be returned to their families; and long-term out-of-home care for children who can neither return to their families nor be placed for adoption.

FROM VISION TO REALITY: CHILD WELFARE REFORM IN MISSOURI

In Missouri, we have taken APWA's vision and are translating it into reality. We, like many other states, have developed powerful proof that fundamental and long-lasting change is possible for the entire human service delivery system. The impetus for our innovations came from Governor John Ashcroft, who charged a special Cabinet Council with extending his vision for children and families. The state departments of Social Services, Mental Health, Health, and Public Safety are designing a unified service system that will incorporate family preservation values. This unified child and family service system offers real hope of renewal for my frontline staff, as well as for Missouri's families.

In my state, the consensus is clear that the family is the primary social welfare structure; that families are irreplaceable; and that our policies must strengthen and empower families. In response to this, we have created a specific approach to working with families that is founded on the principle that the first and greatest investment in time and resources should be the care and treatment of children in their own home. This means that resources that have traditionally been expended on one family member are more wisely invested in the treatment and strengthening of the entire family unit. We are working with families to remove the risk in a given situation instead of moving a child out of the home. Family preservation offers the only real help for moving many families from dependency on government subsidized programs toward self-sufficiency. Our families in Missouri are being linked with job training and education efforts that help them achieve long term economic independence.

Family preservation has been the centerpiece of this reform, not because it is another service technology my workers can choose, but because it has been the vehicle for a fundamental shift in the way we work with clients.

As the director of Social Services, my role is to facilitate the development of policies and programs that support this philosophical base, and to create an agency culture that allows workers and clients to carry it forward. As an administrator, I the agency to better support families, does not mean reshuffling have been adamant that restructuring, or changing the culture of agencies under a different administrative umbrella. Instead, we are *fundamentally* changing the focus of the system to strengthen families instead of trying to replace them. This is not just happening in Missouri. I speak for my colleagues around the country, who have worked together to build this consensus in their own states and nationally.

Let me describe Missouri's family preservation service program. FPS is a short-term intervention, lasting four to six weeks, where workers intervene with families in crisis and emphasize and teach skills building. Workers carry limited caseloads consisting of two families and are available to those families twenty-four hours a day, seven days a week. This enables the specialist to provide maximum support to each family as the members develop and practice new skills. The goal of FPS is to restore the family to the level of functioning prior to the crisis that brought the children to the point of possible placement, and to link them with other programs that will help them, where appropriate, achieve economic independence.

FPS currently operates in 63 of Missouri's 115 counties. By the end of FY 92, FPS will be available in every county, serving 1,203 families at a cost of \$3.9 million. It would cost more than \$13 million to serve these same children in family foster care at an average cost of \$11,000 per year.

Thus far, FPS has been funded primarily through state general revenue funds, and has been limited to children at imminent risk of entering out-of-home care. We would like to extend FPS to family reunification services, as well as for children in foster care and adoptive placements, but we are moving slowly and cautiously. And, although the state legislature has been committed to the program, federal legislation and funding assistance are imperative if FPS is to reach its full potential.

My role and that of my colleagues around the country is to bring the forces together to make these changes happen, which means we need judges, advocates, legislators, mental health agencies, the community, and most importantly, workers and clients, to support this direction.

I strongly believe that all of the necessary forces I have outlined support the direction in which we are moving in Missouri. All these stakeholders have been a part of the process. This is why Governor Ashcroft is such a strong supporter of the family preservation concept. In fact, just four months ago, Governor Ashcroft appeared before an "all governors" meeting at the National Governors' Association to tell

them about family preservation. He spent 45 minutes discussing the importance of family preservation services and calling on all governors to make it a part of their 1992 agenda. We are all convinced that the time is ripe for change.

S. 4—A CRITICAL FOUNDATION FOR SYSTEMS CHANGE

The innovations and reforms around the country are truly exciting. We are all testing the waters in different ways, at different points in the system, with different players. But the basic directions are the same. Many of our efforts have begun with state general revenue funds, complemented with local revenues. An increasing number of states are also relying on foundations—most notably the Edna McConnell Clark Foundation and the Annie E. Casey Foundation—to support the efforts.

Mr. Chairman, we need federal leadership to institutionalize these efforts. This is particularly so in the majority of states where family preservation remains a small demonstration project, or is still in the planning process awaiting the federal support that we have been urging. S. 4 can support us in our work, and I believe this legislation is critical to our efforts.

INNOVATIVE SERVICES TO STRENGTHEN FAMILIES

At the heart of S. 4 is the provision that expands Title IV-B of the Social Security Act to enable states to further develop innovative services to strengthen families. What we lack most desperately in our current systems are services—a core set of programs designed to help parents, including foster parents, provide care and support to their children.

Title IV-B funds, most importantly, are flexible and enable states to fund a broad range of activities that most effectively meet the needs of children and families. A new infusion of resources through a reliable funding stream such as a Title IV-B capped entitlement will fulfill the promise of legislation passed nearly 12 years ago, P.L. 96-272, which had a major emphasis on making reasonable efforts to prevent placement but failed to provide the necessary resources to accomplish the goals. The new funds provided in S. 4 will allow states to flexibly target these resources toward a wide range of activities where it is most needed.

And, while we have experienced a great deal of success with the new approaches I have described, it is critical that we continue to evaluate their effectiveness and refine our models as we learn more about what works. The provision for evaluation by the Department of Health and Human Services strengthens the capacity of the administration, the states, and Congress to learn about the effects of our interventions for future policy considerations. We strongly urge that the legislation include provisions to enable states to be involved in the design of the research methodology guiding these evaluations.

S. 4 also focuses special attention on families with substance abuse problems by making funds specifically available to serve families that have been devastated by the drug epidemic. We are concerned that the resources provided through the Title IV-B set-aside will be stretched too thin to meet the need for residential treatment support services, but believe that it is an excellent first step to deal with these cases. We are particularly excited about the potential for child welfare, substance abuse treatment, and health systems to coordinate their activities and blend funding to deal with such families. We urge that you combine the substance abuse set-aside with the Title IV-B capped entitlement described above to allow states the flexibility, based upon state needs, to target child welfare cases where substance abuse is an issue.

DEMONSTRATION TO IMPROVE COORDINATION OF SERVICES

Section 102 of S. 4 allows up to 15 states to conduct pilot projects for up to three years to improve the coordination of services to families and children. It also requires the secretaries of HHS, USDA, and Education, as well as the attorney general, to review the federal administrative policies and regulations for programs for children and families and suggest to Congress statutory, regulatory, and administrative changes to reduce barriers to coordination.

These demonstration projects provide an essential opportunity for states to further address the fragmented nature of our current service delivery system. The families we serve have multiple needs that require the assistance of multiple agencies, and only through thoughtful planning can we break out of the mold of the categorical emphasis of the current system. Because Section 102 is such a vital tool to system change, we urge that the number of states participating in the demonstration be increased from 15 to 20.

REASONABLE EFFORTS ADVISORY COMMITTEE

We applaud you for including a provision in S. 4 to establish an Advisory Committee to make recommendations on the requirement that states make reasonable efforts to prevent foster care placement and to reunify children who must be placed out of the home. The reasonable efforts requirement, established in P.L. 96-272, has resulted in vague and arbitrary determinations over the past 12 years. The advisory committee established through S. 4 will provide a useful and productive forum for agencies and the courts to set appropriate standards for the reasonable efforts determination—standards that hold public child welfare agencies accountable for certain actions while recognizing the limitations of a single agency with limited resources to singlehandedly meet every individual human service need.

AUTOMATED FOSTER CARE AND ADOPTION REPORTING SYSTEMS

We wholeheartedly support the provision in S. 4 that would provide a 90 percent federal match for the development and installation of an automated reporting system for foster care and adoption, and a 50 percent match for the ongoing operation of the system.

We desperately need a better system for reporting data about the children and families we serve so we can understand the effects of federal policy on our interventions and design our services in a way that makes sense for our clients. In fact, it was the chairman who took the lead in calling on HHS to promulgate regulations for the implementation of this reporting system in the Omnibus Reconciliation Act of 1986 (Section 479). We supported this provision then and were actively involved in the Advisory Committee that made recommendations to HHS on the system. We are still awaiting the final regulations for its implementation—regulations that were required by statute by October 1, 1991. The states stand ready to implement this federal reporting system, but await the final rules for guidance. Nevertheless, this provision, if flexible enough to make the 90 percent match available for up to three years after the issuance of final regulations, will allow states to meet these requirements and provide us with the kind of data this program sorely lacks today.

FISCAL AND PROGRAM ACCOUNTABILITY

States are committed to creating a more comprehensive, coordinated, community-based service delivery system. There is one issue I would like to mention that is not currently addressed in S. 4. Today, many agency personnel have to devote inordinate time to figuring out the complicated rules for compliance with Title IV-E audits and Section 427 reviews, to the detriment of innovative child welfare interventions. The accountability system that has evolved since the enactment of P.L. 96-272 has become so onerous that agencies now devote a disproportionate share of resources simply to understanding how to come into compliance with federal law. Below is a sampling of the problems that exist:

- Lack of federal guidance on what is and is not allowed—states must piece together several different policy announcements, policy interpretation questions, and program instructions in order to understand what is and is not allowed. We have yet to see regulations on Section 427, despite your leadership to enforce this provision.
- Retroactive application of rules—states have been disallowed for rules that are applied retroactively. In other words, policy or rules are unclear, and once clarified, are applied retroactively;
- Variation in interpretation across HHS regional offices— one state is disallowed for a practice that is allowed in another state;
- Disagreements between HHS regional offices andACYF central office—regional offices often tell us one thing, only to get a different ruling or guidance from the central office;
- Most important, the current accountability system checks only whether a series of process measures have been fulfilled, and not whether the services that were provided made a difference in the lives of families.

What has evolved is a "gotcha" mentality between the HHS offices responsible for the compliance reviews and the states. They think "gotcha" if they find a reason to disallow certain claims or find states out of compliance with a Section 427 requirement; we respond similarly if we can successfully appeal a claim or witness a favorable ruling in another state that we can use to defend our own state's fiscal accounting or sampling methodology. Again, does this have any bearing on whether we made a difference in the lives of children and families?

Most states have incorporated the P.L. 96-272 protections into state law or administrative policy. We strongly believe we should be held accountable for funds spent under the Title IV-E entitlement. We contend, however, that there must be a better way of measuring compliance that is standardized across states, and that the rules of the game must be better articulated for fairness and equity.

We hope that you will address this complicated problem as you discuss S. 4. We urge you to study the provision in H.R. 3603, the Family Preservation Act, that calls for a new child welfare review system (Section 427 and Title IV-E reviews will be conducted at the same time) to assess how states are complying with requirements under the law and impose graduated financial penalties for substantial noncompliance. This provision allows the states to put a corrective action plan into place when noncompliance is found, which is not allowed in current law. HHS and the states would work together to measure compliance, rather than being at odds with each other.

We would also like you to consider the potential of an outcome-oriented approach to services for children and families. Unlike the AFDC or food stamp program, we cannot measure whether a family received the correct benefit amount or whether the checks were paid on time. The interventions with which we are engaged are much more complicated and difficult to measure. We hope that you will consider establishing a commission or task force to explore these outcome issues, and to suggest a better way of holding states accountable for the federal dollars with which they are vested.

CONCLUSION

Two weeks ago my colleague on the National Commission on Child Welfare and Family Preservation, Peter Digre—from whom you will hear today—made an eloquent plea to legislators on the other side of Capitol Hill. He described how the violence in Los Angeles affected children there. The violence went beyond burned buildings, he said: "It also devastated children and families." Mr. Chairman, strong communities and strong families go together; without one the other is impossible. We know how to help families at risk of losing their children. I would echo Peter's quest that the Congress seriously consider whether strengthening families, through the support provided in S. 4, isn't one of the most effective steps we can take to respond to the needs of our communities.

Thank you for the opportunity to appear today.

COMMUNICATIONS

STATEMENT OF THE AMERICAN BAR ASSOCIATION

Mr. Chairman and members of the Committee, the American Bar Association appreciates the opportunity to present its testimony concerning the need to improve court proceedings for foster children as part of your consideration of child welfare reform and S. 4.

I am Mark Hardin, an attorney with the ABA Center on Children and the Law. Since 1980, I have directed the Center's Foster Care and Family Preservation Program, whose purpose is to improve the performance of the legal system in foster care cases. I am submitting this testimony on behalf of the American Bar Association at the request of our President, Talbot S. D'Alemberte.

Prior to coming to the ABA, I worked as an attorney at the Family Law Center in Portland, Oregon. I also worked on a national foster care training and technical assistance program at the Regional Research Institute for Human Services at Portland State University.

I am speaking today on the role of the courts in achieving permanency for foster children and especially in achieving the expeditious adoption of foster children. I will discuss the vital importance of courts in achieving permanency for foster children, the heavy new demands placed upon courts in foster care cases, the crisis courts are facing in meeting these demands, and the need for systemic improvements in court proceedings.

There has already been extensive oral and written testimony before the House Ways and Means Subcommittee on Human Resources during the past three Congresses, regarding the need for federal action to help the courts meet these challenges. Besides prior ABA testimony, the House has heard from other organizations of judges and lawyers as well as from many individual judges, lawyers, law professors, advocacy organizations, and state legislators who have relevant first hand experience.

THE IMPORTANCE OF COURTS IN ACHIEVING PERMANENCY FOR FOSTER CHILDREN

Ultimately judges make the critical decisions concerning the adoption of abused and neglected children. Not only do judges make the decision whether to allow a child's adoption, but also they ordinarily make a series of decisions leading up to the question of adoption. Typically, by the time a petition for adoption comes before the court, judges previously have had to decide the following:

- Whether to approve the child's emergency placement;
- Whether the child actually was abused or neglected in the eyes of the law;
- Who was to have custody of the child;
- Whether there was an appropriate plan in place to assist the child and family; and
- Whether the legal rights of the child's parents had to be terminated in order to legally free the child for adoption.

Each of these decisions, all of which are made in the course of one or more court hearings, set a critical milestone in the ultimate outcome of the case.

Thus, the courts play a central role in planning and decision making for abused and neglected children, up to and including the decision to adopt. The thoroughness, the timeliness, and the quality of these decisions is vital to the children concerned. No services, no case plans, no provision of adoption subsidies can achieve the timely adoption of foster children unable to return home (while allowing the preservation of salvageable families) unless the court system is working properly.

If we are serious and determined to improve the lives of maltreated children, the pivotal role of the legal system simply cannot be ignored. If the legal system is not

functioning as it should, society has no choice but to repair it if we want good results for maltreated children.

INCREASING DEMANDS ON THE COURTS

Many juvenile and family courts in the United States, particularly those in large urban areas, face dramatically new burdens in the handling of cases involving abuse, neglect, and adoption. In order to understand the situation faced by juvenile and family courts in the 1990's, it is necessary to recognize how this situation has changed in recent years.

In much of the United States, there have been a combination of factors that have affected court proceedings that are brought for the protection of abused and neglected children. These factors include the following:

- Increased numbers of court cases involving children in foster care;
- The growing severity of cases coming into juvenile courts (particularly those related to drug/alcohol abuse); and
- The numbers and complexity of hearings as the court's role has matured in recent years.

With regard to the growing numbers of child protection court proceedings, there are no national statistics kept by the courts, but there are two sets of statistics strongly supporting the conclusion that the numbers of court proceedings have sharply increased. First, there has been a rapid increase in child abuse and neglect reports, reports which, in many cases, lead to foster placement. Reports have more than doubled in this decade, from 1.15 million in 1980 to 2.5 million in 1990 (American Humane Association, *National Analysis of Official Child Neglect and Abuse Reporting, 1930-1987*; National Committee for the Prevention of Child Abuse, *Current Trends in the Reporting of Child Abuse and Fatalities*, 1991).

Second, there has been a recent surge in the number of children in foster care, rising from an estimated 280,000 to 360,000 between June, 1987 and June, 1990, an increase of 29% in just 36 months (American Public Welfare Association, *VCIS Data*, 1991) The vast majority of foster placements involve court proceedings.

These national statistics are supported by specific court caseload statistics from a number of individual states. Figures 1 and 2 illustrate the stunning increases in new child protection cases in two states.

With regard to the increasing severity of cases, the impact of the use of drugs on the child welfare system is widely known, and this Subcommittee has heard considerable prior testimony on the subject. Cases involving substance abusing parents are particularly intractable and complex, requiring disproportionate court time. In the last ten years, child abuse and neglect cases involving parental drug use have increased enormously.

Besides the epidemic of substance abuse by parents, another reason why cases brought before the courts are increasingly serious is that agencies have become more selective in the cases that they present to the court. Staggering under huge increases in the numbers of reported child abuse and neglect cases, agencies no longer have time to bring marginal cases to the courts. Drug cases aside, increasing proportions of cases involve severe parental maltreatment and children who are severely physically and emotionally handicapped.

Figure 3 illustrates how in the State of Rhode Island new court cases have rapidly increased, but not at the rate that reports have increased. It is logical to conclude, as is widely confirmed by social workers and lawyers in the field, that the cases that are actually brought to court have become increasingly serious.

With regard to the growing complexity of court hearings, there has been in recent years a remarkable transformation of court proceedings involving abused and neglected children. This change is actually **more significant** than the increases in caseload or the increasing seriousness of cases, in terms of the burdens that it places on the courts. The transformation of child protection cases began in the mid 1970's, accelerated in the 1980's, and continues up to the present.

What is the nature of this transformation? First, courts must perform new functions in child abuse and neglect cases. Figure 4 illustrates the stunning expansion of such functions.

A key reason for these new functions is the growing emphasis on permanency planning. In the mid 1970's it was considered acceptable that a maltreated child be removed from home and allowed to remain indefinitely in foster care; accordingly, the court's entire job in child protection cases was to determine whether the child had been maltreated and whether the child should be placed into foster care. But after the mid 1970's, a national consensus developed to the effect that children need to be placed in permanent, legally secure homes, including adoption for children un-

able to safely return home. To achieve this result, it became necessary for the courts to continue to make decisions after the child's placement into foster care. At the same time, it became necessary for the courts to more carefully consider alternatives to foster care before approving the removal of a child from the home.

In order to achieve permanency for children, there must be a series of step-by-step decisions which must continue well after the child's placement into foster care. There must be a decision concerning what shall be the rehabilitation plan for the family; there must be progress reviews and revisions of the plan; there must be an ultimate decision whether the family can be rehabilitated; and, if not, there must be a decision whether to legally free the child for adoption. Courts are inevitably drawn into these decisions to a greater and lesser degree. In 1991, courts are commonly expected, among other things, to monitor agency services to the family, determine parental visitation while a child remains in foster care, periodically review the case, decide whether to terminate parental rights, and determine whether to approve a petition for adoption.

Given the increased number of court functions, the number of court hearings has also increased. From the single hearing that was typical in the mid and late 70's in most states, there are now a long series of hearings in each case. Figure 5, which illustrates the increasing numbers of hearings in individual cases, is, in fact, a simplified picture of the hearing process at the present time.

Finally, as the hearing process has become more complex, increasing numbers of persons have become involved in court proceedings. Additional attorneys, agency staff, nonattorney guardians ad litem, and foster parents are now frequently involved. This is illustrated by figure 6.

As mentioned earlier, the increasing complexity and elaborateness of child protection litigation is partially a logical consequence of the new emphasis on permanency for children in foster care. However, the Congress has also played a major role in these developments. Through the enactment of the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272, the Congress explicitly created new functions for the courts in cases involving children in foster care. P.L. 96-272 required that:

- Courts explicitly determine whether the child welfare agency has made "reasonable efforts" to prevent placement of each foster child and to return the child home;
- Courts approve any voluntary, nonjudicial foster placements within 180 days after the original placement;
- Courts, agencies, or citizen review boards review the case of each child in foster care at least once every six months;
- Courts or "administrative bod[ies]" appointed or approved by the court[s] hold a hearing no later than eighteen months after the placement and periodically thereafter to determine the permanent placement arrangement for the child; and
- Procedural safeguards be provided for parents when children are removed from the home or are moved into different foster homes.

(Social Security Act §§472(a)(1), 471(a)(15), 472(e), 475(5), 471(a)(16), 427(a)(2)(B))

Equally importantly, P.L. 96-272, by requiring agencies to work for permanency, has increased litigation burdens in ways not specifically mandated by the Act. P.L. 96-272, through numerous specific requirements applicable to agencies, requires agencies to work to achieve permanent homes for foster children once they enter care. When it becomes clear that a child cannot be returned home, permanency usually involves adoption. Adoption, in turn, requires court proceedings to legally free a child for adoption, i.e., to terminate parental rights. Termination proceedings are particularly lengthy and time consuming when contested. Thus, both the specific court related requirements of P.L. 96-272 and the fact that the law causes agencies to more often bring termination of parental rights and other legal proceedings has enormously increased the burdens upon the courts.

While imposing these new burdens on the courts, Congress done almost nothing to assist the courts to meet them.

THE CRISIS IN THE COURTS AND ITS IMPACT ON THE ADOPTION OF CHILDREN

With the triple pressures imposed upon the courts—increasing numbers of cases, increasing severity of cases, and increasing complexity of cases—there have not been corresponding improvements in judicial resources and procedures. While judicial caseloads in child protection cases should have been drastically reduced to allow courts to face their growing responsibilities in each case, caseloads have actually risen in most courts, particularly in large urban areas.

Figure 7 shows that in five states new child protection cases doubled from 1984 through 1988, with no increase in the number of family or juvenile court judges. The five states represented in figure 7 are the only states from which such statistics are available.

What is the impact of rising judicial caseloads, compounded by the fact that the typical case is increasingly serious and complex? In short, these changes have put enormous new pressures on the courts and have created a grave crisis within many court systems. Many courts are staggering under impossible burdens, struggling to keep up with their cases, and being forced to cut corners. The following are some of the common practical consequences of the growing pressures upon many juvenile courts:

- Because they have little time for individual cases and hearings, judges are forced to make hasty judgments on issues that are vital to the lives and futures of children and families;
- Because of overcrowded court dockets, caseworkers and families are forced to spend long periods of time at the courthouse, waiting for brief hearings;
- Because of the time pressures, courts do not really implement required federal foster care reforms (such as monitoring agency efforts to assist the family), but merely insert the appropriate language on court forms to allow the state agency to collect federal matching funds; and
- Because of overcrowded court dockets causing added delays at every stage, the adoption of the foster children is seriously delayed.

