In 1996, the National Conference of State Legislatures (NCSL) supported the enactment of welfare reform. NCSL urges Congress and the Administration to ensure that welfare reform is continued as a successful bipartisan partnership between the states and the federal government. This revolution of social policy allowed state legislatures to transform a system of income maintenance to one focused on work and self-sufficiency with support for families and vulnerable children. States and territories have shown that they can use the flexibility provided in the block grant to find innovative ways to move families into jobs, off welfare, towards self-sufficiency, and address poverty. State legislators urge the federal government to continue to make flexibility a key theme in all aspects of welfare reform including Temporary Assistance for Needy Families (TANF), Maintenance of Effort (MOE), child care, child welfare and child support.

Everyone who is able should be engaged in efforts toward self-sufficiency while he or she is receiving public assistance. The majority of states have focused on getting welfare recipients into unsubsidized jobs in the private sector - a proven strategy to increase earnings, promote family stability and end the cycle of dependence. States have succeeded with this strategy. State lawmakers urge Congress and the Administration to not make it difficult for states to continue this success. Unfortunately,
the 2005 reauthorization of TANF rules and regulations, promulgated by the U.S. Department of Health and Human Services (HHS) implementing the Deficit Reduction Act changes, have limited state flexibility, constrained state policy choices, and left states facing financial penalties for not meeting federal work participation rates.

States should be able to adopt a variety of goals for their TANF programs within the broad federal structure, including moving families into jobs and off welfare and towards self-sufficiency and working with youth and low-wage workers to help them avoid welfare. Flexibility must be maintained so states can use a variety of different approaches in pursuing these goals, including strong work-first efforts, comprehensive assessments and services for hard-to-employ parents, stronger sanctions and time limits, post-secondary education to prepare parents for higher wage jobs, and extended financial support for families making the transition into the workforce. States must be able to continue to use TANF funds to support other essential services for family well-being, including child care for low-income working families, child welfare, parent education and home visiting, pre-school education, and after school programs for youth.

**Remaining Challenges**

Many families struggle with barriers to self-sufficiency. Mental illness, substance abuse, physical challenges, low literacy, limited English proficiency, domestic violence, and learning disabilities are among the challenges faced by TANF clients, especially long-term recipients.
NCSL supports maintaining changes to regulations that would allow states to deem individuals with disabilities participating in work activities to count in the work rate even if they don’t reach the hours of work threshold or are in activities appropriate to their disability but which do not match the standard TANF requirements. In