The lack of time to conduct court hearings in child protection cases plagues courts throughout the United States. For example, to quote from the recent Rhode Island report referred to in testimony earlier this morning:

As Chief Judge Jeremiah testified, on Thursday, November 29, 1990, two judges handled 106 (foster care) cases for review in a court day—which averages about 6 minutes per case. That, the Chief Judge noted, "is frankly a low number, because I know it has been much higher." Moreover, since the judges rotate, there is no guarantee that the sitting judge had familiarity with the cases before the court.

(Special Legislative Task Force to Investigate the Rhode Island Department for Children and Their Families, *Our Children, Our Responsibility: Findings and Recommendations*, p. 63, Rhode Island General Assembly, April, 1991)

A recent article by the former presiding judge of the Juvenile Court of the Superior Court of Los Angeles County describes a similar situation:

Each juvenile court judge in Los Angeles is asked to make difficult decisions affecting the lives of 350 children a week. With the number of cases on each day's court calendar, a judge now is able to devote an average of 10 minutes to each child's case. With court caseloads expected to double over the next 5 years, by 1995 judges will be allowed only 5 minutes to determine a child's fate.

(Boland, "Perspectives of a Juvenile Court Judge," in *The Future of Children*, Vol. 1, p. 100, Packard Foundation, Spring, 1991)

The added waiting time in the courthouse, resulting from overcrowded court dockets, is a typical feature of child protection proceedings. Courts, in order to use every available minute in the court day, schedule many hearings for a single day or half day. By doing so, they avoid any loss of court time when a particular hearing is cancelled. Unfortunately, as a result, numerous case workers, attorneys, and family members are forced to wait for long periods of time for a hearing lasting only a few minutes.

The fact that parties face excessive waits for court hearings is far more than an inconvenience. It is very costly, since attorneys and social workers are drawing salaries while they are waiting and are prevented from taking care of ordinary casework. It is highly upsetting and unnerving to children, especially when after the children's long wait, the court only takes a few moments for the actual hearing.

With regard to the failure of many courts to fully implement federal foster care reforms, this Subcommittee has previously heard much testimony. Prior witnesses have described courts that preprint words on court form orders in order to make agencies eligible for federal foster care funding. They have testified, for example, that by preprinting the words "the agency has made reasonable efforts to prevent the removal of the child from the home" on court forms, many courts have helped the state child welfare agency to pass its federal audits—even though judges do not actually review the agency's efforts to prevent placement.

Similarly, instead of holding thorough hearings within 18 months of the child's placement, to determine "whether the child should be placed for adoption" as required by federal law, many courts hold perfunctory progress reviews. Federal audits treat such hearings as being in full compliance with the federal law. As a result, the intent of P.L. 96-272 in requiring the 18 month hearing is defeated.

With regard to delays caused by overcrowded court dockets, the situation in Chicago is illustrative. There, a computer analysis of court records in December, 1990 revealed that for 3500 of Chicago's foster children who had been in care for over 18 months, permanency hearings had not even yet been requested. Petitions for 18 month hearings were from six months to five years overdue. (Abraham, "Troubled Courts, Troubled Kids," *The Chicago Reporter*, Vol. 20, No. 2, p. 6, February, 1991)

Actually, crowded dockets lead to delays in all stages of the court proceedings, from the hearing after the emergency removal of a child from home through the termination of parental rights. Delays at any stage have the effect of postponing the next stage. A particular source of delays is the hearing concerning the termination of parental rights. The average time for the completion of a termination case in a given court can vary from two months to well over a year.

Of course, not every problem plaguing the courts in foster care and adoption cases is attributable to overcrowded dockets and escalating judicial responsibilities. In many Places, inefficient management of court dockets can shorten hearings and can cause serious delays. (Glynn, *Precious Time: Working with Courts to Get Children Safely Home*, pp. 15-19, Miami: The League of Women Voters Dade County Education Fund, 1988). The frequent rotation of judges in and out of many juvenile courts prevents judges from acquiring necessary expertise. The repeated transfer of cases from one judge to another, together with the rotation of judges, makes it difficult for judges to become familiar with individual cases. (Hornby *et al.*, *A Study of Foster Care in Hawaii*, pp. 101-102, University of southern Maine, 1990) The failure consistently to recruit judges with special competence in juvenile matters and to provide consistent judicial education addressing foster care and adoption impairs the quality of the judiciary. (*Id.*) All of these problems contribute to the crisis in the juvenile courts, impair the implementation of federally mandated foster care reforms, and make it harder to achieve permanency for foster children.

THE NEED FOR SYSTEMIC IMPROVEMENTS IN CHILD PROTECTION LITIGATION

Each of the above problems should be understood and addressed at the highest levels of state court systems. State Supreme Courts, through their statewide court administrators, can do much to address these problems. Through their control of state appropriation requests, they can request additional resources for juvenile courts. They can establish mandatory rules and procedures to improve docketing practices, reduce judicial rotation, and limit the reassignment of cases. They can create tighter time requirements for the handling of cases. They can play an active role in improving the recruitment and education of judges handling juvenile court cases.

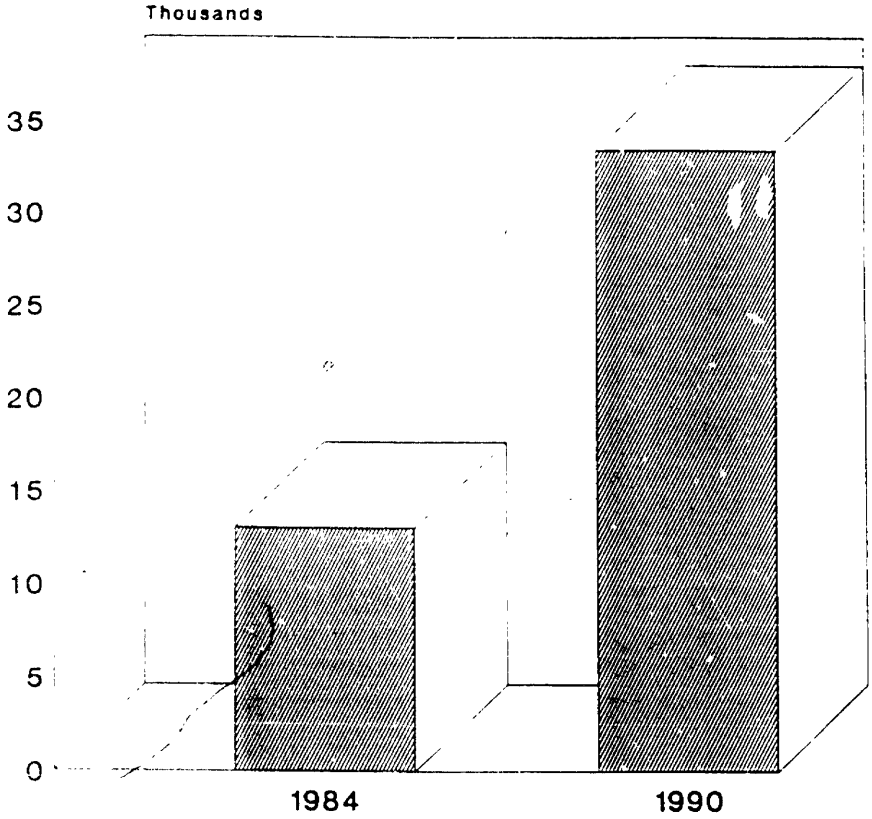
As for the implementation of federally mandated foster care reforms, state Supreme Courts can set and enforce standards for their implementation. They can effectively bar "paper compliance" with federal foster care reforms by adopting court rules spelling out proper procedures to be followed and by monitoring judicial adherence to mandatory time requirements.

A federal financial stimulus is needed to help make all this happen. As I have explained in prior testimony, this need has been officially approved by the ABA, the National Association of Juvenile and Family Court Judges, the Conference of Chief Justices, and many other state and national organizations. We believe that relatively small, well targeted, and temporary financial assistance to state court systems would have a marked effect not only in reducing barriers to adoption but also in improving the lives of maltreated children and their families throughout the United States.

The approach endorsed by the ABA and other organizations was set out in H.R. 3603, which was introduced in the 101st Congress as the Family Preservation Act of 1992. Section 105 of that bill would amend P.L. 96-272 to authorize carefully targeted, carefully defined multi-year grants to state court systems. This would provide a relatively small, time-limited federal stimulus to state court systems to undertake and institute reforms in their handling of foster care cases. We hope to have the opportunity to testify more fully on the details of this proposal at a further hearing.

FIGURE 1

NEW YORK STATE 157% INCREASE IN CASES FILED: NEW YORK FAMILY COURT 1984-1990

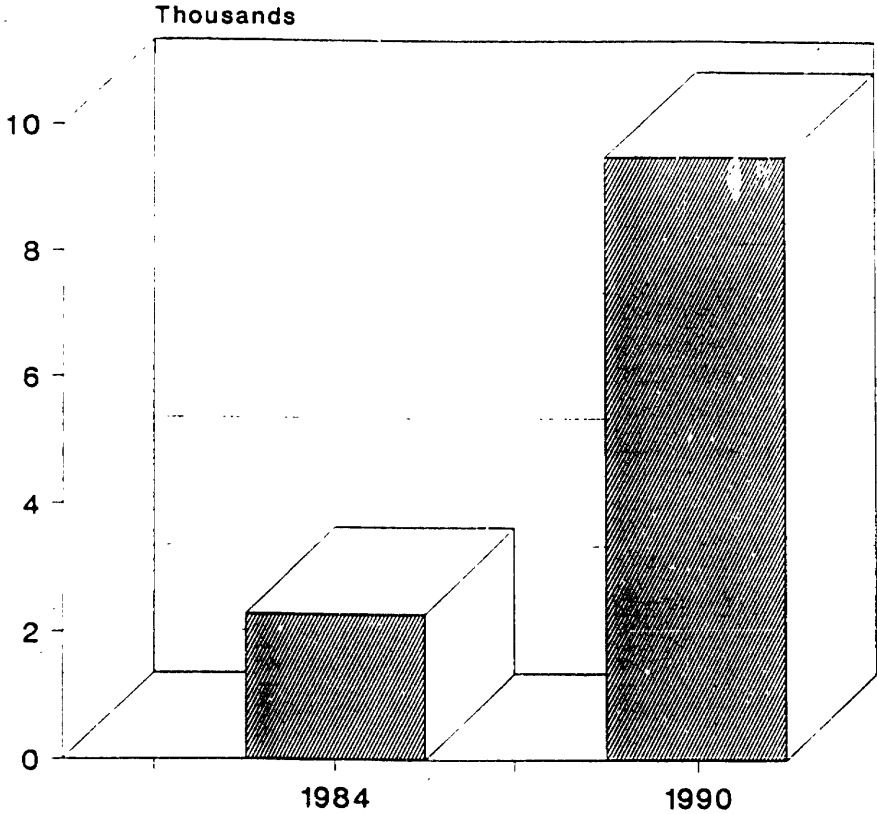


Source: National Center
for State Courts,
Child Victim Cases

FIGURE 2

MICHIGAN

316% INCREASE IN CASES FILED: MICHIGAN PROBATE COURT 1984-1990

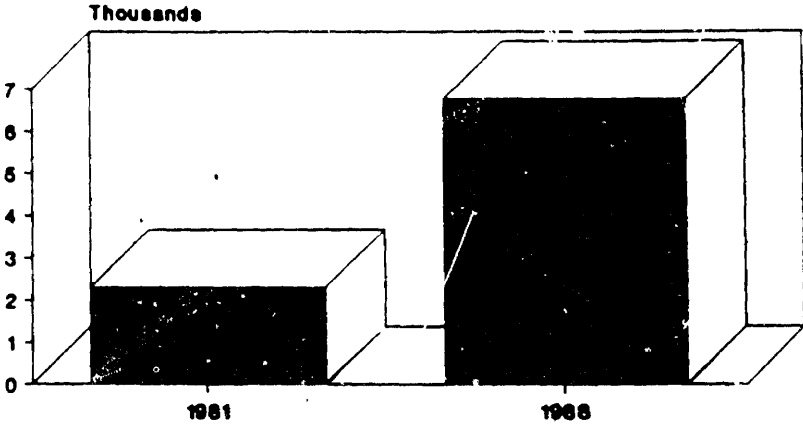


Source: National Center for
State Courts,
Child Victim Cases

FIGURE 3

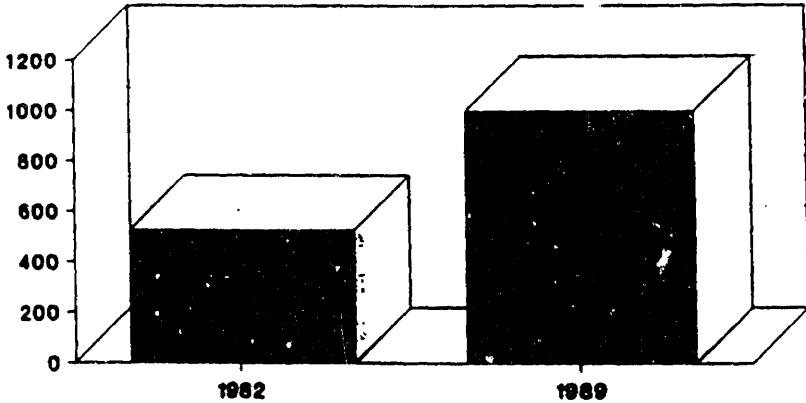
RHODE ISLAND

295% INCREASE IN PUBLIC REPORTS OF CHILD ABUSE AND NEGLECT 1981-1988



Source: Rhode Island Department for Children and Their Families.

90% INCREASE IN CASES FILED; RHODE ISLAND FAMILY COURT 1982-1989



Source: Rhode Island Family Court records; child neglect and abuse case filings.

Issues Court Must Determine

1975

Validity of allegations
Custody, if allegations
are proved

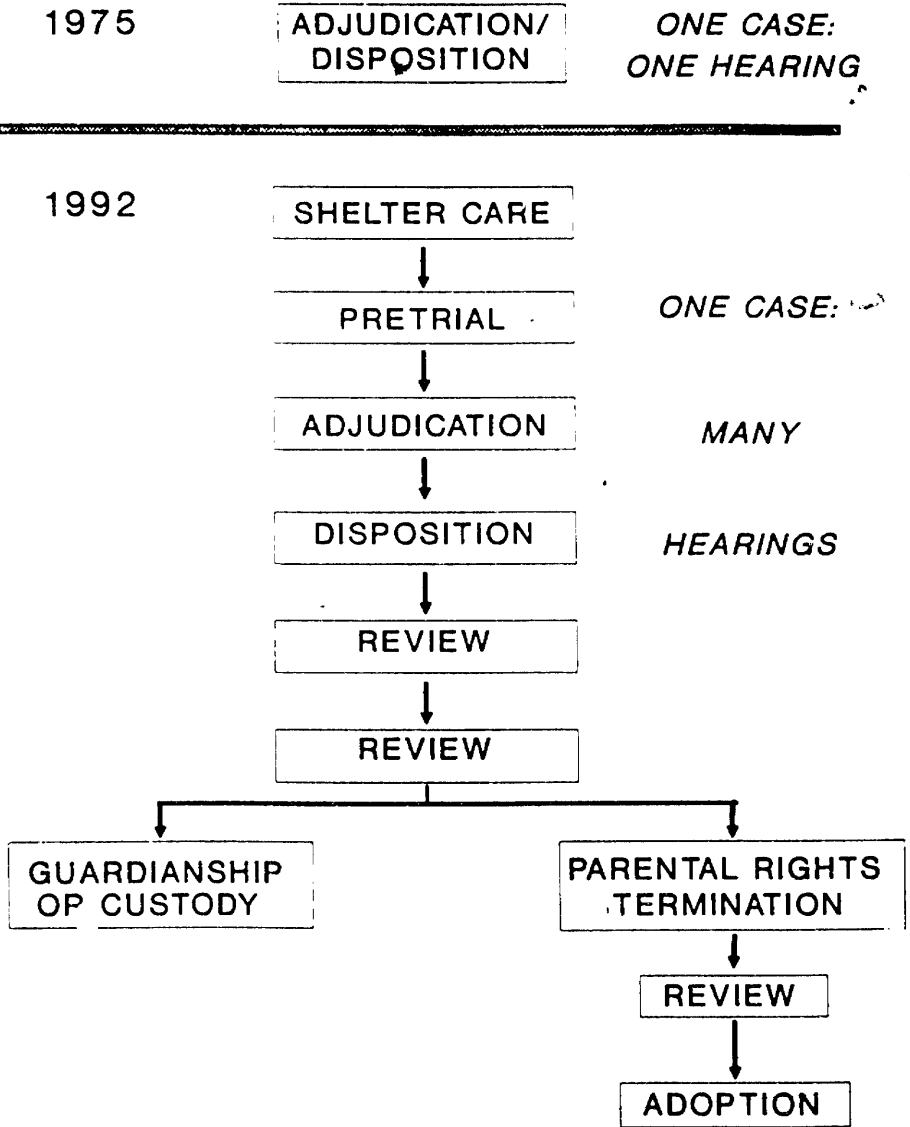
1992

Need for emergency placement
Sufficiency of efforts to
prevent placement
Necessity of emergency relief
other than placement (e.g.,
removal of perpetrator)*
Validity of allegations
Custody, if allegations
are proved
Visitation*
Sufficiency of case plan*
Sufficiency of efforts to
implement case plan*
Child's long-term legal status
(periodic review)
Termination of parental rights
Review sufficiency of efforts
to place child for adoption*
Grant adoption petition

*Function not performed by
all juvenile courts.

FIGURE 5

TYPICAL SEQUENCE OF HEARINGS: FOR CHILD IN FOSTER CARE WHO CANNOT BE RETURNED HOME



Typical Participants in Child Protection Cases

1975

Caseworker

Custodial parent(s)

1992

Caseworker

Custodial parent(s)

Attorney for above

Noncustodial or putative
parent(s)

Attorney for above

Child's attorney and/or
attorney serving as
Guardian ad Litem*Non-attorney serving as
Guardian ad Litem and/or
CASA volunteer*

Foster parents*

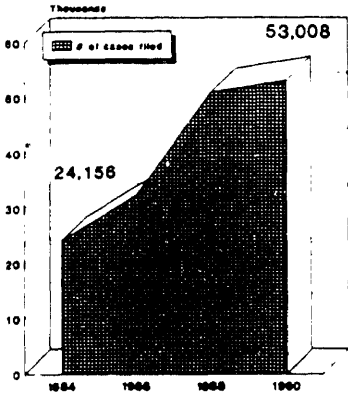
Agency attorney*

*In some states they
do not frequently
participate in
court hearings.

FIGURE 7

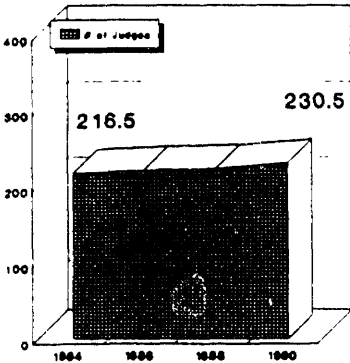
Growing Caseload Pressures on Juvenile and Family Court Judges: Six State Comparison 1984-1990

Child Victim Cases Filed



119.5% Increase

Family and Juvenile Court Judges



6.5% Increase

CO, GA, HI, RI, MA, NY
(Only states where both sets
of statistics are available.)
Source: National Center
for State Courts

MCH

1350 Connecticut Ave., N.W. Suite 803
Washington, D.C. 20036
202-775-0436

Association of Maternal and Child Health Programs

June 24, 1992

The Honorable Lloyd Bentsen
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Chairman Bentsen:

The Association of Maternal and Child Health Programs (AMCHP) is submitting the following statement as part of the hearing record on S.4, the Child Welfare and Preventive Services Act.

AMCHP is a national non-profit organization representing state public health programs funded in part by Title V of the Social Security Act, or the Maternal and Child Health Services Block Grant. The mission of these programs and of AMCHP is to assure the health of all mothers, children, adolescents, and their families. S.4, the Child Welfare and Preventive Services Act, which AMCHP endorses, includes many provisions that provide relief for serious problems facing moms and kids. AMCHP and other members of the Maternal and Child Health Coalition, strongly support the inclusion of provisions in Title III which give states the option to cover all children under age 19 with incomes below 133 per cent of poverty. States that exercise this option would allow extension of Medicaid benefits from the current mandated coverage of all children under the age of 6 to all children from age 1-18. This is an effective way to provide access to health care to low income, uninsured children.

As part of the Coalition on Alcohol and Drug Dependent Women and their Children, AMCHP supports the intent of the provisions in Title II enabling states to establish comprehensive programs of substance abuse treatment for pregnant women, caretaker parents, and their children. Such programs are critical to the successful treatment of substance abusing women by giving them a chance to recover and to take care of themselves and their families.

AMCHP is particularly interested in commenting on Sec.313., Reporting Requirements Under Title V. This section requires Title V programs to provide information in their mandatory annual reports on the number of substance abuse treatment slots available for pregnant women, the number of pregnant women who receive substance abuse treatment and the number of women and length of time they remained on a waiting list for substance abuse treatment services. This information can contribute to a comprehensive needs assessment and the reporting necessary for planning, policy and program development at the state and national levels.

AMCHP agrees that the Title V programs are an appropriate repository for a broad range of maternal and child health data and welcomes this acknowledgement of the Title V role in efforts to assure the health of all women and children. Complementary requirements on those agencies and programs with whom Title V programs will be contacting would ensure that cooperation and collaboration are easily achieved. We recommend that S.4 be amended to include appropriate language stipulating these requirements for the agencies most likely to have data on substance abusing pregnant women.

The Omnibus Budget Reconciliation Act of 1989 (OBRA) strengthened the Title V requirements for data collection, analysis, and reporting at the state and national levels, including collection and reporting data from other agencies, especially Medicaid. We recommend that this requirement be extended to those agencies, especially Medicaid to facilitate information exchange. Section 313 (a) in S.4 adds to this expanded assessment and reporting role for Title V.

A recent survey by AMCHP found that 94% of the 47 state programs responding reported an increased demand for prenatal care. Ninety six per cent of programs indicated an increased demand for pediatric care. Expansions in Title V service capacity and outreach, and expansions in other programs such as WIC, Medicaid SSI, and Part H of IDEA are factors contributing to additional referrals for health services. In order to enable the Title V programs to meet these increased demands for services, and to develop the capacity and maintain the resources to carry out the additional data collection, analysis and reporting responsibilities, a higher Title V program authorization level is needed.

Title V programs are often the sole resource for care for low-income women and children and may well be the last remnant of the safety net in many communities. Given the extent of unmet needs, the increasing demands for services, and the rising cost of providing care for complex problems such as substance abuse, we recommend that the Finance Committee insert language in S.4 to increase the authorization ceiling of the Title V program to \$750 million for FY 1993, and phase in increases to reach \$1 billion by 1995.

With these minor adjustments, we believe that S.4 can effect great strides towards improving the health status of women and infants.

Please contact us if we can be of further assistance.

Sincerely,

Richard P. Nelson, M.D.
Richard P. Nelson, M.D.
President

JUNE 9, 1992

MR. WAYNE HOSIER
UNITED STATES SENATE
COMMITTEE FOR FINANCE
WASHINGTON DC 20510

RE: TESTIMONY TO THE CURRENT SENATE VERSION OF THE S4,
CHILDREN'S WELFARE ACT

DEAR WAYNE,

\$100,000,000.00 WAS SPENT LAST YEAR IN THE STATE OF MINNESOTA IN THE PLACEMENT OF TEN THOUSAND CHILDREN IN FOSTER HOMES. THERE IS AN ON-GOING NEED FOR NEW & INNOVATIVE PROGRAMS THAT PROMOTE THE REUNIFICATION OF FAMILIES AND REHABILITATION OF PARENTS SO THAT THE CYCLE OF ABUSE WILL NOT CONTINUE.

PAGE 29 SECTION 480 OF THE SENATE VERSION OF THE S4 BILL ADDRESSES REUNIFICATION OF FAMILIES FROM FOSTER CARE SITUATIONS AND THE POSSIBILITY OF STATES LIKE OURS CREATING INNOVATIVE DEMONSTRATION PROJECTS TO ADDRESS THIS ISSUE. SUBMITTED IN THE PAGES THAT FOLLOW IS THE DESCRIPTION OF A PROJECT THAT OUR STATE IS CURRENTLY WORKING ON, CALLED CHILDREN'S SAFETY CENTERS, WHICH FALLS IN THE GUIDE LINES OF THIS BILL.

CHILDREN'S SAFETY CENTERS NETWORK AND THE STATE OF MINNESOTA WOULD LIKE TO SUPPORT THE PASSING OF THE SENATE VERSION OF THE S4, CHILDREN'S WELFARE ACT.

SINCERELY,

Kim Cardelli

KIM CARDELLI
EXECUTIVE DIRECTOR

CHILDREN'S SAFETY CENTERS NETWORK
BOX 352
ROSEMOUNT, MN 55068

STATEMENT OF CHILDREN'S SAFETY CENTER

VISITATION SITUATIONS

It is an understatement to say that we have a problem with child abuse in our society. The news is filled with the tragic stories of the victims of abusive situations.

The court systems and social service agencies are burdened by the increasing responsibilities associated with protecting our children. We all recognize that dealing with this troubling issue needs to be a priority.

PROBLEMS

Abusive Relationships

Frequently, abusive relationships end in divorce or separation. Unfortunately, the abuse often continues as expressed in the following examples:

1. **Witnessed Abuse:** Children caught in the middle of visitation situations feel and witness the abuse that can take place between their parents.

2. **Child Abuse:** Parents suspected or convicted of abuse against their own children have visitation rights with those children. Without supervised visitation the abuse can continue.

3. **Spouse Abuse:** Parents with orders for protection from another parent may still be required to provide visitation opportunities to the very person they are threatened by.

4. **Reflective Abuse:** Parents caught up in the stress of a bitter conflict associated with divorce or separation may hurt their child in an effort to hurt the other parent.

5. **Falsely Accused Abuse:** A parent wrongly accused of abuse may lose visitation rights forever without the resource of supervised visitation to provide the opportunity of visitation.

Abusive Homes

Frequently, in unhealthy family situations, even after abuse in a home has been documented by authorities, abuse continues as shown in the following examples:

1. **Left In Abusive Home:** Social service agencies do not always have a convenient resource to evaluate, over a period of time, the appropriateness of a child remaining in a home after a case of abuse or suspected abuse.

2. **Returned To Abusive Home:** After a child has been removed from a home as a result of abuse, they often are returned to abusive homes from foster homes with little reason to believe that the situation has improved.

CHILDREN'S SAFETY CENTER

The purpose of the Children's Safety Center is to implement a program to reduce children's vulnerability to violence and trauma related to visitation, where there has been a history of domestic violence, sexual abuse or any otherwise potentially stressful visitation situation.

ANSWERS—OBJECTIVES

Supervised Visitation Resource

The Children's Safety Centers will provide the court system, and those in need, with a resource for supervised visitation and exchange of children in the following situations:

1. **Visitation Exchange:** As a safe place for the custodial parent to exchange children with the non-custodial parent for visitation, without having face to face contact. The Centers will be used specifically in cases where there is a history of spouse abuse, harassment, or any other stressful visitation situation. This will prevent the child from witnessing abuse or from the possibility of being hurt.

2. **Foster Home Visitation:** Provide visitation opportunities in situations where children have been placed in foster homes as a result of abuse. The Centers will also aid in the evaluation of those children being returned to previously abusive homes.

3. **Visitation With Abusive Parents:** Provide supervised visitation in cases where there is documented or suspected sexual, physical, or emotional abuse. Visitation would be monitored for a period of time and then be reviewed.

4. **Healthy Visitation Environment:** Provide parents with healthy interaction with their children. This will produce quality time and non-violent memory building experiences, and will help mend the parent/child relationship.

Training

The Children's Safety Center will offer the most constructive, non-violent parenting and children's curriculum possible.

1. **Parenting Curriculum:** Provide abusive parents with concrete tools to change their behavior. They may then practice the skills they have learned with their children in a safe environment during visitation.

2. **Foster/Caretaker/Custodial Parent Curriculum:** Provide support classes for foster parents and custodial parents. These will aid in helping the children who are in their care work through the healing process.

3. **Children's Curriculum:** Help children to heal from past abuse by teaching them positive skills to cope with crises situations and protect themselves from future abuse.

Summary

By accomplishing its most fundamental task of providing a safe place and nurturing environment for abusive parents to visit their children, it will relieve much of the pain and suffering of the children caught in the tragedy of abuse.

But even more is expected. The parenting and children's classes are designed to help families become healthy, and aid in breaking the cycle of abuse.

HISTORY

The concept of Children's Safety Centers originated in January of 1990. It evolved through the incorporation of ideas from three existing programs within the state of Minnesota. The Duluth Visitation Center, Kid's Network in Duluth, and the Pillsbury House in Minneapolis. Through networking with several organizations and by assessing the needs of parents and children, the concept has continued to grow.

The project began formation in June of 1990, when an initial assessment was done within the Twin Cities area. Thirty-five organizations and court systems personnel were contacted to determine the degree of interest in developing such a resource. The response was very positive.

In September of 1990, an informational meeting was held, attended by twenty-two people. Guest speakers gave their personal experiences relating to the need for visitation centers. The overwhelming consensus of the attenders supported the concept of needing such centers state wide.

Extensive media coverage including television, newspaper, and radio, continued to build support for opening such a facility as the Children's Safety Center as soon as possible.

In December of 1990, the Honeywell Corporation granted \$2,395.00 to the Children's Safety Center Network to be used for start-up funds. The organization began operating as a corporation in April of 1991. Candidates for the Board of Directors of the Corporation were sought, and the first formal Board of Directors meeting was held in October, 1991.

The Network received it's 501(c)3 status as a non-profit organization in August of 1991. This allowed the Network to begin formally applying for funding commitments. Most recently, the Network received a grant from the St. Paul Area United Way organization for \$2,500, which enabled the Network to continue pursuing the objective of opening the first Center.

In February of 1991, representatives from the Network presented the concept to the Family Law Subcommittee of the House of Representatives. After input from the committee, budget projections were formalized and submitted to legislators. Representatives Blatz, Vellenga and Macklin then drafted a bill to be presented before the Minnesota House of Representatives for appropriations and coding for a new law in Minnesota statutes.

In May of 1991, the Minnesota House version of the bill passed unanimously. Unfortunately, the Senate version of the bill failed to be heard in the Senate. The bills were carried over into the 1992 legislative session.

Extensive meetings with legislators during the remainder of 1991 broadened support for the concept. In addition, testimony of Network representatives at meetings such as the Governor's Crime Prevention Task Force Committee resulted in the recommendation that Children's Safety Centers be established throughout the state.

1992 began with funding proposals for Children's Safety Centers included in the Governor's Crime Prevention initiatives, as well as Senate and House sponsored Crime Prevention bills. As the bills were passed from committee to committee at the capital, Network representatives provided input and testimony to help define the bills and insure passage.

In April of 1992, funding for Children's Safety Centers passed in both the Minnesota Senate and House of Representatives as part a larger crime prevention bill.

The bill specifically provides each center up to \$50,000 of operation funding per year for three (3) years. Children's Safety Centers Network will of course be applying for this assistance.

The State appropriations bill will provide for partial funding of the first Safety Center. However, as additional funding is needed, the Network is continuing to pursue funding commitments from many other sources. Responses from private corporations and foundations have been very positive, and long term commitments are expected.

1992 CHILDREN'S SAFETY CENTER DEVELOPMENT PROJECTIONS

JANUARY	FEBRUARY	MARCH
<ul style="list-style-type: none"> *Governor's Crime prevention task force recommends Safety Centers. *Exec. Committee. *Grant discovery meet. w/Honeywell. 	<ul style="list-style-type: none"> *Bills introduced in MN Senate and House including funding proposals for Safety Centers. *Exec. Committee. 	<ul style="list-style-type: none"> *Testimony at various legislative committees. *Exec. Committee.
APRIL	MAY	JUNE
<ul style="list-style-type: none"> *Board of Directors Meeting. *State appropriations bill passes in legislature. *Exec. Committee. *Work on Honeywell grant application. 	<ul style="list-style-type: none"> *Preparation for State grant application. *Exec. Committee. *Work on Ramsey County funding application. *Work on staff and volunteer curriculum. 	<ul style="list-style-type: none"> *Submit Ramsey County funding application. *Submit Honeywell grant application. *Work on State grant application. *Exec. Committee. *Curriculum development.
JULY	AUGUST	SEPTEMBER
<ul style="list-style-type: none"> *Submit State grant application. *Begin site selection for # 1 Center. *Exec. Committee. *Work on General Mills grant application. *Curriculum development. 	<ul style="list-style-type: none"> *Site selection for # 1 Center. *Exec. Committee. *Submit General Mills grant application. *Parenting and Child curriculums completed. 	<ul style="list-style-type: none"> *Staff search begins. *Volunteer search begins. *Training curriculum complt. *Exec. Committee. *Continue seeking major funding. *Site for # 1 Center chosen.
OCTOBER	NOVEMBER	DECEMBER
<ul style="list-style-type: none"> *Board of Directors Meeting. *Exec. Committee. *Manager/Supervisor and Supervisor hired. *Four Volunteers selected. *Training of staff and volunteers. *Lease begins at # 1 Center. *Leasehold improvements. 	<ul style="list-style-type: none"> *Exec. Committee. *Grand Opening of # 1 Safety Center! *Begin pick up and drop off operations. *Capacity of Center serves weekly: 96 Families 168 Children Visits weekly: 96 Pick-up Drop-off 	<ul style="list-style-type: none"> *Exec. Committee. *Begin supervised visitation operations. *Second full supervisor hired. *Capacity of Center serves weekly: 204 Families 357 Children Visits weekly: 108 Supervised 96 Pick-up Drop-off

1993 CHILDREN'S SAFETY CENTER DEVELOPMENT PROJECTIONS

JANUARY	FEBRUARY	MARCH
<ul style="list-style-type: none"> *Exec. Committee. *Application to U.S. Senate for demonstration project status and funding. 	<ul style="list-style-type: none"> *Exec. Committee. *Saturday training classes begin. 	<ul style="list-style-type: none"> *Exec. Committee. *Continue pursuit of U.S. demonstration project.
APRIL	MAY	JUNE
<ul style="list-style-type: none"> *Interviewing for third supervisor. *Fifth and sixth volunteers sought. *Exec. Committee. *Board of Directors Meeting. 	<ul style="list-style-type: none"> *Third supervisor hired. *Fifth and sixth volunteers begin. *Capacity of Center expands to serve weekly: 288 Families 504 Children Visits weekly: 144 Supervised 144 Pick-up Drop-off 	<ul style="list-style-type: none"> *Exec. Committee. *Application submitted to State for second year funding.
JULY	AUGUST	SEPTEMBER
<ul style="list-style-type: none"> *Exec. Committee. *State funding grant received. 	<ul style="list-style-type: none"> *Exec. Committee. *User fee schedule introduced. 	<ul style="list-style-type: none"> *Exec. Committee. *Begin review of proposals for second Center.
OCTOBER	NOVEMBER	DECEMBER
<ul style="list-style-type: none"> *Exec. Committee. *Board of Directors Meeting. 	<ul style="list-style-type: none"> *Exec. Committee. *Begin site selection for second Center. 	<ul style="list-style-type: none"> *Exec. Committee. *Choose site for second Center.

CSC1993

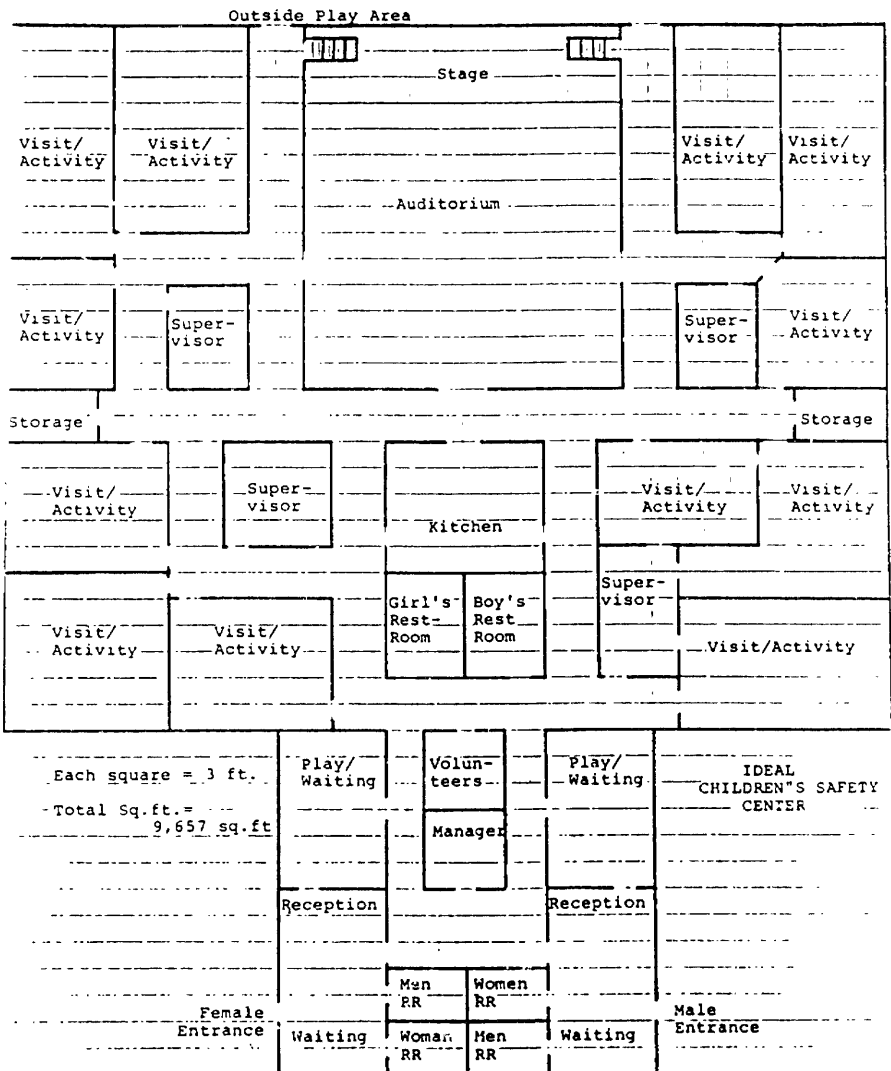
CHILDREN'S SAFETY CENTER

BUILDING

Since its conception, the ideal of a Children's Safety Center has changed very little. The original plan was to provide a facility that would lend itself to a variety of activities. A place that would not be intimidating, but warm and friendly. A place where children can safely play, with plenty of room to run, indoors and out. And a place where parents could feel comfortable with their children.

Specifications: (See attached drawing)

1. Approximately 6,000 to 10,000 sq. ft.
2. Separate entrances for use by men and woman. This is for security reasons.
3. Separate reception and waiting areas.
4. Outside fenced play area.
5. Auditorium/Meeting Room Area. This room would be used for group meetings and learning activities.
6. Many activity/visitation rooms. Some of these would be dedicated to certain activities such as arts and crafts, video movies, music, reading/library, games, toys, etc.
7. Large restroom facilities.
8. Kitchen area.
9. Supervisor offices close to activity/visitation rooms.
10. Volunteer's office.
11. Manager's office.
12. Storage areas.
13. Parking on opposite sides of building, adjacent to separate entrances.
14. Exterior signage.
15. Accessible location. Preferably on or near a bus line.



STAFFING

A competent staff is key to the ongoing success of Children's Safety Centers. The staff will be working with court systems, social agencies, and most importantly, the children and families using the Center.

To the extent that each staff member can earn the trust and confidence of all the parties involved with the Center, the program will achieve its goal of creating a safe environment for children.

The experience and background of each individual working in the Center is critical to the program developing credibility. However, when selecting these important individuals, the attribute of being able to truly care about the people involved with the Centers, will be among the most treasured.

Staff Descriptions

The next several pages contain the basic Staff Descriptions of a Children's Safety Center. Each description includes the listing of the daily tasks involved, qualifications, and annual starting salary.

MANAGER/SUPERVISOR

Basic Function

Full time position will coordinate the activities of the Centers Supervisors and Volunteers, as well as maintain a full schedule of supervised visitation.

Specific Duties:

1. Supervise the staff of the Center.
2. Assist in the recruiting, selection, training, and evaluating Center staff as needed.
3. Coordinate the activities and schedule of the Center.
4. Maintain record keeping and reporting systems as dictated by the Board of Directors.
5. Actively promote the Center as necessary.
6. At capacity operations, maintain a case load of up to thirty-six (36) supervised visitation families.
7. Direct the appropriate maintenance of the Center.

Qualifications

Will include training, experience or education relative to childhood development and social work.

A full understanding of the mission of the program and the motivation to accomplish the program goals.

Business management skills very beneficial.

Salary

The starting annual salary for the Manager/Supervisor position is \$25,000.

SUPERVISOR

Basic Function

Full time position will facilitate supervised visitation at the Center.

Specific Duties

1. At capacity operations, maintain a case load of up to thirty-six (36) supervised visitation families.
2. Coordinate the activities and schedule of the visitation.
3. Maintain records and reports as dictated by the Center manager.

Qualifications

Will include education and experience relative to social work and childhood development.

Salary

The starting salary for the Supervisor position is \$18,000.

VOLUNTEER

Basic Function

Part time position will assist in the operations of the Center as needed.

Specific Duties:

1. Assist the supervisors with supervised visitation.

2. Facilitate the exchange visitation program (drop off and pick up) of the Center. This will include the scheduling and implementation of the system as directed by the Center manager.

3. At capacity operations, facilitate up to three (3) exchange visits per hour during exchange days. (Typically Friday, Saturday, and Sunday of each week.) Expected total exchange visits facilitated by each part time volunteer is approximately 48 per week or a case load of 24 families.

4. Maintain records and reports as directed by the Center manager.

5. Assist with clerical and receptionist activities as needed.

Qualifications

Will include experience or education relative to childhood development or social work.

Possible candidate might be a college student involved in related studies, graduate work, etc., or a retired individual with a related background or interest.

SECURITY

Problem

We of course hope that there will never be a problem with inappropriate behavior or violence at Children's Safety Center. However, it would not be wise to simply hope for the best, but instead plan for situations that might occur.

Given the conditions under which some of the exchange visits and supervised visits will take place, it is very reasonable to expect that there might be occasional problems. The name of the program is Children's Safety Center, so how do we help assure their safety?

Answer

The first step is to establish a relationship with the local police department. Make sure they are aware of the type of operation Children's Safety Center is, and that they have had an opportunity to review the facility.

Next, hire on a part time basis, security officers that have law enforcement experience. It is important that security personnel have police experience, as they have the knowledge and ability to deal with violence if it occurs.

Of course it would be very expensive to pay for security services on a full time basis. Those services would only be purchased on the main exchange days, and one other day of the week. This day would be designated as a day to schedule visitation for those who have exhibited some violent or inappropriate behavior.

Finally, an electronic security system will be operating in the building. This system will include some surveillance capabilities to be used in certain portions of the facility, with particular attention on the parking lot area.

Security for the Safety Center is a priority. However, not a concern with the correct planning and procedures.

EXAMPLE - SUPERVISED VISITATION WEEKLY ACTIVITY CAPACITY

	SUNDAY 12 - 8	MONDAY Closed	TUESDAY Closed	WEDNES 12 - 9	THURSDAY 12 - 9	FRIDAY 12 - 9	SATURDAY 9 - 7	TOTAL VISITS
Manager/ Supervisor	12 - 2 3 visits ----- 3 - 5 3 visits ----- 6 - 8 3 visits			1 - 4 3 visits ----- 5 - 8 3 visits -----	1 - 4 3 visits ----- 5 - 8 3 visits -----	1 - 4 3 visits ----- 5 - 8 3 visits -----	11 - 1 3 visits ----- 2 - 4 3 visits ----- 5 - 7 3 visits	36
Supervisor	1 - 3 3 visits ----- 3 - 5 3 visits ----- 6 - 8 3 visits			12 - 3 3 visits ----- 4 - 7 3 visits -----	12 - 3 3 visits ----- 4 - 7 3 visits -----	12 - 3 3 visits ----- 4 - 7 3 visits -----	10 - 12 3 visits ----- 1 - 3 3 visits ----- 4 - 6 3 visits	36
Supervisor	12 - 2 3 visits ----- 3 - 5 3 visits ----- 6 - 8 3 visits			2 - 5 3 visits ----- 6 - 9 3 visits -----	2 - 5 3 visits ----- 6 - 9 3 visits -----	2 - 5 3 visits ----- 6 - 9 3 visits -----	9 - 11 3 visits ----- 12 - 2 3 visits ----- 3 - 5 3 visits	36
Security	3 - 8				12 - 9	4 - 9		19 Hours
TOTAL SUPERVISED VISITS	27			18	18	18	27	108

cscactlv

EXAMPLE - DROP OFF AND PICK UP ACTIVITY CAPACITY

STAFF:	SUNDAY 12 - 8	MONDAY Closed	TUESDAY Closed	WEDNES 12 - 9	THURS 12 - 9	FRIDAY 12 - 9	SATUR 9 - 7	TOTAL EXCHANG
Volunteer	12 - 8 24 Exch			12 - 5 Assist Visits		1 - 5 12 Exch	9 - 1 12 Exch	48
Volunteer	12 - 8 24 Exch				12 - 5 Assist Visits	5 - 9 12 Exch	11 - 3 12 Exch	48
Volunteer	12 - 8 24 Exch			5 - 9 Assist Visits		1 - 5 12 Exch	1 - 5 12 Exch	48
Volunteer	12 - 8 24 Exch				5 - 9 Assist Visits	5 - 9 12 Exch	3 - 7 12 Exch	48
TOTAL EXCHANGES	96					48	48	192 *

* NOTE: Total exchanges (192), divided by two (2), equals (96), or the number of completed "pick-up" and "drop off" cycles. Therefore, in this example, 96 families would be participating in this resource.

cscexchg

EXAMPLE - DAILY CALENDER OF SUPERVISED VISITS
WEDNESDAY, JUNE 3, 1992

HOUR	MICHELLE	JOAN	STEVE
12:00		Hagstrom	
		Olson	
		Njaka	
1:00	Johnson		
	Lucero		
	Washington		
2:00			King
			Williamson
			Kutina
3:00			
4:00		Sanders	
		Jones	
		Billiett	
5:00	Sanchez		
	Erickson		
	Smith		
6:00			Wright
			Souknhindy
			Slominsky
7:00			

cscday

CHILDREN'S SAFETY CENTER OPERATING BUDGETREMAINING 1992

1992	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
OPERATIONS FUNDING:				Cntr. Lease	Cntr. Open		
Ramsey Cnty.		25000					25000
State Minn.			50000				50000
Corp./Found.	2500						2500
User Fees							
TOTAL FUNDS	2500	25000	50000				77500
OPERATIONS EXPENSES:				Cntr. Lease	Cntr. Open		
Mgr. Supervsr				2083	2083	2083	6249
Supervisor				1500	1500	1500	4500
Supervisor						1500	1500
Tax/Ins/Bene				896	896	1271	3063
Volunteer Ex				83	83	83	249
Security Svc						750	750
Rent/Utilit.				1650	1650	1650	4950
Equip. Leases				100	100	100	300
Insurance				667	667	667	2001
Phone				60	60	60	180
Postage/Sup.	20	20	50	250	125	125	590
Printing		100	200	83	83	83	549
Legal/Account		188	188	188	188	188	940
Other	50	50	50	50	50	50	300
TOTAL EXPEN.	70	358	488	7610	7485	10110	26221
CASH BALANCE	2430	27072	76584	68974	61489	51379	51379

NOTE: Each month's "CASH BALANCE" is the sum of the previous months "CASH BALANCE", plus the "TOTAL FUNDS" line, minus the "TOTAL EXPEN." line. The "CASH BALANCE" prior to July '92 is \$2,500.

cscbud92

CHILDREN'S SAFETY CENTER

OPERATING BUDGET - 1993

1993	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
OPERATIONS FUNDING:													
Ramsey Cnty.	25000					25000							50000
State Minn.							50000						50000
Corp./Found.													
User Fees													
TOTAL FUNDS	25000					25000	50000						100000
OPERATING EXPENSES:													
Mgr. Supervsr	2083	2083	2083	2083	2083	2083	2083	2083	2083	2187	2187	2187	25308
Supervisor	1500	1500	1500	1500	1500	1500	1500	1500	1500	1575	1575	1575	18225
Supervisor	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1575	18075
Supervisor					1500	1500	1500	1500	1500	1500	1500	1500	12000
Tax/Ins/Bene	1271	1271	1271	1271	1645	1645	1645	1645	1645	1691	1691	1709	18402
Volunteer Ex	83	83	83	83	125	125	125	125	125	125	125	125	1332
Security Svc	750	750	960	960	960	960	960	960	960	960	960	960	11100
Rent/Utility	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	19800
Equip. Leases	100	100	100	100	100	100	100	100	100	100	100	100	1200
Insurance	667	667	667	667	667	667	667	667	667	667	667	667	8004
Phone	60	60	60	60	110	110	110	110	110	110	110	110	1120
Postage/Supp	125	125	125	125	150	150	150	150	150	150	150	150	1700
Printing	83	83	83	83	83	83	83	83	83	83	83	83	996
Legal/Account	188	188	188	188	188	188	188	188	188	188	188	188	2256
Other	50	50	50	50	50	50	50	50	50	50	50	50	600
TOTAL EXPEN.	10110	10110	10320	10320	12311	12311	12311	12311	12311	12536	12536	12629	140118
CASH BALANCE	66269	56159	45839	35519	23208	35897	73586	61275	48964	36428	23892	11261	11261

CHILDREN'S SAFETY CENTER
CAPITAL EXPENDITURES BUDGET
FOR RAMSEY COUNTY CENTER

	SEP	OCT	NOV	DEC	TOTAL
CAPITAL EXPENDITURES FUNDING:					
Honeywell Foun.	20000				20000
Foresters Minn.	7300				7300
General Mills		15000			15000
Foresters Inter.		5000			5000
Corp./Foundation					
TOTAL FUNDING	27300	20000			47300
CAPITAL EXPENDITURES:		Center Leased	Center Opened		
Leasehold Impro.		11500			11500
Furnishings		8000		500	8500
Outside Equip.		7300			7300
Signage		1200			1200
Phone System		900		200	1100
Security System		4200			4200
Other			5000		5000
TOTAL EXPEND.		33100	5000	700	38800
CASH BALANCE	27300	14200	9200	8500	8500

cscapex

APPENDIX

Contents:

- * Officers and Directors
- * 501 (c)(3) Non-Profit Status
- * Letter of Incorporation
- * Bylaws of Corporation

OFFICERS

Kim Cardelli
President

David R. Sawyer
Vice President

Phillip C. Miller
Treasurer

Chris Forsburg
Secretary

Joni Colsrud
Probation-Parole Counselor
Anoka County Corrections Div.
Brooklyn Park, MN

Chris Forsburg
Program Coordinator
Pillsbury Neighborhood Service
Minneapolis, MN

Sandy Heideman
Program Director
Southside Nurturing Center
Minneapolis, MN

Maggie Lewis
Program Coordinator
Northwoods Coalition for
Battered Woman
Bemidji, MN

Cynthia Marxen
Program Coordinator
Kid's Network Program
Duluth, MN

Joan A. Miller
Owner/President
Miller Marketing, Inc.
Minneapolis, MN

Phillip C. Miller
Owner/President
Medical Institute of Minnesota
Minneapolis, MN

Joanne Seaburg
Woman's Advocate
WomanKind, Inc.
Eagan, MN

Toni Thorstad
Community Liason
Mettelton Magnet School
Duluth, MN

DIRECTORS

Kim Cardelli
President
Children's Safety Centers
Network, Inc.
Rosemount, MN

David R. Sawyer
Director, Retail Operations
Dahlberg, Inc.
Golden Valley, MN

Greg Carey
Publisher
Home Service Pub, Inc
Burnesville, MN

Don Chapin
Director Family Violence and
Sexual Assault Program
Division of Indian Work
Minneapolis, MN

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
P O BOX A-3290 DPN 22-2
CHICAGO, IL 60690

DEPARTMENT OF THE TREASURY

Date: SEP 17 1991

CHILDRENS SAFETY CENTER NETWORK
4555 ERIN DRIVE STE 170
EAGAN, MN 55122

Employer Identification Number:
41-1695720

Contact Person:
MS. V. ABSTON

Contact telephone Number:
(312) 286-1270

Accounting Period Ending:
December 31,

Foundation Status Classification:
See Second Paragraph

Advance Ruling Period Begins:
December 31, 1991

Advance Ruling Period Ends:
December 31, 1995

Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 507(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 507(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and contributors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until the Service makes a final determination of your foundation status.

If notice that you will no longer be treated as a publicly supported organization is published in the Internal Revenue Bulletin, grantors and contributors may not rely on this determination after the date of such publication. In addition, if you lose your status as a publicly supported organization and a grantor or contributor was responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that the Service had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date such knowledge was acquired.

**BEST AVAILABLE
COPY**

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Requestor, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility of charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

Contributions to you are deductible by donors beginning March 22, 1991.

You are required to file Form 990, Return of Organization Exempt From Income Tax, only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

In accordance with section 508(a)⁶ of the Code, the effective date of this determination letter is March 22, 1991.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should maintain records to show that funds are expended only for

those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

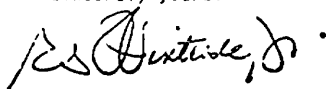
If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 706.)

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



R. S. Mintrod, Jr.
District Director

Enclosure(s):
Form 372-C

BEST AVAILABLE COPY

State of Minnesota

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

I, Joan Anderson Grove, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

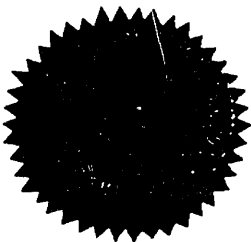
This corporation is now legally organized under the laws of Minnesota.

Corporate Name: CHILDREN'S SAFETY CENTER NETWORK

Corporate Charter Number: 1F-914

Chapter Formed Under: 317A

This certificate has been issued on 03/22/1991.



Joan Anderson Grove
Secretary of State.

ARTICLES OF INCORPORATION
OF
CHILDREN'S SAFETY CENTER NETWORK

Kim Cardelli, David R. Sawyer and Jori L. Whitehead, the undersigned, who are of full age, for the purpose of forming a nonprofit corporation under and pursuant to the provisions of the Minnesota Nonprofit Corporation Act, Chapter 317A of Minnesota Statutes, and laws amendatory thereof and supplemental thereto, do hereby establish a body corporate and adopt the following Articles of Incorporation.

ARTICLE I.
NAME

The name of this corporation shall be the CHILDREN'S SAFETY CENTER NETWORK.

ARTICLE II.
REGISTERED OFFICE

The location and post office address of the registered office of this corporation in the State of Minnesota shall be

4555 ERIN DRIVE, SUITE 170
EAGAN, MINNESOTA 55122

ARTICLE III.
INCORPORATOR

The names and post office addresses of the incorporators of this corporation are:

Kim Cardelli
7804 145th St. W.
Rosemount, MN

David R. Sawyer
231 Glenmoor Lane
Long Lake, MN

Jori L. Whitehead
4555 Erin Drive
Suite 170
Eagan, MN

ARTICLE IV.
PURPOSE

This corporation shall be limited to a charitable purpose of reducing the vulnerability and exposure of children to the violence and trauma resulting from domestic violence and sexual abuse.

ARTICLE V.
LIMITATION UPON CORPORATE ACTIVITY

This corporation shall be operated as a charitable organization under Section 501(c)(3) of the Internal Revenue Code. There shall be no authority to take any action inconsistent with Section 501(c)(3) of the Internal Revenue Code, including but not limited to the following restrictions:

(a) No portions of the net earnings of this corporation shall inure to the benefit of any individual.

(b) This corporation shall not participate in any substantial way in carrying on propaganda or otherwise attempting to influence legislation, unless such activities are conducted in accordance with Section 501(h) of the Internal Revenue Code.

(c) This corporation shall not participate in any political campaign on behalf of or in opposition of any candidate for public office.

ARTICLE VI.
NON-DISCRIMINATION

This corporation shall not discriminate in membership, employment or in the provision of services or resources based

upon race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability or age.

In witness whereof, we have hereunto set our hand this 20th day of MARCH, 1991.

Kim Cardelli
KIM CARDELLI

David Sawyer
DAVID SAWYER

Jori L. Whitehead
JORI L. WHITEHEAD

STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

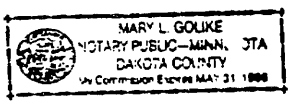
Kim Cardelli, being first duly sworn, on oath says that she has read the foregoing Articles of Incorporation of Children's Safety Center Network subscribed by her, and she knows the contents thereof and that same is true to the best of her information and belief.

Kim Cardelli
Kim Cardelli

Subscribed and sworn to before me, this 20th day of March, 1991.

Mary L. Souke

NOTARY PUBLIC



STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

David Sawyer, being first duly sworn, on oath says that he has read the foregoing Articles of Incorporation of Children's Safety Center Network subscribed by him, and he knows the contents thereof and that same is true to the best of his information and belief.

David Sawyer

David Sawyer

Subscribed and sworn to before me, this 20 day of March, 1991.

Mary E. Waltz

NOTARY PUBLIC



STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

Jori L. Whitehead, being first duly sworn, on oath says that she has read the foregoing Articles of Incorporation of Children's Safety Center Network subscribed by her, and she knows the contents thereof and that same is true to the best of her information and belief.

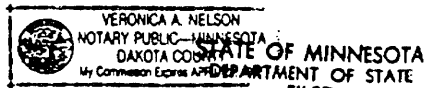
Jori L. Whitehead

Jori L. Whitehead

Subscribed and sworn to before me, this 20 day of March, 1991.

Veronica A. Nelson

NOTARY PUBLIC



STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAR 22 1991
Paul Andrew Olson
Secretary of State

BYLAWS OF CHILDREN'S SAFETY CENTER NETWORK

ARTICLE I.— ORGANIZATION

- 1.01 Children's Safety Center Network is organized Under the Minnesota Non-profit Act, Minnesota Statutes Chapter 317A, and shall conduct its affairs consistent with that act.
- 1.02 Children's Safety Center Network is organized and operated as a tax exempt charitable organization. The affairs of this corporation shall be conducted consistent with and in accordance with its tax exempt status under section 501(c)(3) of the Internal Revenue Code.

ARTICLE II.—PURPOSE

- 2.01 Children's Safety Center Network primary purpose shall be to reduce the exposure of children to the violence and trauma of visitation situations where there is a history of domestic violence, sexual abuse or other factors creating stress in visitation situations.
- 2.02 To achieve this purpose, Children's Safety Center Network shall establish children safety centers where visitation can occur under circumstances that will eliminate or reduce the exposure of children to such trauma or violence.
 - 2.02.01 The children safety centers shall be accessible to all courts and persons within the State of Minnesota and may be made accessible to the courts and citizens of other states, as deemed appropriate by the Board of Directors.
 - 2.02.02 The Board of Directors may authorize the conduct of activities consistent with the purpose of this Corporation outside the State of Minnesota. In so doing, the Board of Directors shall specify procedures that will assure that resources and funds legally committed to operations within one state are not misapplied to the conduct of affairs within another state.

ARTICLE III.—BOARD OF DIRECTORS

- 3.01 The business and affairs of the Children's Safety Center Network shall be managed under the direction of the Board of Directors. The members of the Board of Directors shall be the sole voting members of this corporation, they shall be of one class, and each member of the Board of Director's shall be entitled to one vote.
 - 3.01.01 Until such time as the initial Board of Directors is established, the incorporators shall act as a Board of Directors and initiate the conduct of business on behalf of the Corporation. The incorporators shall assign the duties of President and Treasurer among themselves as required under Minnesota Statute Section 317A.301 with the responsibilities stated under Minnesota Statute Section 317A.305 and may conduct any activities, consistent with these Bylaws, necessary to accomplish the legitimate purpose of this Corporation.
 - 3.01.02 The Board of Directors, once established, shall be bound by the legitimate acts of the incorporators acting as the Board of Directors.
- 3.02 The Board of Directors shall consist of not more than fifteen (15) nor less than nine (9) members, whose term of office shall be of three (3) years or until a successor is chosen.
 - 3.02.01 The incorporators shall nominate and elect the initial Board of Directors. The terms of office of the initial Board of Directors shall not begin until at least nine (9) members have been duly elected and the initial terms of office of each director shall be established at various terms less than three years so that one-third of the members of the Board of Directors shall be elected annually at the January meeting of the Board of Directors.
 - 3.03.02 An increase in the number of Directors upon the Board of Directors shall be filled in accordance with the procedure outlined in Article 3.06, including nominations from the Nominating Committee. Upon increasing the number of Directors, the Board of Directors shall specify the initial term of office of new Director so that one-third of the members of the Board of Directors shall continue to be elected annually.
- 3.03 Vacancies in the Board of Directors shall be filled by a majority vote of the remaining Directors. Any such Director shall hold office until the expiration of the term of that Director's predecessor.

- 3.04 No Director may serve more than three (3) consecutive terms, including an unexpired term of more than one year to which such Director may have been elected.
- 3.05 A member of the Board of Directors may be removed for cause by a two-thirds vote of the Directors eligible to vote at a duly constituted meeting of the Board of Directors called for such purpose or at the quarterly meeting of the Board, if the Director to be removed has been given at least ten day notice of the intent to seek removal at such quarterly meeting or special meeting called for that purpose.
- 3.05.01 When a member of the Board of Directors has missed one-half or more meetings of the Board of Directors during a consecutive twelve month period, such Director may be removed by a majority vote of the Directors eligible to vote at a duly constituted meeting of the Board of Directors.
- 3.05.02 The Director, whose removal is sought, shall be ineligible to vote upon any resolution seeking that director's removal.
- 3.06 At the Annual Meeting of the Board of Directors, the first order of business shall be an election to fill the position of any Directors, whose terms of office has expired. Nominations for such Director's positions shall be presented by the Nominating Committee and additional nominations can be made by any three (3) Directors, whose term has not yet expired. Immediately following the election of directors, the Board of Directors shall elect a President, Vice President, a Secretary and a Treasurer, who shall constitute the Executive Committee of this Corporation. All elections of Directors and of members of the Executive Committee shall be by a majority of members present and eligible to vote. Any plurality shall be resolved by a subsequent runoff election between the top two nominees for the director's position.
- 3.06.01 The President shall have the following duties and responsibilities:
- a. preside at meetings of the Board of Directors and of the Executive Committee;
 - b. sign and deliver in the name of the corporation, deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of the corporation;
 - c. such other duties and responsibilities as may be assigned by the Board of Directors.
 - d. appoint the chairperson and members of the various Advisory Committees to the Board of Directors, except where the chairperson is otherwise specified in these Bylaws.
- 3.06.02 The Vice President shall act on behalf of the President in the President's absence.
- 3.06.03 The Secretary shall have the following duties and responsibilities:
- a. maintain records of and, when necessary, certify proceedings of the Board of Director and Executive Committee.
- 3.06.04 The Treasurer shall have the following duties and responsibilities:
- a. review the financial records of the Corporation and verify the accuracy of such records and the accuracy of the Executive Director's report upon the financial condition of the Corporation at all regular meetings of the Board of Directors.
 - b. The Treasurer shall have the same authority to conduct financial transactions on behalf of this Corporation as does the Executive Director, but shall only exercise such authority in the absence of the Executive Director when necessary to accomplish the specific directions of the Board of Directors or the Executive Committee.

ARTICLE IV.—MEETINGS OF THE BOARD OF DIRECTORS

- 4.01 The Board of Directors shall meet at least once during each of the following months:
- a. January
 - b. April
 - c. July
 - d. October

The January meeting of the Board of Director's shall be deemed the annual meeting of the Board of Directors, at which time the term of office of Direc-

tors, who have served three year or such lesser term as may be the case, shall expire.

- 4.02 All members of the Board of Directors shall be mailed notice of the date, time and place of a meeting of the Board of Directors at least five days prior to such meeting. The notice of any quarterly meeting pursuant to section 4.01 of these Bylaws need not state the purpose of the meeting unless such purpose includes a resolution to remove a director, in which case the name of the Director to be removed and basis for such action shall be stated in the notice. The purpose of a meeting shall be stated in the notice of any special meeting of the Board of Directors.
- 4.03 Any three Directors may petition the President to call a special meeting of the Board of Directors for any purpose. Upon receipt of a petition signed by any three Directors, the President shall cause notice of a meeting of the Board of Directors to be made and shall call a meeting of the Board of Directors within twenty-one days following the receipt of the petition for a special meeting. My petition for a special meeting shall include a description of the business to be conducted at such meeting and the notice of any such meeting shall include notice of such purpose or description of business to be conducted.
- 4.04 At least one-half of the Directors based upon the actual number of Directors making up the Board of Directors at the time of the meeting shall be necessary to constitute a quorum. Once a quorum has been established, the Board of Directors may act by a majority vote of those Directors present.

ARTICLE V.—POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 5.01 Directors shall discharge their duties in good faith and with that diligence and care which an ordinary prudent person in a like position would exercise under similar circumstances.
- 5.02 All the corporate powers, as provided for under the Minnesota Nonprofit Act, Minnesota Statute Chapter 317A, shall be and are hereby vested in and may be exercised by the Board of Directors, except as otherwise provided for in these Bylaws. The Board of Directors may, by general resolution or amendment to these Bylaws delegate to committee, to officers of the corporation or the Executive Director, such powers as they may deem appropriate. A delegation or assignment of authority and responsibilities by the Board of Directors shall not relieve the Board of Directors from its duty to oversee the management and direction of the Corporation consistent with these Bylaws and to assure the Corporate assets are not misappropriated or applied inconsistent with the purpose of this Corporation.
- 5.03 The members of the Board shall not receive any compensation, but may receive compensation as an Officer or employee of the Corporation. Members of the Board of Directors shall be reimbursed for reasonable expenses incurred on behalf of the Corporation or in connection with attendance at meetings of the Board of Directors, Committee meetings or any other function or activity directly related to their responsibilities on behalf of the Corporation.

ARTICLE VI.—EXECUTIVE COMMITTEE

- 6.01 The Executive Committee shall be made up of the President, Vice President, Secretary and Treasurer of this Corporation.
- 6.02 The Executive Committee shall meet at least monthly and shall perform the following functions:
- a. Evaluate the Executive Director's activities to assure that the goals and purpose of the Corporation and the resolutions of the Board of Directors are being adequately and properly pursued. The Executive Committee shall formally evaluate the Executive Director by written memorandum at least annually.
 - b. Determine all matters consistent with the goals and purpose of this Corporation and the resolutions of the Board of Directors between meetings of the Board of Directors.
 - c. Report upon the activities of the Corporation to the Board of Directors at their regular meeting and any special meeting.
 - d. Make recommendations upon amendments to the Articles of Incorporation and the Bylaws of the Corporation.
 - e. Review the activities of all Committees of the Corporation and assure that written reports of each Committee is made to the Board of Directors at their regular meetings.

f. Call regular meetings of the Board of Directors and special meetings of the Board of Directors when deemed necessary by a majority vote of the Executive Committee.

- 6.03 Meetings of the Executive Committee may be held in conjunction with regular quarterly meetings of the Board of Directors, or may be held immediately following the regular meetings of the Board of Directors.
- 6.04 The Executive Committee shall be entitled to determine all matters of policy and procedure and supervise and direct the management of the affairs of this Corporation between meetings of the Board of Directors, but they may not adapt amendments to the Articles of Incorporation or Bylaws upon their own authority nor may they act inconsistent with prior acts and resolutions of the Board of Directors. The Executive Committee shall not have the authority to discharge the Executive Director, but may suspend the Executive Director from acting on the behalf of the Corporation pending an immediate call for discussion and action before the Board of Directors.
- 6.05 A quorum of the Executive Committee shall be three members and they shall act by majority vote. In any instance where there is a tie vote, the Executive Director shall be entitled to vote upon such issue to resolve the tie vote. The Executive Director shall not be entitled to vote at a meeting of the Executive Committee under any other circumstances.

ARTICLE VII.—OTHER COMMITTEES

- 7.01 The Nominating Committee shall consist of at least four Directors, one of whom is also a member of the Executive Committee, and three lay members who are involved in activities of the Corporation as volunteers.
- 7.01.01 The responsibilities of the Nominating Committee shall be as follows:
- a. To develop a slate of nominees for vacant positions upon the Board of Directors, or positions upon which the term of a Director shall expire at the next annual meeting of the Board of Directors.
 - b. To supervise elections of members of Board of Directors.
- 7.01.02 The Nominating committee shall seek to create broad representation of both rural and metropolitan interest upon the Board of Directors. Membership upon the Board of Directors shall also be sought by persons whose vocation, discipline or enterprise will provide expertise in areas directly related to the purpose and goals of this Corporation. The Nominating Committee shall also seek to develop candidates who will represent communities of color and other minority interests and shall at all times give consideration to the overall composition of the Board of Directors and its ability to deal with the cross cultural issues that exist within the community served by the Corporation.
- 7.02 The Board of Directors may establish various Advisory Committees to make recommendations upon various aspects of the Corporation's business. Advisory Committees shall only have the authority to make recommendations to the Board of Directors and shall have no authority to bind this Corporation or determine matters of policy. At least one member of the Board of Directors shall serve on each Advisory Committee as the chairperson of such Advisory Committee and the activities and progress of each Advisory Committee shall be reported to the Board of Directors at each regular meeting of the Board. The following standing Advisory Committees shall be established by the Board of Directors:
- 7.02.01 *Fund Raising Committee*—It shall be the responsibility of the Fund Raising Committee to develop funding sources and conduct general campaigns to assure the continued financial viability of the Corporation.
- 7.02.02 *Public Education Committee*—It shall be the responsibility of the Public Education Committee to conduct education seminars, needs assessment and to develop volunteer resources throughout the State of Minnesota. Such activities shall be conducted at least once in each year within each of the ten Judicial Districts of the State of Minnesota and shall be coordinated with the Battered Women Shelters, Child Protection organizations and Court Services units within each Judicial District wherever possible.
- 7.02.03 *Education Committee*—It shall be the responsibility of the Education Committee to develop a curriculum for both children and adults designed to mitigate the effects of violence and change attitudes concerning the appropriateness of violence in domestic situations. Cur-

riculums shall be developed for both the perpetrators of violence and the victims of such violence, with emphasis upon the children who are subject to or witness to such violence within their homes. The curriculum shall be developed in conjunction with existing programs and persons who possess recognized expertise in addressing domestic violence. The Education Committee shall attempt to coordinate the development of its curriculum with the various Courts in the State of Minnesota to provide a program which the Courts may use as a resource in domestic violence situations.

7.02.04 *Policy and Planning Committee*—It shall be the responsibility of the Policy and Planning Committee to develop internal policies related to all aspects of operating children safety centers. The Policy and Planning Committee shall make recommendations concerning strategies and approaches that will aid the Corporation in achieving its basic purpose or allow it to provide services to a greater number of persons. The Policy and Planning Committee shall consider the needs of urban and rural communities separately and shall address itself to the unique needs of each interest and the different circumstances in which each children safety center must operate.

7.02.05 *Finance Committee*—The Finance Committee shall be chaired by the Treasurer and shall monitor the financial affairs of the Corporation. The Financial Committee shall make recommendations upon an annual budget for the Corporation and shall monitor the ongoing operations to assure that activities are conducted within the confines of any budget previously promulgated by the Board of Directors.

7.02.05 *Personnel Committee*—It shall be the responsibility of the Personnel Committee to recommend personnel policies and procedures to be adopted by the Board of Directors. The Personnel Committee shall develop job descriptions and recommend appropriate salary ranges and employee benefits that might be calculated to fairly compensate employees of the Corporation and that may assist in attracting qualified employees to the Corporation. The Personnel Committee shall act to assure that personnel practices of this Corporation do not discriminate against any person contrary to law and that sincere efforts are made to attract and employ qualified persons of color and other minorities wherever possible.

The Board of Directors may assign additional duties and responsibilities to existing Advisory Committees as deemed necessary to make recommendation upon various aspects of the Corporation's business, or may create additional Advisory Committees as deemed necessary for that purpose.

- 7.03 The Executive Committee may establish such Temporary Committees as may be necessary to deal with and determine issues related to the daily management of the affairs of this Corporation, or specific problems which may require additional involvement and research on behalf of the Executive Committee.

7.03.01 At least one member of the Executive Committee shall be a member of any Temporary Committee and a report upon the activity and progress of any Temporary Committee shall be made to the Executive Committee at each regular meeting thereof.

7.03.02 Temporary Committees shall only have the authority to make recommendations to the Executive Committee and shall have no authority to bind this Corporation or determine matters of policy.

7.03.03 The Executive Committee shall report upon the creation of and activities of any Temporary Committees to the Board of Directors at its next regular meetings. The Board of Directors may determine whether to suspend, enlarge or change any Temporary Committee or may delegate the function of any Temporary Committee to any existing or contemporaneously formed Advisory Committee, as the Board of Directors may determine.

ARTICLE VIII.—EXECUTIVE STAFF

- 8.01 The salaries, fringe benefits and job descriptions of employees of this Corporation shall be established by the Board of Directors.
- 8.02 An Executive Director may be appointed by the Board of Directors, who shall have general active management of the business of this Corporation.

8.02.01 The duties of the Executive Director shall include the following activities and the authority to conduct such activities is hereby delegated to the Executive Director:

- a. Hire employees to fill positions allocated and funded by the Board of Directors.
- b. Sign routine contracts and make expenditures consistent with the acts and duties authorized by the Board of Directors.
- c. See that directions and resolutions of the Board of Directors are carried into effect, and report to the Executive Committee and the Board of Directors upon the progress and results thereof.
- d. Keep accurate financial records for the Corporation.
- e. Deposit money, drafts and checks in the name of and to the credit of the Corporation in the banks and depositories designated by the Board.
- f. Endorse for deposit notes, checks and drafts received by the Corporation as ordered by the Board making proper vouchers for deposit.
- g. Disburse Corporate funds and issue checks and drafts in the name of the Corporation, as ordered by the Board.
- h. Provide an account of transactions and of the financial condition of the Corporation to the Executive Committee and Board of Directors at their regular meetings.
- i. Perform such other duties as directed by the Executive Committee or Board of Directors, whether at their regular meetings, special meeting or by written action in accordance with Minnesota Statute Section 317A.239.
- j. Attend all Board of Director meetings, Executive Board meetings and Advisory Committee meetings as a staff advisor. The Executive Director may not serve upon the Board of Directors or as a member of any Advisory Committee and shall have no vote upon any subject unless otherwise provided for in these Bylaws.

- 8.03 The Executive Director shall have the sole authority to hire, direct the activities of and to discharge employees of this Corporation consistent with the Personnel Policies adopted by the Board of Directors. The Board of Directors shall have no authority to interfere with the Executive Director's authority under this section, except that the Board of Directors shall have the authority to discharge the Executive Director at any time with or without cause. Any resolution of the Board of Directors which seeks to accomplish the objective of specifically managing subordinate employees, other than the Executive Director, shall be null and void. This provision, however, shall not operate to preclude the Board of Directors from developing Personnel Policies applicable to all employees or from making financial decisions consistent with its fiscal responsibilities to manage the affairs of the Corporation.

ARTICLE IX.—GENERAL PROVISIONS

- 9.01 No loans shall be contracted on behalf of the Corporation unless authorized by the Board of Directors or by the Executive Committee where such action is clearly consistent and in furtherance of a resolution of the Board of Directors where any such loan was clearly within the contemplation of the Board of Directors at the time the resolution was passed.
- 9.02 The Board of Directors shall appoint an independent certified public accountant or independent licensed public account to audit the financial records of the Corporation at least annually and such audit shall be reported to and reviewed by the Board of Directors at their next meeting.
- 9.03 No members, officers, agents, or employees of this organization shall be liable for an act or failure to act on the part of any other member, officer, agent, or employee of Children's Safety Center Network nor shall any member, officer, agent, or employee be liable for his act or failure to act under these Bylaws, excepting the acts or omissions to act arising out of his willful misfeasance or willful nonfeasance.
- 9.04 Every member, officer, or employee shall be indemnified by Children's Safety Centers Network against all expenses and liabilities, including legal fees, reasonably incurred or imposed upon him in connection with any proceeding to which he may be made a party, or in which he may become involved, by reason of his being a member, officer, or employee, at the time such expenses are incurred, excepting such cases wherein the member, officer, or employee is adjudged guilty of willful misfeasance or nonfeasance in the performance

of his duties. Provided, however, that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of Children's Safety Center Network. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such Board member, officer, or employee may be entitled.

ARTICLE X.—AMENDMENT TO BYLAWS OR ARTICLES OF INCORPORATION

- 10.01 The Bylaws or the Articles of Incorporation of this Corporation may only be amended by a two-thirds majority of all Directors upon the Board of Directors at the time such amendment is considered. The notice of any meeting where an amendment to the Bylaws or the Articles of Incorporation is to be considered must include notice of the proposed amendment and the specific language that is proposed to amend these Bylaws or Articles of Incorporation. The required notice, however, shall not preclude further changes in the proposed language of the proposed amendment from being made at any meeting for that purpose.

ARTICLE XI.—DISSOLUTION

- 11.01 A voluntary dissolution of this Corporation must be approved in writing by two-thirds of the Directors of this Corporation. Any dissolution of this Corporation shall be conducted in accordance with Minnesota Statutes Sections 317A.701 to 317A.765.
- 11.02 Upon a dissolution of this Corporation, the assets, both real and personal, of the Corporation, shall be dedicated to an appropriate public agency or utility to be devoted to a purpose as nearly as practicable the same as those to which they were required to be devoted by this Corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes, as nearly as practicable, the same as those to which they were required to be devoted by this Corporation.

December 18, 1990.

To whom it may concern: I am a 35 year old women who after 9½ years of abuse left my husband in 1984. In 1987 he came to my home for his court ordered every weekend visitation with a shot gun. He shot his six year old son, shot at his five year old daughter and shot me in the right leg. As a result of the shooting I had to have my right leg amputated.

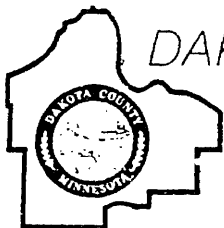
I think if the visitation procedures had been different the shooing incident would not have occurred. At 1st we were dropping off the children and picking them up at the local social services office. But that didn't last long because the case workers told my husband and I that we were adults and that we should be able to do the drop off and pick up for visitation at our separate houses. We followed the case workers advice I repsat, the results of that was the shooting.

If there had been a Childrens Safety Center where we could have dropped off and picked up the children this kind of incident would not have happened. I am not the only person that such a center would of helped or can help. To date my ex-husband's visitation rights are still pending in the courts. And further, he will get out of prison on April 7, 1992. If visitation is granted to him, I would like to have a safe place for it to happen. I don't want to have the scenario repeated.

Please help us feel safe, with your support of the Childrens Safety Center.

Thank You,

JONI COLSRUD



DAKOTA COUNTY

Telephone (612) 450-2611
Fax (612) 450-2948

HUMAN SERVICES DIVISION

33 EAST WENTWORTH WEST ST. PAUL, MINNESOTA 55116

REPLY TO:

Human Services Director (612) 450-2742 Public Health Nursing Services Social Services
 Planning (612) 450-2742 1501 West County Road #2 SOC West 118 - Street
 Employment & Economic Assistance Burnsville, MN 55337 Burnsville, MN 55337
 (612) 450-2811 (612) 455-9055 (612) 885-2517
 Public Health (612) 450-2814 Social Services (612) 450-2877
 Social Services (612) 450-2877 Veterans Services (612) 450-2801
 Veterans Services (612) 450-2801 33 East Wentworth West St. Paul, MN 55116

December 14, 1990

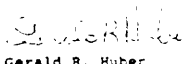
David Sawyer
231 Glenmore Ave.
Long Lake, MN 55356

Dear Sir or Madam:

I wished to write a letter of support regarding the concept of a child visitation center set up in communities to deal with the issue of domestic violence. I have supervised protective services to children and families both in rural and metro Minnesota and I believe there is a need for these visitation centers to assure the safety of both children and adult victims of domestic violence. These centers will also be a great resource in facilitating court ordered visitation with children and in initiating parenting education to families experiencing some form of domestic violence.

I am in full support of the concept of child visitation centers and believe they fill a gap in the service delivery to victims of domestic abuse.

Sincerely,


 Gerald R. Huber
 Supervisor
 Ongoing Child Protection

GH/sct

AN EQUAL OPPORTUNITY EMPLOYER

BEST AVAILABLE COPY

Central Minnesota Task Force on Battered Women
 Box 195
 Saint Cloud, Minnesota 56302

Woman House
 Box 195
 St. Cloud, MN 56302
 Business Phone: 253-6500
 Crisis Phone: 252-1503

St. Cloud Intervention Project
 513 Mall Gorman, Suite 210
 St. Cloud, MN 56301
 Phone: 251-7203

Millie Lacs Reservation Project
 Star Rt.
 Onamia, MN 56359
 Phone: 532-3183

Millie Lacs Intervention/
 Advocacy Project
 P.O. Box 42
 Milaca, MN 56353
 Phone: 683-3847

December 14, 1990

Dave Sawyer
 231 Glenmore Avenue
 Long Lake, MN 56356

RE: Visitation Centers

I am the Administrative Assistant at Woman House, a shelter for battered women and their children. We see women being continually abused by the fathers of their children through visitation arrangements set by the courts. Fathers frequently harass, threaten, or physically abuse women when they pick up and drop off children for visitation. Frequently they disregard court order for protections and show up early or late and fail to return the children at the appointed time. Women often ask the courts to set up supervised visitation arrangements. This is seldom granted as there is not an agency able to do this in our area other than social services. They are reluctant to do supervision as the staff expense and time demand is too great. In addition, their work hours do not fit the times usually designated for visitation; evenings and weekends.

Fathers who have been abusive to women are frequently abusive to the children. I feel the chances of abuse toward the children increase when the father is restricted from the home and/or having contact with the mother. The abusers last means of having control over the victim is now through the children. The children are now put in the middle and often feel to blame for the abuse towards their mother. We hear stories all the time from victims of domestic abuse where the children have been told to "hit mom", "call her names", "tell her you don't want to live with her anymore", etc.

I see a great need for an agency such as a visitation center. A center would increase the safety for battered women as well as their children.

Sincerely,

Jacquie French
 Jacquie French (me)
 Administrative Assistant
 Woman House



UNITED WAY AGENCY

BEST AVAILABLE COPY

Ronald C. Pietig, L.P.

LICENSED PSYCHOLOGIST

15025 Glazier Avenue • Apple Valley, Minnesota 55124 • (612) 431-1515

12-17-90

Kim Cardelli
Children's Safety Center

Dear Kim Cardelli:

lease be informed that you have ~~my~~ full support in establishing Safety Centers or visitation centers for children. As a therapist who works with abusive men and with abused women, there is not a week that goes by that I see a need for this. The issue that I see come up the most frequently is the need of the abusive male who is separated from his wife or girl-friend to see his children. Such a center would allow him to do this without giving him an opportunity to abuse his partner. I also see a need for some of the men who can only visit their children under visitation to do this in a more natural setting than the local child protection office can provide.

Sincerely,

Ronald C. Pietig - L.P.
Ronald C. Pietig, L.P.
Licensed Psychologist

EMBER D. REICHGOTT

Senator 46th District
 Room 24, State Capitol
 St. Paul, Minnesota 55155
 Phone: 296-2889
 and
 7701 48th Avenue North
 New Hope, Minnesota 55428

Senate

 State of Minnesota

January 3, 1991

Ms. Kim Cardelli
 Children's Safety Center Committee
 P.O. Box 352
 Rosemount, MN 55068

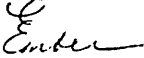
Dear Kim:

Thank you for the information you sent me regarding children's safety centers. I believe it is an excellent concept, and it ties in well with our work in domestic abuse, child protection, and early childhood initiatives.

I will try to incorporate some of these ideas in the legislation we develop regarding family violence for this legislative session. I may ask our staff to call on you further for additional information.

Thank you again, Kim, for your excellent work in this area. I am sure we will be in touch.

Sincerely,



EMBER REICHGOTT
 State Senator

ER:ms

COMMITTEES • Chair, Civil Law Division, Judiciary • Taxes and Tax Laws • Education •
 Education Funding Division • Economic Development/Housing
 SERVING • Crystal • New Hope • Robbinsdale

EMBER D. REICHGOTT

Senator 47th District
Room 24, State Capitol
St. Paul, Minnesota 55153
Phone: 296-2689
and
7701 48th Avenue North
New Hope, Minnesota 55428

Senate**State of Minnesota**

March 28, 1991

Ms. Kim Cardelli
3804 145th Street West
Rosemount, MN 55068


Dear Kim:

It was great meeting with you and the other battered women's advocates at the Capitol recently! Thank you for taking time to visit with me about our mutual strong interest in issues concerning domestic violence.

Kim, I applaud your special efforts regarding the child safety center legislation. As I promised, I introduced the bill in the Senate last week, as S.F. 1016. After discussing the matter with Rep. Macklin, I am convinced that the best strategy is to pursue the legislation as a separate bill, rather than folding it into my domestic abuse bill. Rep. Macklin believes he will be able to get the bill heard before the first committee deadline; and I will try to do the same before the second committee deadline on April 25.

Good luck to you, Kim! Thank you for your advocacy on behalf of children.

Sincerely,


Ember Reichgott
Majority Whip

ER:ms

Enclosures

Criminal Justice Division
of Judiciary

Kathleen Vellenga
Chair

Phil Carruthers
Vice Chair



Minnesota House of Representatives

D. Bishop, K. Blatz, C. Brown, P. Carruthers, T. Dempsey, L. Greenfield, J. Janeczich, R. Kelly,
M. Marsh, H. Ornstein, S. Peppas, A. Reel, A. Seaberg, D. Swenson, J. Wagenius

COMMITTEE STAFF: Mark Lynch, Committee Administrator
Patricia Larson, Committee Secretary

TO H.C.M. IT MAY CONCERN:

It would be a great benefit to both children and parents if more safe visitation centers could be established. The most difficult effect of divorce and separation upon children is the resulting tension between their parents. Children get caught in this tension, remain caught, if they continue their relationship at all. For parents who have been abused by their spouse, the contact involved in most visitation can be very dangerous. In an effort to diminish this danger, arrangements are made to meet at fast food places, relatives, even a hospital lobby! I have been informed of visitation arrangements so difficult it is impossible to imagine anything positive happening for the children, and the abused parent is not really safe in these situations either.

At a safe visitation center the experience is not only safer for the children and parents, the experience can be a positive one for the visiting parent.

January 9, 1991

To Whom It May Concern:

I am writing this letter in support of the Children's Safety Committee. In our work at Southside Family Nurturing Center with families at risk for abuse and neglect, we have seen many cases where a Children's Safety Center could not only be helpful but vital! Many times visitation is carried out at the government center with little or sporadic supervision or at people's homes where women are put in great danger by angry or revengeful partners.

The effect on the entire family is evident as the violence affects not only the women but the children as well. The children often become hypervigilant, waiting for tension to explode at any minute or overly responsible for any difficulties that occur. These effects of course are compounded by the loss children are already feeling from the break-up or placement in foster care.

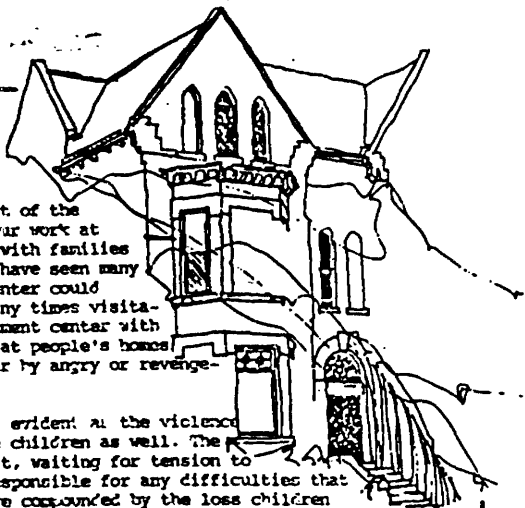
We feel the establishment of a children's safety center could ease many of these difficulties for families by providing a safe, supervised place to visit or drop-off! At times this center may even prevent the tragedy of injury or death.

We hope you will consider this proposal favorably. It is an essential service for families going through divorce or separation.

Sincerely,

Sandy Heidemann

Sandy Heidemann, MS
Program Manager



Honeywell

Foundation

27 December 1990

Mr. David Sawyer
231 Glenmore Avenue
Long Lake, MN 55356

Dear David:

I am pleased to enclose a check in the amount of \$2,395. payable to the Community Action Council, to assist with the start-up costs of the Children's Safety Centers.

The story you told was most impressive and the commitment and dedication of those involved was evident.

Best Wishes for 1991!

Sincerely,

P.T.

M. Patricia Hoven, Director
Honeywell Foundation

MPH:lc
Enclosure

FIRST ENGROSSMENT

H.F.No. 1010

Introduced by Macklin, Vellenga, Blatz,
Segal, Rodosovich

Read FIRST TIME MARCH 21, 1991, and Referred to the
Committee on HEALTH & HUMAN SERVICES

By Motion, Recalled and Re-referred to the
Committee on JUDICIARY, MARCH 27, 1991

Committee Recommendation and Adoption of Report:
TO PASS AS AMENDED and re-referred to the
Committee on APPROPRIATIONS, APRIL 17, 1991

1 A bill for an act

2 relating to human services; authorizing a grant
3 program to establish two pilot children's safety
4 centers; appropriating money; proposing coding for new
5 law in Minnesota Statutes, chapter 256F.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

7 Section 1. [256F.10] [GRANTS FOR CHILDREN'S SAFETY
8 CENTERS.]

9 The commissioner shall issue a request for proposals from
10 nonprofit, nongovernmental organizations, to design and
11 implement two pilot children's safety centers. The purpose of
12 the centers shall be to reduce children's vulnerability to
13 violence and trauma related to family visitation, where there
14 has been documented history of domestic violence or abuse within
15 the family. One of the pilot projects shall be located in the
16 seven-county metropolitan area and one of the projects shall be
17 located outside the seven-county metropolitan area.

18 Each children's safety center shall be designed to provide
19 a healthy interactive environment for parents who are separated
20 or divorced to visit with their children and to facilitate
21 parental visits with children living in foster homes as a result
22 of child abuse or neglect. The centers shall be available for
23 use by district courts who may order visitation to occur at a
24 safety center. The centers can also be used as drop-off sites,
25 so that parents who are under court order to have no contact

1 with each other can exchange children for visitation at a
2 neutral site.

3 Each center must have an educational team which shall
4 provide parenting and child development classes to participating
5 parents and hold regular classes designed to assist children who
6 have experienced domestic violence and abuse.

7 Each center must provide sufficient security to ensure a
8 safe visitation environment for children and their parents.

9 The commissioner shall award funds to provide statewide
10 administration and development of the project sites. Funds
11 shall be available beginning July 1, 1992. A grantee must
12 demonstrate the ability to provide a local match for the two
13 project sites. The local match may include in-kind
14 contributions. The commissioner shall evaluate the operation of
15 the two pilot projects and the statewide administration of the
16 children's safety centers and report back to the legislature by
17 February 1, 1993, with recommendations.

18 Sec. 2. [APPROPRIATIONS.]

19 (a) \$115,000 is appropriated from the general fund to the
20 commissioner of human services for the fiscal year ending June
21 30, 1993, to provide a statewide administration grant under
22 section 1.

23 (b) \$200,000 is appropriated from the general fund to the
24 commissioner of human services for the fiscal year ending June
25 30, 1993, for the two statewide demonstration projects
26 authorized by section 1.

ST. PAUL, 7/10/98

Neutral site for parental visit urged

MICHELE COOK STAFF WRITER

The last time Joni Colsrud's ex-husband stopped by to visit his children he pulled out a shotgun, took aim at his family and fired.

"He fired three rounds. I was shot in the leg, my son was hit in the left shoulder and he missed my daughter," Colsrud said. "Then I watched him drive off."

The man is serving a six-year sentence for assault and his family is receiving counseling to overcome the 1987 trauma. Joni Colsrud, who lost her right leg below the knee, believes the tragic episode might have been avoided if there had been a supervised setting for visitation.

"That's when an abuser feels he has control, when they have visitation rights," she said. "These guys won't have the power to control us if there's a neutral place to visit the kids."

"I want judges to automatically say they'll use the center if a woman has a protection order so a no-contact order really means no contact."

KIM CARDELLI

Colsrud will tell her story today at a meeting to develop a center in the Twin Cities that would take the stress and violence out of child visitations involving separated couples.

Such a center opened in Duluth in December under the sponsorship of the Domestic Abuse Intervention Project. Advocates say the supervised setting has reduced violence between couples because a parent can drop a child off at the center for the other parent to pick up or visit, without the two parents having to come face to face.

"Everyone has a neutral territory where they can go so all the tensions, whether there's been physical abuse involved or not, is gone," said Rep. Kathleen Vellenga, DFL-St. Paul. "I really think it's something that should have been developed all over Minnesota a long time ago."

Vellenga and Rep. Art DeBerg, R-Eagan, both active in domestic violence and child welfare legislation, will attend the 12:30 p.m. meeting at the Community Action Council in Burnsville. The meeting was organized by Kim Cardelli, a mother of four who helped develop the Duluth center and now lives in the Twin Cities.

Cardelli said the center would serve as a safe setting for a child to visit with a non-custodial parent, and as a location where parents could exchange children for visits without the parents having to be in contact with each other.

Right now, many women who have protection orders against a boyfriend or husband forbidding contact between the couple are subsequently forced into contact when exchanging children for visits. That situation can lead to more violence, Cardelli said.

Kate Hebert, a missing Lakeville woman who is believed to be a homicide victim, had a protection order against her estranged husband, but also was under court order to drop the couple's children off at his house for visits. She has not been seen since arguing with her husband during a drop-off in June.

"I want judges to automatically say they'll use the center if a woman has a protection order so a no-contact order really means no contact," Cardelli said.

Cardelli envisions a center that would

VIOLENCE CONTINUED ON 7B ▶

**Joe Soucheray's
column will resume
Wednesday.**

VIOLENCE

▶ CONTINUED FROM 1B

teach parenting classes and offer family counseling, and believes the center could also serve as a setting for children to better care to visit with their non-custodial parents.

She would like to see it organized as a non-profit operation with strong bonds between court officials and advocates for children and battered women. The Duluth center is organized as a non-profit facility and was opened with grants from several foundations, including the United Way. It rents

space in a YMCA building and is open two days a week.

Coordinator Madeline Duprey said judges are regularly referring parents to the center, particularly in cases where the mother has been abused.

"The men are often resistant at first of course because it comes through the court area, but once they see how comfortable we've made the place, they seem to like it," Duprey said.

She said several divorced couples with no history of violence are also using the center as a neutral place to drop off and pick up children.

Honeywell agrees to help fund first children's visitation center

BEN CHANCO STAFF WRITER

A Twin Cities group of volunteers trying to find a way to remove the stress and violence of child visitations involving separated couples got an unexpected gift Wednesday.

The group received a promise from Honeywell to pay the start-up costs of about \$2,500 for a center that will provide a safe place for children visiting with non-custodial parents.

"It was a great Christmas present," said an excited Kim Cardelli, chairwoman of the non-profit Children's Safety Centers Network who started working on the project in June. "Honeywell listened to us for half an hour, and then they asked, 'Where do we send the check?' We didn't expect them to say anything right away."

Cardelli, a divorced mother of four who helped develop a similar center in Duluth before moving to the Twin Cities, said Honeywell

was the first of 12 companies her group planned to approach for the start-up fund.

"We still have a lot of work to do, but now we can approach the other corporations for operational funds," she said.

Cardelli said the Honeywell gift will pay only for start-up expenses, such as setting up articles of incorporation, obtaining tax-exempt status and putting together a manual on how to start children's visitation centers throughout Minnesota.

She said the organization hopes to open its first Children's Safety Center in September somewhere in Hennepin County. She said there will be no costs to the parents and children using the center, which will be designed to provide supervised visitation for those who have suffered physical, sexual or emotional abuse.

The center also will serve as a pickup and drop-off place, so parents can leave their children and avoid contact with abusive spouses.

In addition, the center will provide treatment programs for abusive parents and for abused children.

"We will focus on what is best for the children," Cardelli said.

She said she wants the center to be open at least five days a week and be staffed by paid professionals and volunteers. Staffing details and an operating budget will be worked out over the next several months, she added.

"I don't think we will have a lot of problem getting money," Cardelli said. "There is such an obvious need for this kind of center. In Hennepin County alone, there are almost 3,000 orders of protection."

A court order of protection is the primary legal weapon women have in trying to break free of an abusive partner. In Ramsey County, 1,400 protection orders were issued in 1989.

"We expect our first center to get swamped when it opens," Cardelli said. "Then we'll just open up more centers."

HEBERT/Says wife fell during fight

CONTINUED FROM 1D

had walked away from his Lakeville home and disappeared, abandoning her two children.

Hebert, 37, changed his story after being arrested Friday in Louisiana where he had moved after his wife disappeared. He was brought back to Minnesota Monday and immediately showed police where his wife's body was buried.

Dakota County Attorney James Backstrom said no deals were made with Hebert to prosecute him on lesser charges in exchange for his cooperation. But he said police told Hebert that if he led them to his wife's body, authorities would not seek a harsher than normal sentence if he were convicted. Backstrom said he would comply with the agreement.

Hebert was charged with causing the death of his wife without intent but while committing the felony of false imprisonment by locking his wife in a bedroom. The charge is punishable with up to 40 years in prison, but sentencing

force Kathryn Hebert back into the bedroom and lock the door when the woman tried to leave, according to the complaint. The complaint said Hebert's girlfriend then took the daughter to another location.

Hebert told police that in the bedroom, he told his wife he was having an affair and the 135-pound, 5-foot-4 woman hit him, the complaint said. Hebert, who is 6 feet tall and 175 pounds, told police he then raised his hands to block another punch, knocking her backward," according to the complaint.

"He claims that she lost her balance and tripped over a boot, striking her head on the wooden bed frame and chair," the complaint said.

Backstrom said an autopsy of Kathryn Hebert's body conducted Tuesday showed she died of a brain trauma caused by a skull fracture behind the left ear. He said death could have occurred from several minutes to several hours after the injury. No other injuries were found, Backstrom said.

Lakeville and the Dakota County Sheriff's Department after being arrested for probation violation and marijuana possession Friday in Louisiana. Before arresting him, the police searched his home in an attempt to find the key he used to lock his wife in the bedroom, Gudmunson said. Gudmunson said they did not find the key but they did find marijuana.

At an arraignment hearing Wednesday in Dakota County District Court, Judge Leslie Metzger set Hebert's bail at \$400,000 and granted his request to be represented by a public defender.

He is next scheduled to appear in court on Monday.

On Friday, a vigil will be held at 6 p.m. at the Lakeville City Hall, 8747 208th St., for Kathryn Hebert, said Mary Ajax, director of the B. Robert Lewis House, an Eagan shelter for abused women and children.

Funds for children's safety centers sought

BEN CHANCO STAFF WRITER

Supporters of two proposed Children's Safety Centers, designed to protect youngsters from violence during visitations with non-custodial parents, hope to obtain crucial start-up funds from the Minnesota Legislature.

Rep. Bill Macklin, IR-Lakeville, said Thursday he is drafting a bill for the current legislative session that would provide \$315,000 for the two centers — one in the metropolitan area and another out-state.

"The idea is excellent, and there's certainly a need," said Macklin, who pointed out he wanted to be the bill's chief sponsor because the issue hits close to home.

He explained that the tragedy involving Kate Hebert occurred last June in Lakeville, when she dropped off her daughter at her estranged husband's house. Hebert

The centers would provide a place for supervised visitation by parents when there is suspected sexual, physical or emotional abuse.

disappeared and her body was not found until December. Her estranged husband, Ricky Hebert, has been charged with second-degree murder and manslaughter and is expected to be tried in Dakota County this spring.

"If Kate Hebert had a safety center to use, it might not have happened," Macklin said.

Kim Cardelli of Rosemount, founder and president of the non-profit Children's Safety Centers Network who is helping Macklin draft the legislation, couldn't

agree more.

"I get calls every day from women who need these centers," said Cardelli, herself a divorced mother of four.

She said Children's Safety Centers would provide parents with positive activities with their children during visitation. They also would provide the court system with a place for supervised visitation when there is suspected sexual, physical or emotional abuse.

Macklin cautioned that he has no commitments yet from his fellow legislators for his proposed legislation.

"The current financial situation of the state is difficult," he said. "But \$315,000 doesn't seem like that much money for what it will be accomplishing. We usually deal with millions of dollars in the Legislature."

Macklin's bill, as it is being drafted, will fund the full administrative costs of the centers for one

year, estimated at \$113,000. For operating costs, also for one year, the state would provide \$2 for every \$1 raised by the Children's Safety Centers Network.

The Legislature would appropriate a total of \$315,000 for the centers through some state agency, possibly the Department of Human Services or the Department of Corrections.

Location of the centers would be decided through a bidding process, and the state money would be available July 1, 1992.

"We're looking at funding for one year, but if it works well, we can come back in the next biennium and ask the Legislature for more money," Macklin said.

He said he would like to see the metropolitan area center located in Dakota County.

"But since this will involve state funding, we have to give everybody an opportunity to bid," Macklin said.

Week in Review . . . April 11-18, 1991

Highlights



Children

Child support revisions

A bill proponents say would lead to higher payments and better collections for child support was approved April 12 by the Health and Human Services Committee.

An amendment added to the bill would allow judges to estimate the income of non-custodial parents whom the court determined were voluntarily unemployed or underemployed.

Under the measure (HF 1031) the judge could arrive at a payment level from reviewing the non-custodial parent's prior earning power, education, and job skills. Or, in the absence of such information, the judge could estimate earning ability on full-time employment at the federal or Minnesota minimum wage.

Supporters of the bill sponsored by Rep. Jean Wagenius (DFL-Mpls) say the measure is directed at those who try to avoid child support and will cause no imposition on non-custodial parents who are supporting their kids.

But Fun Stieff of R-Kids, an organization representing non-custodial parents, says the amendment is unfair. Stieff says that the proposal would not allow non-custodial parents to accept lower paying jobs that give them more job satisfaction nor does it account for parents who retrain and take on new financial responsibilities.

For the measure to be fair, says Stieff, such income determinations should apply to both custodial and non-custodial parents.

The measure would also allow county officials who file child support claims in order for the county to be reimbursed for welfare expenses, to petition the court to get payments increased. Non-custodial parents would have 20 days to respond to the request.

HF 1031 was referred to the Appropriations Committee for further review.



Eastbound commuters on University Avenue now get a chance to see a bigger-than-life rendition of the controversial portrait of former Gov. Rudy Perpich and his wife, Lola. The billboard at the intersection of University and Western avenues went up April 16.

Dangerous dog sign

A bill (HF162) calling for a universal symbol warning people of dangerous dogs was approved April 18 by the General Legislation, Veterans Affairs, and Gaming Committee.

Chief author Rep. Lyndon Carlson (DFL-Crystal) told members the 1988 Legislature mandated that warning signs be posted on the properties where such dogs were, "but small children can't read them." The proposed universal sign shows a photo of a jumping dog, and a hand raised in self-defense.

"This is something that I believe would protect small children," says Carlson. He compares the sign to the Poison Control Center's Mr. Yuk stickers, universally recognized as a symbol "warning of some danger."

Under the bill, individual counties would be responsible for providing registered owners of dangerous dogs with the signs, and would be allowed to charge dog owners "a reasonable fee" to cover expenses.

HF162 was sent to the House floor for further consideration.

Safety nests for children

Two children's safety centers, where divorced parents could drop off and pick up their children at a "neutral site" and other parents could visit their children in a supervised setting, would be established in Minnesota under a bill approved by the Judiciary Committee April 12.

Chief author Rep. Bill Macklin (R-Lakeville) says the centers would be designed to provide a healthy environment for parents who are separated or divorced to visit with their children.

In addition, the centers — one proposed for the metro area and the other outstate — could also be used for family visits in those homes where there is a history of domestic violence or abuse.

"It's time to stop putting a bandaid on family violence," says Kim Cardelli, who spent time at a similar crisis center in Duluth. "This type of violence cuts across all cultures and incomes levels. It's not a low-income minority problem — it's everywhere."

The centers would be required to provide parenting and child development classes to participating parents, and to hold regular classes on how to assist

April 19, 1991 / SESSION WEEKLY 3

children who have experienced domestic violence and abuse.

Mackinn says his interest in the proposed centers stems from the 1990 case where a Lakeville woman, who had an order for protection against her estranged husband, disappeared after dropping off her daughter with him. She later was found dead.

HF1010 was referred to the Appropriations Committee for further review. A similar measure (SF1016) is pending in the Senate Health and Human Services Committee.



Crime

Juvenile gun crimes

A week after approving a measure that calls for a state study on whether juvenile offenders should stand trial as adults, the Judiciary Committee April 17 approved a second bill that would likely cause more minors charged with assault with a handgun to be referred to adult court. In addition, the bill (HF697) would also presume that minors who are charged with handgun possession a second time be tried as adults and make the crime a felony punishable by a maximum of five years in prison — up from the current gross misdemeanor level.

Chief author Rep. Howard Orenstein (DFL-St. Paul) says the bill is one of several proposals aimed at curbing gang activity in Minnesota initiated earlier at state Attorney General Hubert H. Humphrey's request.

The Association of County Attorneys supports the measure, according to a lawyer representing the Hennepin County Attorney's Office.

"The message should be that if you are under 18 and carrying a gun without permission, it's a felony," says Louis Smith, an assistant Hennepin County attorney.

Smith added that the Minneapolis Police Department now considers gun-toting 15- to 17-year-olds the most dangerous segment of the urban population.

Nationally, youths aged 15 to 19 die from gunshot wounds more frequently than from natural causes.

Orenstein's bill would specify there



Kim Cardelli, appearing before the Judiciary Committee April 12, spoke in favor of a bill that would establish two children's safety centers in the state.

would be a *prima facie* case that juveniles charged with an assault with a handgun should be tried in adult court, placing the burden on the minor to show why they shouldn't.

Other anti-gang provisions that would be adopted through Orenstein's bill include:

- increasing the penalty for supplying a minor with a gun from a two-year felony to a five-year felony with a maximum fine of \$10,000;
- creating a gross misdemeanor offense for assaulting a school official who is engaged in official duties;
- increasing the penalty for stealing or fencing guns from a five-year felony to a 10-year felony with a maximum fine of \$20,000; and
- asking the state Sentencing Guidelines Commission to study convictions and penalties for those convicted of crack cocaine possession versus convictions for other controlled substance crimes.

Driving permits

Convicted drunken drivers would have to wait three times as long to get limited driving privileges back if a bill approved April 17 by the House becomes law.

Lawmakers unanimously gave final approval to a bill (HF 551) that would extend the waiting period to six months for people convicted of DWI or other alcohol-related offenses to receive so-called "work permits."

Current law allows DWI offenders to apply for limited driving privileges 60 days after a conviction.

The bill would also extend the waiting period for driving privileges following manslaughter and criminal negligence convictions involving a vehicle and "hit-and-run" violations resulting in death or serious injury.

In addition, the bill would make it a misdemeanor for such offenders to drive without having a valid work permit in their possession.

The measure, authored by Rep. Jeff Hanson (DFL-Woodbury), now moves to the Senate Judiciary Committee for further consideration.



Taxes

Dumping the 'burbs'

An originator of the tax sharing plan that helped establish Minnesota as a national leader in metropolitan planning told the Taxes Committee April 16 that a proposal to modify that plan would break a 20-year-old promise.

Former Rep. Charlie Weaver Sr. says that capping the dollar amount that business-rich areas such as Hennepin County contribute to the fiscal disparities pool would devastate communities that "bought into" metropolitan planning with the understanding that their tax base would remain solid.

The idea behind fiscal disparities is to help limit urban sprawl by lessening competition between cities for commercial/industrial property, says Weaver, adding that a bill (HF507) before the Legislature would forego that philosophy.

"What we're saying to those communities is, 'Okay, you bought in to the Metro Council, you bought in to the idea that you will take the development that does



SAIN'T PAUL PIONEER PRESS

29TH

MAY 1991

WEDNESDAY

NEIGHBORS

DW

SECTION

6 PAGES

NEIGHBORS	2
OPPORTUNITIES	6
SCHOOLS BRIEFING	3
VITAL STATISTICS	6

NEIGHBORS DAKOTA WEST

- Apple Valley
- Burnsville
- Eagan
- Lakeville
- Rosemount

DAKOTA WEST

Hope remains to fund child safety centers

BEN CHANCO STAFF WRITER

Kim Cardelli of Rosemount said she couldn't believe it when a bill that might have saved lives died in the recently adjourned session of the Minnesota Legislature.

"I just hope the death of this bill will not cause the death of other children and mothers," she said in an interview last week.

Cardelli is founder and volunteer president of the non-profit Children's Safety Centers Network. The bill was pushed by Rep. Bill Macklin, R-Lakeville, with support from Cardelli's organization and others, including Save Our Children.

The legislation, attached to the House omnibus human services bill, would have provided \$315,000 in start-up funds for two Children's Safety Centers in the state.

The centers would have been safe plac-

es for mothers to exchange children with abusive spouses for visitation without having face-to-face contact. They also would have provided a safe environment for children to have supervised visits with an abusive non-custodial parent, plus classes to help parents and children deal with physical, sexual and emotional abuse.

The House human services bill passed, but the Senate version did not include similar legislation for the centers, and

thus the proposal died last week.

Macklin said he was very disappointed, particularly because of the efforts put in by people like Cardelli.

"We did our job in the House," he said. "It's a good idea. It should have been passed."

Macklin said a Children's Safety Center is a preventive effort the state can provide.

CENTERS CONTINUED ON 2 ►

CENTERS

▼ CONTINUED FROM 1

"We can have tough laws, but if we can prevent a Kate Hebert from being killed, that's worth a lot more than punishing her husband afterwards," he said.

Kathryn "Kate" Hebert died during a domestic argument with her estranged husband last June when she dropped off her daughter for a visit at his house in Lakeville. Ricky Hebert was convicted May 10 of two counts of second-degree felony murder in the death.

"If there was a center around for Kate Hebert to use, she would be alive today," said Cardelli, a divorced mother of four who helped Macklin draft his legislation. "Kate would not have had to make contact with her husband."

But Macklin and Cardelli aren't giving up on opening the centers in the future.

"I'm as committed as ever," Macklin said.

He said he will try again when the Legislature meets in January. "I may ask for more money next time," he said.

Macklin wants state funds for the centers to be available July 1, 1992, the same date specified in the legislation that just died. According to Macklin's proposal, the Minnesota Department of Human

Services will decide where to open one of the centers in the Twin Cities metropolitan area and another outstate. The state would provide \$2 for every \$1 raised by the Children's Safety Centers Network.

Cardelli said she is determined to make the centers a reality, with or without government help, as soon as possible.

Cardelli and the 49 members of her advisory committee, which includes representatives of non-profit organizations especially concerned about children's rights, now will concentrate their efforts on passing the legislation in the state Senate.

"Some legislators don't see the centers as any more important than other programs," she said. "But this should be a right for children — the right that they be safe."

She said her group also will start raising the matching funds required in Macklin's bill, and if enough money is collected before the legislative session in January, the organization might not wait. She said her group would like to open a center right away in Dakota County, Ramsey County or Bemidji.

Cardelli said anyone wishing to help may send donations to the Children's Safety Centers Network, P.O. Box 352, Rosemount 55068.

Macklin continues to set sights on child safety centers

By Angela Doodly

Although the Legislature did not approve funds to establish children's safety centers this session, proposal advocates are optimistic the centers will become reality next year.

Rep. Bill Macklin, 1R-Lakeville, was the chief author of the bill to appropriate \$315,000 to establish two safety centers. Proposers discussed putting one center in either Dakota or Ramsey county and another outside the metro area, possibly in Bemidji.

Children's Safety Centers are facilities in which children may see their parents without the threat of their own abuse or witnessing their parents fight or hit, said Kim Cardelli, president of the Children's Safety Centers Network Inc. They would reduce children's vulnerability to violence and trauma related to domestic violence, sexual abuse or other stressful visitation scenarios. Such a facility has already been established in Duluth.

Cardelli, of Rosemount, was

"Everybody that heard about (the children's safety center concept) thought it was a good idea."

—Rep. Bill Macklin

abused by her former husband, as were her children. She helped originate the legislation and worked with Macklin and others for its passage.

She and Kate Hebert's sister told legislators their stories in hopes that it would help the bill's cause.

Hebert's sister, Marilyn Yahr, said that if centers had existed last year, her sister might be alive today. Hebert was killed in June 1990 when she dropped off her daughter at her estranged husband's Lakeville home. Ricky Hebert was recently found guilty of second-degree

murder in her death.

Although the bill overwhelmingly passed in the House of Representatives, it did not get to the Senate floor. Also, it was not tagged onto a Health and Human Services bill as Macklin had hoped it would be in the last days of the session. He said he was surprised the bill didn't become reality.

"It just seemed like such a small amount of money," considering the size of the state's annual budget, he said.

However, because there seems to be such widespread support for the bill among legislators, police, judges, child therapists and child protection workers, Macklin and Cardelli are confident the bill will pass in the 1992 legislative session. Macklin said the money for the centers would then be available by next July.

"Everybody that heard about it thought it was a good idea," Macklin said. As for why it didn't pass through the Senate, he said there may have been a reluctance on the part of some legislators to spend money on

additional programs this year.

Both Macklin and Cardelli plan to work for the bill's passage throughout the summer and right up to the next session.

In addition to guarding children from violence and potentially stressful visitations with parents, the centers also would offer a constructive non-violent parenting curriculum and a safe place for custodial parents to exchange children when there has been a history of spousal abuse, according to the Children's Safety Center Network. Also, they would provide

visitation opportunities in situations where children have been placed in foster homes because of abuse.

Although the children's safety centers were not approved this year, Cardelli said she still feels a sense of accomplishment. "One year ago when I moved here, no one knew what a visitation center was," she said.

For more information about the Children's Safety Centers Network, call 423-3244 or write to: Children's Safety Centers Network, P.O. Box 352, Rosemount, MN 55068.

DAKOTA COUNTY-ROSEMOUNT-MINNESOTA

FRIDAY - JUNE 5, 1992 - 25¢

Local woman's wish for child safety center becomes reality

Kim Cardelli helps create legislation

By Lara Ginsburg

Kim Cardelli knows what it's like to face the kind of hardships we wouldn't wish upon our worst enemies.

As a divorced mother of four young children, Cardelli has been homeless, lived in shelters in Minneapolis and Eagan, and has seen her husband convicted for child abuse of their son.

Now, however, Cardelli has turned her potentially disastrous situation into a positive outcome for not only herself but for hundreds of families just like hers.

After two years of hard work, determination and more than a little frustration, Cardelli, a Rosemount resident, witnessed the passing of a bill by the state legislature that she helped create.

The bill, part of the Anti-

Violence Law, will provide money to set up at least two child safety centers in Minnesota. The centers will provide children a safe haven from violence during their visitations with non-custodial parents.

Approximately \$200,000 is earmarked for the child safety centers, one to be built in a rural area and the other in the metro area. Any group can apply for funds, which will come in \$50,000 grants. The county or other organization in that area must agree to match the \$50,000 if the center is to be located there.

Cardelli, who heads the Children's Safety Centers Network, a non-profit organization dedicated to making safety centers a reality,

Cardelli see page 10

CARDELLI

Continued from page 1

is currently working with Ramsey County to establish a safety center in that county. She also plans to have a center in Dakota County within five years.

Dakota County is very receptive to the idea, Cardelli said. "They're just waiting to see how Ramsey does."

The center Cardelli envisions in Ramsey County will have what she calls "pick up and drop off," in which a parent can drop off their children at the center and the non-custodial parent can pick the child up without any contact between the parents.

This would be especially useful in domestic abuse cases of harassment or court-ordered protection for the spouse, Cardelli said.

The center will also have supervised visitation for children who live in foster homes and their non-custodial parents.

Another part of the center's plans includes parenting classes for abusive parents.

"These classes will give them the tools to change their behavior," Cardelli said.

Also in the works are support classes for custodial parents and children. These would deal with the issues of living in foster homes and how to heal and protect oneself from abuse.

Cardelli hopes to use a variety of community services to provide activities for both children and their parents. She said the parents can really learn a lot about the dangers of too much parental control from participating in activities with their children.

According to Cardelli, about 270 families in Ramsey County alone need the supervised visitation that would be available, and another 300 families need the pick up and drop off service.

Cardelli said that with an initial budget of \$100,000, it would be impossible to serve all families right away.

"We're going to serve as many as we can," she added.

She hopes the center will be open at least five days a week, with two paid staff members, volunteers and

college interns helping out as well.

As of right now, Cardelli said there won't be a charge for families to use the center's facility. She doesn't rule out the possibility of using a sliding-fee scale where those with higher-incomes would pay more for supervised visitation than those in the lower income bracket.

"It depends on how supportive the corporations are," she said.

Cardelli's quest for child safety center legislation began when she came to Minneapolis with her children. For a short time, they stayed at the Battered Women's Shelter. It was there that she began to listen to women talk about all of the problems stemming from the lack of safe, supervised visitation.

Cardelli told the women at the shelter that they needed a center like the one she had used in Duluth. The center in Duluth, one of about seven in the nation, is similar to the center Cardelli would like to see in Ramsey County. Cardelli was one of the first to use it when it opened in December 1989.

Cardelli took her idea of setting up a child safety center to legislators and corporations and earnestly began to fight for funding and legislation.

Some discouraged her, telling her she'd never get it passed, but others, like Rep. Bill Macklin, R-Lakeville, took up her cause and worked with her to gain support.

Macklin was drawn to the idea of child safety centers after Kate Herbert, a Lakeville resident, was killed in June 1990 when she dropped off her daughter at her estranged husband's home. Ricky Herbert was found guilty of second-degree murder in her death.

The 1991 legislative session dealt Cardelli a blow when the child safety center legislation did not pass. Cardelli became more determined than ever to see her bill passed, and that summer she went to work, visiting a senator a week, hoping to make an impact.

Her hard work and dedication paid off as Cardelli, her oldest son, Paul, and Macklin were on hand with Gov. Arne Carlson to sign the bill into law this year. Macklin credits much of the success of the bill to Cardelli.

"Cardelli was the constituent sponsor for this legislation," Macklin said. "It was her idea, and

I was able to get it passed. That's the way the legislative process should work."

It was also fitting, Cardelli said, to have her son at the signing with her. Cardelli considers Paul a big part of this whole process. He gave a speech at a crime commission hearing and wrote a letter to the governor.

Paul also told his mother that he plans to keep the child safety centers open when he grows up, Cardelli said.

Cardelli hopes that her positive experience will help people realize that they "can do something no matter where they're at. They don't need a lot of money."

Cardelli would like to see more people like herself working with legislators to get programs passed. Right now, she said, it seems only wealthy people go to the legislators. "Their programs are the ones that will be passed," she added.

Now that the fight for child safety center legislation is over, Cardelli will continue to plan for a Ramsey County center to open soon. She also is planning a book of about 150 poems written by survivors of child abuse, which will be published in the fall.

Cardelli, who doesn't have a college degree, said it's really amazing how much she's learned from the experience.

"I've learned how to organize people," Cardelli said of her experience. "And I didn't get intimidated."

STATEMENT OF THE COALITION ON ALCOHOL AND DRUG DEPENDENT WOMEN AND THEIR CHILDREN

Mr. Chairman and members of the Senate Finance Committee, we applaud your efforts to reform the child welfare system in this country and urge you to expand residential treatment for pregnant alcoholic and drug dependent women and their children as a part of this effort. This testimony is submitted on behalf of the Coalition on Alcohol and Drug Dependent Women and Their Children.

The Coalition on Alcohol and Drug Dependent Women and Their Children is a group of over 40 national and state organizations committed to enhancing prevention, treatment and research efforts associated with alcoholism and drug dependency among women, particularly pregnant women, and the impact of these problems on their children. Member organizations are concerned with maternal and child health, child welfare, women's health, alcohol and drug issues and legal issues.

The Coalition was convened by the National Council on Alcoholism and Drug Dependence in May 1989 in response to the growing national trend to punish women with alcoholism and drug dependency who become pregnant. We found this trend particularly alarming because so few states in the nation have comprehensive programs that treat pregnant alcoholic and drug dependent women and their children.

Many pregnant women with alcoholism and drug dependency need intensive and long-term residential treatment. They and their children need a safe environment and the assistance of multi-disciplinary teams in order to become drug free and begin the process of putting their lives together again. Often, women in recovery have suffered past child abuse and neglect, including sexual abuse and incest, and have experienced other forms of physical and emotional trauma. They have familial histories of alcoholism and drug dependency and require support to work through and go beyond these negative family experiences.

Experts have repeatedly cited the lack of residential programs where women can live in drug free environments with their children. The *New York Times* has editorialized twice recently on the merits of expanding residential treatment for pregnant women and has urged Congress to "make such programs more available by changing the rules governing Medicaid health insurance for the poor so that it would finance more drug treatment for pregnant addicts" (editorials attached).

You have heard from many witnesses about the difficulties low-income women face trying to get prenatal care and drug and alcohol treatment. Transportation problems, fragmentation of services, unsympathetic and sometimes hostile service providers and inadequate financing all act as formidable barriers for women who need to enter care. The experience of the last decade firmly supports that women will enter treatment when it is provided in an environment that is responsive to their needs. This means providing multiple and consistent services at one site over a long period of time.

The Coalition has studied and proposed a number of programs to enhance services for pregnant alcoholic and drug dependent women and their children. We believe the most important step Congress can take to improve services for low-income women with drug and alcohol problems is to remove the current barrier which does not allow states the option of Medicaid to pay for comprehensive and long-term residential treatment for pregnant alcoholic and drug dependent women and their children.

Two years ago, we developed and distributed a questionnaire to the State Alcohol and Drug Abuse Agencies, State Medicaid Agencies and treatment providers in the states of California, Florida, Illinois, Kansas, Massachusetts, Michigan, New York, Pennsylvania, Texas, Utah and Washington (a list of the questions asked in the survey is attached).

We found that each state has a distinct set of alcoholism and drug addictions treatment services that are funded by Medicaid. In almost all cases, some form of detoxification, methadone maintenance and some outpatient services are reimbursable (also see attached memo from HCFA to State Medicaid Directors). Most states do not have special provisions for Medicaid reimbursement for alcoholism and drug addictions treatment for pregnant women. Michigan is working to expand Medicaid coverage to reimburse intensive outpatient services and to include room and board for pregnant women receiving intensive outpatient services. The state of Pennsylvania has enacted legislation to allow "for a continuum of alcohol and drug detoxification and rehabilitation services." The Pennsylvania act specifically covers hospital based detoxification and residential services. The state pays the full bill for these services.

After consultation with State Alcohol and Drug Abuse Directors, State Medicaid Directors, local treatment programs and national organizations, our working group developed a proposal to improve access to care for pregnant drug and alcohol de-

pendent women and their children. The proposal, which has become known as the "Medicaid Family Care Act," would allow an exception to the Institution for Mental Diseases (IMD) exclusion. The IMD exclusion prohibits Medicaid reimbursement for mental health services in institutions with more than 16 beds, which makes it impossible to utilize Medicaid to provide family centered care for pregnant alcoholic and drug dependent women and their children.

The proposal also specifies a list of services that are necessary for successful treatment. Under a state-approved plan, providers would be required to provide comprehensive treatment services to pregnant women and their children. These services would include: individual, group and family counseling based on an individualized treatment plan; therapeutic child care or counseling for children of individuals in treatment; parenting skills; sexual abuse counseling; HIV prevention education; room and board; and assistance in obtaining educational, vocational, health and other social services necessary to sustain recovery. This proposal is embodied in two pieces of legislation—S. 29 and S. 1677.

Mr. Chairman, we have been working for years to enhance Medicaid coverage for alcoholism drug dependency treatment. The National Institute on Alcohol Abuse and Alcoholism (NIAAA) and the Health Care Financing Administration (HCFA) conducted a demonstration project in the early 1980's which looked at the impact of using Medicaid and Medicare funding to support a continuum of care in freestanding programs. While a final report was never issued on the impact of this demonstration, the interim report issued in 1986 indicates that Medicaid reimbursement for freestanding programs is viable and cost effective.

We can make progress in our efforts to intervene and treat alcohol and drug dependent women when they are pregnant if we provide them with services that are comprehensive and sensitive to their experience. The prenatal period provides an ideal opportunity for intervention.

A "treatment slot" is not what we are proposing. We need comprehensive programs that will give women a chance to recover and take care of themselves and their families. We view this proposal as complementary to the major and important pieces of legislation introduced by this Committee to reduce problems associated with child health and welfare, infant mortality and alcoholism and drug dependency.

Mr. Chairman, we appreciate your dedication and longstanding commitment to improving the lives of families in our nation and we stand ready to assist you in your efforts to pass major child welfare reform legislation during this session of Congress.

SURVEY ON SELECTED STATE ALCOHOL AND DRUG ABUSE AGENCY'S MEDICAID FUNDED SERVICES—1990

Survey Questions

1. What services for alcohol and drug dependent persons are reimbursable in your State?
 - a. Are there limits on the amount, duration and scope of coverage?
 - b. Are there special services for drug dependent women and/or pregnant women?
2. What relationship exists between the State Medicaid Office and the State Alcohol and Drug Abuse Office?
3. What administrative barriers exist that affect eligibility for alcohol and drug dependent persons?
4. What barriers exist for service providers for participation in and reimbursement from the Medicaid program?
5. How do you proceed with Medicaid clients?
6. What is the reimbursement methodology used and what does it fail to cover that you think is critical for the delivery of comprehensive services?

New York Times, March 11, 1991

How to Protect Babies From Crack

There may be no victims of drug abuse who are more pathetic or more costly to society than the crack-damaged babies born to addicted mothers. Yet Medicaid, the Federal-state health insurance for the poor, won't pay the bills for many pregnant women who seek treatment. Now Congress has a chance to correct the policy flaw.

Smokable crack, which appeals to women much more than injected heroin, inevitably spread to pregnant women. Some 375,000 drug-exposed babies are born each year, 1 of 11 births. They typically suffer brain damage and low birth weight.

If their plight is appalling, so are the costs. California now spends \$178 million a year to care for such babies; Maryland spends \$121 million. By one estimate, medical treatment and foster care in the first five years would total \$500 million for just 9,000 drug-damaged babies born in 1989. The cost of special education to prepare them for school triples the amount, to \$1.5 billion.

Drug treatment for addicted pregnant women could prevent both the suffering and the costs. Recent studies confirm the effectiveness of residen-

tial treatment programs. Women enrolled during pregnancy are likely to remain drug-free — thus sparing the damage to their child even if they eventually return to drug abuse. The programs could also provide counseling and education.

Despite the obvious need, Medicaid refuses to pay for residential drug treatment because it classifies substance abuse as a form of mental illness. Washington considers residential mental health programs a state responsibility.

But states are unlikely to meet drug-treatment needs of all pregnant addicts. And Washington remains obliged to finance the exorbitant medical and welfare costs of their babies. The practical argument for a pregnant-addict exemption to the Medicaid rule overwhelms the policy tradition.

Senator Daniel Patrick Moynihan of New York and Representative Dick Durbin of Illinois have introduced bills creating such an exemption. Mr. Durbin estimates the annual expense at \$20 million in the first year; up to \$200 million after five years. Considering how much cost — and misery — that could avert, it's a rare bargain.

The Cost of Not Preventing Crack Babies

There's an obvious moral case for government funding of drug treatment for pregnant addicts. Now three public health researchers document a powerful economic case as well. Their work makes Congressional inaction on the issue inexcusable.

Ciaran Phibbs, David Bateman and Rachel Schwartz identified newborn babies at Harlem Hospital testing positive for cocaine and compared the cost of their delivery and care with that of normal babies. The cocaine-exposed babies were 50 percent more likely to require intensive care and twice as likely to have very low birth weights. Many of the babies also spent extra "boarder days" in the hospital while social workers decided whether to place them in foster care.

The most expensive to treat were those born to women who smoked crack. The additional cost of each baby's delivery and care could exceed \$11,000. The researchers estimate that cocaine-exposed babies cost the country more than \$500 million a year. And that doesn't include the subsequent cost of health and social services required to help such

children cope with the damage sustained before birth.

The extra hospital costs alone approximate the price of drug treatment for a crack addict during the months of her pregnancy. "The larger neonatal hospital costs for cocaine-exposed infants make it likely that effective treatment programs for pregnant women who use cocaine will be cost-effective in the short run," the researchers conclude.

Congress could make such programs more available by changing the rules governing Medicaid health insurance for the poor so that it would finance more drug treatment for pregnant addicts.

How much would that cost? About \$125 million annually, according to estimates based on bills introduced in Congress this year. That level of spending wouldn't obviate all of the \$500 million in care for cocaine-exposed babies. But taxpayers could well come out ahead.

So far this year, Congress has failed to move on the Medicaid drug treatment legislation. The new research shows there is no good reason to stall.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

6325 Security Boulevard
Baltimore, MO 21207

All State Medicaid Directors:

The Medicaid program is an excellent resource in the national effort to deal with drug addiction and related problems. Because Medicaid's benefits are described in terms of specific services rather than the conditions to be treated, there are often misunderstandings as to the extent that the Medicaid program's benefits can help persons with drug addiction and related problems. I am writing to review the ways that available Medicaid benefits relate to the treatment of these conditions in order to ensure that all States are aware of these possibilities.

A number of primary care services may be used, including physicians' services, clinic services, and pharmaceuticals (e.g., methadone). Additionally, services appropriate for treating addiction may be provided (1) by home health agencies, (2) under home and community-based services waivers, and (3) as part of the EPSDT benefit constellation. A number of States have also used freedom of choice waivers or exceptions to their State plans to implement managed care programs targeted to substance abuse. Case management may be used to coordinate the needed services, and special day treatment programs may be established that combine needed therapy, counseling and other services.

Inpatient hospital benefits may be used for acute treatment of symptoms, detoxification and drug-related medical complications. Rehabilitation services may be provided in a wide variety of settings. These include outpatient programs in hospitals and clinics, and inpatient programs located in nursing facilities, psychiatric hospitals, and special units in general hospitals. Rehabilitation services may also be provided in settings that are not Medicaid participating facilities.

Although payment restrictions relating to institutions for mental diseases (IMDs) can affect some inpatient programs for treating chemical dependency, it is important to remember that these restrictions do not apply to any facility that has less than 17 beds. For this reason, it may be advantageous to set up this type program in smaller facilities, even though room and board payment would not be made unless it is a participating facility. Optional IMD benefits are also available in psychiatric facilities for individuals under age 21 and for individuals age 65 and over regardless of the size of the facility.

There are many State and local programs funded by the Office of Substance Abuse Prevention, National Institute on Drug Abuse, and Health Resources and Services Administration. You may find it worthwhile to collaborate with these programs. If your State is interested in expanding Medicaid services in the area of substance abuse treatment, we can support this effort by responding to questions as they arise in developing new programs. Please contact your HCSA Regional Office.

Sincerely,

Rozann Abato
Acting Director
Medicaid Bureau

Coalition on Medicaid Family Care Act

March 11, 1992

The Honorable Lloyd Bentsen
 Chairman
 Senate Finance Committee
 205 Dirksen Senate Office Building
 Washington, DC 20510-6200

Dear Senator Bentsen:

We, the undersigned organizations, request your support for S. 1677, the "Medicaid Substance Abuse Act of 1991," and urge you to move this legislation during this session of Congress. Passing this legislation is one of the most important steps Congress can take this year to improve the lives of alcoholic and drug dependent mothers and their children.

S. 1677 will allow states the option to use Medicaid to fund residential alcohol and drug treatment programs for pregnant women and their children and will fill the gap in services for these families. Women will be able to enter care with their children while they receive the comprehensive services necessary to rebuild their lives.

The Medicaid benefit proposed in S. 1677 will save our nation millions of dollars each year in the medical and other economic costs of caring for children born to alcoholic and drug dependent women. The legislation authorizes \$10 million in 1993 and a total of \$145 million for the first five years, a cost effective alternative to foster care, intensive medical interventions, and long term educational programs for children with alcohol and other drug related birth defects.

We urge early consideration of this measure, either as a freestanding bill or in concert with other legislation.

Thank you for your leadership and consideration of this issue. We look forward to working with you.

Sincerely,

Alcohol and Drug Problems Association
 American Academy of Pediatrics
 American Association for Marriage and Family Therapy
 American College of Nurse-Midwives
 American Medical Student Association
 American Public Health Association
 American Society of Addiction Medicine
 Association of Maternal and Child Health Programs
 Catholic Charities USA
 Center for Continuing Education in Substance Abuse
 Center for Science in the Public Interest
 Child Welfare League of America
 Children of Alcoholics Foundation
 Children's Defense Fund
 Coalition on Addiction, Pregnancy and Parenting
 Family Service America
 Legal Action Center
 March of Dimes
 National Association of Alcoholism and Drug Abuse Counselors
 National Association of Children of Alcoholics
 National Association of Perinatal Social Workers
 National Association of Prevention Professionals and Advocates
 National Association of State Alcohol and Drug Abuse Directors

National Coalition for the Homeless
 National Council of Negro Women
 National Council on Alcoholism and Drug Dependence, Inc.
 National Family Planning and Reproductive Health Association
 National Mental Health Association
 National Organization on Fetal Alcohol Syndrome
 National Perinatal Association
 National Society of Genetic Counselors
 National Treatment Consortium for Alcohol and Other Drugs, Inc.
 National Women's Health Network
 National Women's Law Center
 Southern Regional Project on Infant Mortality
 The ARC (formerly The Association for Retarded Citizens of the
 United States)
 Therapeutic Communities of America
 Women's Legal Defense Fund

STATEMENT OF THE LEGAL ACTION CENTER AND THE NATIONAL COALITION OF STATE
ALCOHOL AND DRUG TREATMENT AND PREVENTION ASSOCIATIONS

Mr. Chairman, we appreciate your leadership and longstanding commitment to improving the lives of children. Your dedication to child health and welfare has been outstanding and has made a tremendous difference in the lives of children and families throughout our country. We support the efforts of the Committee to move major child welfare reform through the Congress and stand ready to assist you in your efforts. We are especially pleased that S. 4 acknowledges the role of parental drug and alcohol problems in preventing healthy family development and that it includes proposals to increase access to care for alcoholism and drug dependencies treatment.

This testimony is offered on behalf of the Legal Action Center and the National Coalition of State Alcohol and Drug Treatment and Prevention Associations (list of Coalition members attached). The Legal Action Center is the only public interest law firm in the country that specializes in the legal and policy issues related to alcohol, drug and AIDS issues. We work directly with individuals who have alcohol and drug problems and HIV disease and the institutions that provide them with treatment, health care and other social services.

As part of our work, we staff the National Coalition of State Alcohol and Drug Treatment and Prevention Associations, composed of seventeen state associations of treatment and prevention providers. These associations represent individuals on the front lines of treatment and prevention activities in both the public and non-profit private sectors who witness on a daily basis the affect of alcoholism and drug dependencies on children and families.

As you deliberate on reforming the child welfare system, we urge you to consider expanding Medicaid to allow states the option to pay for longterm residential treatment for pregnant drug and alcohol dependent women and their children. This service will greatly improve the lives of families where alcoholism and drug dependencies are major problems. It will reduce the number of children needing care and protection from the child welfare system because of parental alcohol and drug problems. This proposal compliments the important initiatives offered in S. 4 and will make a tremendous difference in protecting the safety and health of children across our nation.

OVERVIEW OF THE PROBLEM

Mr. Chairman, you are well aware of the many and complicated problems that parental alcoholism and drug addiction can cause. In the past few years, the news media has been filled with articles reporting on the tragedy of maternal drug and alcohol addiction. The facts are alarming:

- Estimates indicate that anywhere between 100,000 and 375,000 infants are exposed to drugs prenatally each year.
- At least 5,000 infants are born each year with full blown Fetal Alcohol Syndrome (FAS) and another 35,000 with alcohol related birth defects.
- In 1988, an estimated 5 million women of childbearing age used illicit drugs.
- The National Institute on Alcohol Abuse and Alcoholism (NIAAA) estimates that 1 out of 6 women of childbearing age may drink enough to threaten a healthy pregnancy.

The National Association of State Alcohol and Drug Abuse Directors (NASADAD) reports that the publicly funded treatment system in this nation is only able to serve about 11 percent of the 280,000 alcoholic and drug dependent women in need of treatment. Even when addicted women seek treatment, they face discrimination, especially if they are poor and pregnant. A 1989 study by Wendy Chavkin, M.D. of 78 New York city drug treatment programs found that 54 percent of programs refused services to women claiming to be pregnant and addicted, 67 percent denied treatment to pregnant addicts on Medicaid and 87 percent denied treatment to pregnant women on Medicaid addicted to crack.

We know that the alcoholism and drug dependency treatment, health care, child welfare and foster care systems are all besieged with families in need of comprehensive services and that they have few resources with which to respond to these families. And we know that not treating alcoholism and drug dependencies will only create greater economic and social turmoil in the future. A 1990 GAO study of 10 hospitals underscored this point. According to the GAO:

- Hospital costs were four times greater for infants who were exposed to drugs than costs for infants with no indication of drug exposure.
- About 1,200 of the 4,000 infants born exposed to drugs were placed in foster care. The cost of 1 year of foster care for these 1,200 infants is about \$7.2 million.
- The Florida Department of Health and Rehabilitative Services estimated that for each drug exposed child who shows significant physiologic and neurologic impairment total services costs to age 18 could be as high as \$750,000.

The Committee is well aware of the close relationship between low-birth weight and infant mortality. Low-birth weight is one of the most significant results of drug use during pregnancy. In the 1990 GAO study, the rate of low birth weight among infants exposed to drugs prenatally was at least twice as great as infants not identified as drug exposed. The rate of low birthweight infants ranged from 25 to 31 percent among drug-using women and 4 to 11 percent for women not identified as using drugs. Numerous studies have found that low birth weight and prematurity, which often require expensive neonatal intensive care, are minimized if drug treatment is provided for women before the third trimester of pregnancy.

The number of women, infants and children who test positive for HIV is growing rapidly. These are primarily African American and Hispanic women and their children who are either IV drug users or the partners of IV drug users. Drug and alcohol treatment is probably the most important intervention we can provide to prevent the transmission of AIDS. It can also help to prevent the prenatal transmission of the virus. Unfortunately, comprehensive drug and alcohol treatment for pregnant women is virtually non-existent in communities where the rates of HIV infection are the highest.

PAST RESPONSES TO THE PROBLEM

The Committee has long recognized the importance of alcoholism and drug dependencies treatment for low-income women and their families. Indeed, Congress has enacted various legislation over the past decade to improve access to care for women with alcoholism and drug dependencies and their families. These efforts have included: the women's set-aside of the Alcohol, Drug Abuse and Mental Health Services (ADAMS) block grant; the Office for Substance Abuse Prevention's Pregnant and Postpartum Women and Infant's Program; and the National Institute on Drug Abuse's Perinatal Twenty. While each of these initiatives has provided essential services in communities, they still fall far short of institutionalizing a stable, long-term, comprehensive system of care for pregnant women with alcohol and drug problems and their families.

NEW RESPONSES—ENHANCING MEDICAID

We urge the Committee to use this opportunity to greatly expand access to alcoholism and drug dependency treatment by providing adequate Medicaid reimbursement for residential services. It is unconscionable that many women who are addicted to drugs and alcohol in our country are denied treatment not because they don't want it but because they can't afford it. Amending the Medicaid program to pay for residential services is the single most important step you can take to prevent alcohol and drug related birth defects and to preserve families where alcoholism and drug dependencies are major problems.

There are only a handful of programs in the country where women can enter residential care with their children. The absence of programs that treat women with their children prevents women from seeking care because they are desperately

afraid that entering treatment will result in losing custody of their children. Medicaid reimbursement for residential alcohol and drug treatment programs is currently prohibited by law. The Institution for Mental Diseases (IMD) exclusion is the most formidable barrier standing in the way of reimbursement for this critical service. HCFA defines alcoholism and drug addictions as mental diseases and limits reimbursement for services in residential programs for mental diseases to facilities with less than 16 beds. Most residential programs for alcoholism and drug treatment have an average of 20 beds. Programs serving women, infants and children need to be designed to serve up to at least 40 women if large families are to be treated under the same roof.

There are compelling reasons why comprehensive residential services are vitally important for family centered care. To begin, in many cases pregnant women entering treatment need a range of services including prenatal care, addictions treatment, housing and employment assistance and childcare. Services are fragmented and it is difficult for women with little or no money to travel with their children to multiple agencies. Many pregnant women in need of services are addicted to more than one drug, have been addicted for a long period of time and need long-term habilitation for treatment to be successful. Treatment is not likely to be a success on an outpatient basis or a short-term residential stay. Studies indicate that treatment outcome improves in direct relation to the intensity and length of treatment provided. Finally, many of the women who will utilize residential services—urban or rural—live in families and neighborhoods where alcoholism and drug addictions are everywhere. Their homes and communities are not safe. They need an alcohol and drug free environment and the support of other women in recovery to stay drug free and to build their lives.

We urge you to take this opportunity, as you deliberate on major child health and welfare legislation, to allow states the option to support residential alcoholism and drug dependencies treatment with Medicaid. This proposal is embodied in legislation already introduced by members of the Senate Finance Committee—S. 29, "The Medicaid Drug Treatment for Families Act of 1991" and S. 1677, the "Medicaid Substance Abuse Treatment Act of 1991"—and has the support of many members of the Senate Finance Committee and a large and diverse number of national organizations.

These proposals would allow, at a state's option, Medicaid to cover comprehensive services for pregnant women and their children. Under a state-approved plan, providers would be required to provide comprehensive treatment services to pregnant women and their children including:

- Alcoholism and drug addiction counseling and family counseling, education and treatment, including opportunities for involvement in Alcoholics Anonymous or Narcotics Anonymous as well as parenting skills training and HIV prevention and education, all pursuant to an individualized treatment plan;
- Room and board in a structured environment with 24 hour supervision, as well as therapeutic childcare, where appropriate;
- Assistance for parents in obtaining developmental services for pre-school children, access to public education for school aged children, and public education for parents who have not completed high school;
- Assistance to families in obtaining access to health and social services, including outpatient pediatric services and well-baby care;
- Planning and counseling to assist mothers in their reentry into society, including referrals to appropriate education and vocational programs, outpatient treatment and counseling, transitional housing and assistance in obtaining affordable housing, and employment upon discharge; and
- Continuing training for treatment staff.

The Congressional Budget Office (CBO) has estimated that S. 1677 will cost the federal government \$10 million in FY 1992 and \$145 million over five years. In a survey we conducted of programs providing this service, we found that the daily cost of care per family ranges from \$75 to \$90 per day. These costs pale in comparison to the short and long-term costs of maternal alcohol and drug problems to our society.

CONCLUSION

We will make progress in preserving families if we provide comprehensive and quality alcoholism and drug dependencies treatment to pregnant women and their families. Pregnancy is an ideal time to intervene with alcoholic and drug dependent women. It is an opportunity we should seize and use productively.

This nation has been engaged in a "war on drugs" for a number of years but we have not developed a basic and humane system of addictions treatment for individuals who have no money to pay for services. For pregnant women and their children, the stakes are high. Even women who are ready and motivated to seek treatment have few if any options. It will cost us very little to improve the availability and quality of care and the lives of families.

Mr. Chairman and members of the Committee, we urge you to amend the Medicaid program to pay for residential treatment for alcoholic and drug dependent women and their children. We support your efforts to pass major child health and welfare legislation this year and are willing to assist you in this important effort.

NATIONAL COALITION OF STATE ALCOHOL AND DRUG TREATMENT AND PREVENTION
ASSOCIATIONS

Alabama Alcohol and Drug Abuse Association
 Arizona Association of Behavioral Health Programs
 California Association of County Drug Program Administrators
 Florida Alcohol and Drug Abuse Association
 Illinois Alcoholism and Drug Dependence Association
 Iowa Substance Abuse Program Directors' Association
 Massachusetts Alcoholism and Drug Abuse Association
 New Jersey Association for the Prevention and Treatment of Substance Abuse
 New York State Association of Substance Abuse Programs
 Association of Ohio Substance Abuse Programs
 Drug and Alcohol Service Providers Organization of Pennsylvania
 Drug and Alcohol Treatment Association of Rhode Island
 Tennessee Alcohol & Drug Association
 Wisconsin Association on Alcohol and Other Drug Abuse

STATEMENT OF THE NATIONAL ASSOCIATION OF FOSTER CARE REVIEWERS

MY NAME IS CORINNE DRIVER, I AM A VOLUNTEER AND I REPRESENT
THE MEMBERSHIP ORGANIZATION OF
THE NATIONAL ASSOCIATION OF FOSTER CARE REVIEWERS

WHAT IS A FOSTER CARE REVIEWER?

IN 22 STATES, FOSTER CARE REVIEWERS ARE VOLUNTEERS.

EACH REVIEWER VOLUNTEER IS DEDICATED TO THE BEST INTEREST OF EVERY FOSTER CHILD (S)HE REVIEWS.

EACH VOLUNTEER HAS THE RESPONSIBILITY TO EXAMINE A CHILD'S RECORD, TAKE TESTIMONY FROM THE CHILD, PARENTS, FOSTER PARENTS, CASEWORKER AND OTHERS, AND TO RECOMMEND SERVICES WHICH COULD IMPROVE THE PLAN TO RETURN THE CHILD HOME.

YOU, ONE OF OUR HIGHEST ELECTED OFFICIALS, DO NOT HAVE ACCESS TO CASE AND COURT RECORDS IN, FOR EXAMPLE A CASE OF CHILD WHO HAS BEEN SEXUALLY ABUSED. YOUR FOSTER CARE REVIEWER CONSTITUENTS NOT ONLY SEE THE CONFIDENTIAL RECORDS, THEY MONITOR THE WAY THE CASE IS HANDLED.

REVIEWERS READ RECORDS WHICH ENCOMPASS INFORMATION RELATED TO SEXUAL AND PHYSICAL ABUSE, NEGLECT, FAMILY DYSFUNCTION, VIOLENCE, AIDS, DRUGS, HOMELESSNESS--ALL THE ELEMENTS THAT BRING CHILDREN, THROUGH NO FAULT OF THEIR OWN, INTO FOSTER CARE. THEY OBSERVE THE FAILINGS OF THE CHILD WELFARE SYSTEM AND THEY KNOW THE NEEDS OF THOSE WITHIN THAT SYSTEM.

EACH VOLUNTEER REVIEWER TAKES AN OATH OF CONFIDENTIALITY, AND IS DEDICATED TO THE BELIEF THAT EVERY CHILD SHOULD GROW UP IN A SAFE, PERMANENT HOME. EACH CITIZEN REVIEWER HAS A HANDS ON KNOWLEDGE OF THE HORROR OF BEING A FOSTER CHILD.

IT IS THE MOST UNIQUE ACCOUNTABILITY MECHANISM I KNOW OF BECAUSE FOSTER CARE REVIEW BEGINS AND ENDS WITH THE TAXPAYING CITIZEN.

IN THE MIDDLE, IS THE FOSTER CARE SYSTEM AND THE SPECTRUM OF POVERTY AND WOE IT ENCOMPASSES.

IN THE MIDDLE IS THE PERSONAL INTRODUCTION OF MIDDLE CLASS CITIZENS TO THE PEOPLE AND THE PROBLEMS WHICH ENSNARE OUR MOST DEPENDENT CITIZENS.

IN THE MIDDLE, ARE REVIEWERS VOLUNTEERING FOR CHILDREN. THEY ARE THE PEOPLE WHO PAY THE BILLS FOR PUBLIC SYSTEMS. THEY WATCH HOW THOSE SYSTEMS WORK, PARTICULARLY THE SYSTEMS WHICH TAKE THE LARGEST AMOUNT OF THEIR MONEY--WELFARE, AFDC, SSI, HEALTH, SOCIAL SERVICE, EDUCATION AND JUDICIAL SYSTEMS--ALL ARE LAID BARE TO THE REVIEWER MONITORING THEIR EFFECT ON FOSTER CHILDREN.

FROM THAT MIDDLE, YOUR CONSTITUENTS SEE THAT SOME OF THESE

SYSTEMS ARE MORE DYSFUNCTIONAL THAN THE PEOPLE THEY SERVE.

THESE ARE IMPORTANT PUBLIC SYSTEMS, WELL MEANING SYSTEMS, BUT THEY NEED HELP SO THEY CAN ELIMINATE THE BARRIERS THAT ARE DOING SO MUCH DAMAGE TO SO MANY CHILDREN. WE, WHO MAINTAIN DYSFUNCTIONAL SYSTEMS, ARE PERPETRATORS OF ABUSE.

WE MUST KEEP PEOPLE OUT OF OUR SYSTEMS! WE MUST HELP THEM WHEN THEY NEED HELP AND, IN A WAY THAT WILL KEEP FAMILIES TOGETHER.

THIS COUNTRY IS HAVING A CATASTROPHE OF FAMILY LIFE. FAMILIES ARE FALLING APART AND COMMUNITIES ARE NOT HELPING TO KEEP THEM TOGETHER, NOR ARE STATES, NOR IS THE FEDERAL GOVERNMENT.

WE MUST STOP NURTURING FRACTURED FAMILIES BY ALLOWING THEM TO DISINTEGRATE AND FALL INTO PUBLIC SYSTEMS BEFORE WE OFFER HELP.

S4 OFFERS THAT HELP. IT OFFERS SERVICES, RESOURCES, HELP FOR THE TROUBLED AND HELP FOR THE HELPERS.

IT IS AN EXPENSIVE BILL AND IT SHOULD BE EXPENSIVE. A BUDGET SHOULD LAY OUT PRIORITIES. IT IS GOING TO COST THIS COUNTRY A LOT OF MONEY TO BUILD AN UPFRONT SERVICE SYSTEM, A PREVENTION SERVICE SYSTEM, WHICH WILL ALLOW PEOPLE TO HELP THEMSELVES. THAT SHOULD BE A PRIORITY.

THE CHILD WELFARE AND PREVENTIVE SERVICES ACT TAKES AGGRESSIVE ACTION IN TRYING TO HELP FAMILIES. IT FILLS SOME OF THE GAPS OF PL.96:272. IT IS AN UNSELFISH BILL AND IT INCORPORATES A BEDROCK OF KNOWLEDGE BY PRACTITIONERS IN THE FIELD, INCLUDING CITIZEN REVIEWERS.

PLEASE VOTE FOR SENATE BILL 4!

THE NATIONAL ASSOCIATION OF FOSTER CARE REVIEWERS
SUPPORTS SENATE BILL 4.

THE NATIONAL ASSOCIATION OF FOSTER CARE REVIEWERS RECOMMENDS IMPROVEMENT AND ENHANCEMENT OF CURRENT LAW BY MAKING TWO REVENUE NEUTRAL REVISIONS.

1. ADMINISTRATIVE REVIEWS SHOULD BE STRENGTHENED TO SPECIFY THAT VOLUNTEER CITIZENS BE DESIGNATED TO CARRY OUT THE ALREADY REQUIRED ADMINISTRATIVE REVIEW AND DISPOSITIONAL REVIEWS. (see accompanying rationale)

WE RESPECTFULLY SUGGEST THAT WORDING BE ADDED WHICH REQUIRES, OR SPECIFICALLY ENCOURAGES STATES TO USE CITIZEN VOLUNTEERS TO MAKE RECOMMENDATION AT ALL ADMINISTRATIVE REVIEWS AND WHICH REQUIRES, OR SPECIFICALLY ENCOURAGES THE COURT, TO DESIGNATE THAT SAME ADMINISTRATIVE REVIEWING BODY TO MAKE RECOMMENDATIONS FOR THE DISPOSITIONAL ORDER.

CURRENTLY ONLY HALF OUR STATES UTILIZE THE COST EFFECTIVE RESOURCE OF THEIR OWN CITIZENS VOLUNTEERING ON BEHALF OF THE BEST INTEREST OF THE STATE'S FOSTER CHILDREN.

2 WE ALSO RECOMMEND THAT THE ENTITY WHICH ADMINISTERS CITIZEN REVIEW BE ELIGIBLE FOR THE SAME AMOUNT OF FUNDING CURRENTLY AVAILABLE TO THE SOCIAL SERVICE AGENCY, EVEN IF THAT ENTITY IS NOT PART OF THE SOCIAL SERVICE AGENCY.

SOME STATES, SUCH AS OREGON, MICHIGAN, OKLAHOMA, AND NEW JERSEY ADMINISTER CITIZEN REVIEW THROUGH THE COURTS. OTHERS SUCH AS IOWA ADMINISTER CITIZEN REVIEW AS AN INDEPENDENT AGENCY. IT IS LOGICAL AND FAIR THAT THESE ENTITIES BE ENTITLED TO ADMINISTRATIVE FUNDING CURRENTLY SPECIFIED FOR THE SOCIAL SERVICE AGENCY.

WE ALSO SUPPORT A RECOMMENDATION BY THE AMERICAN BAR ASSOCIATION REQUESTING ALLOCATION OF MONIES TO THE COURTS SO THEY CAN CARRY OUT THE ACTIVITIES AND SERVICES INTRINSIC IN COURT RELATED, FOSTER CARE AND ADOPTION ACTIVITIES.

THE NATIONAL ASSOCIATION OF FOSTER CARE REVIEWERS URGES YOUR POSITIVE ACTION ON S4, INCLUDING INCORPORATING THE ABOVE SUGGESTIONS. THE RESULT WILL BE A GIANT STRIDE TOWARD KEEPING CHILDREN WITH THEIR FAMILIES AND HELPING FAMILIES TO STAY HEALTHY.

RATIONALE THAT VOLUNTEERS, INDEPENDENT CITIZEN REVIEWERS, BEST MEET THE INTENT OF PL:96.272 TO REQUIRE ACCOUNTABILITY FOR FOSTER CHILDREN.

1. CONTINUITY. Review boards, which usually consist of five volunteers, become familiar with the case, and the people within the case. Caseworker turnover far exceeds volunteer turnover and the fact that there are several volunteers assures that someone is always familiar with the case. Ongoing reviewer involvement documents actions and patterns of behavior which reinforce case planning and grounds for court action.

2. EXPANDED RESOURCES. Citizen Reviewers are representative of the community and have proven valuable in recommending services. Often they know of existing community resources which are unknown to the caseworkers or agency.

3. THOROUGHNESS. Citizens who volunteer their time on behalf of the best interest of a child devote quality time to each case, a luxury not often allowed to caseworkers and judges who are burdened by heavy caseloads and constant crises. They discuss and debate the best plan for a child. Concentration on each child by several volunteers, helps to assure that developmental, emotional and psychological concerns are addressed by both caseworkers and judges.

4. COST EFFECTIVENESS. Volunteer reviewers are not under contract and work for free. When agency personnel are used to meet the reviewing requirements of PL:96.272 they take working hours away from other agency duties. When, as in some jurisdictions, reviewers are hired to meet those requirements, there is additional cost.

5. IMPACT. The independence of reviewers, and the fact that they represent the community, is not lost on parties in a case. Often citizens have been able to reinforce caseworker's efforts to persuade uncooperative parties to follow through on counseling, visiting, or other aspects of a case plan. It has been proven that citizen reviewers often are able to gather vital case information which a party will not tell an agency person. States utilizing citizen review for each child have held down the rate of increase in the foster care population and have higher rates of adoption.

6. ADVOCACY. In almost every volunteer citizen review program, citizens have become distressed by the barriers they see confronting children, families, caseworkers, the foster care system and the courts. As reviewers they have become educated to the realities which face all those who are in or deal with the foster care system. Citizen reviewers have become strong allies of social service systems and have testified before their state legislatures on behalf of more caseworkers, more resources, and more services. The fact that they are volunteers and taxpaying citizens with no vested interest has had concrete results for children in many state budgets.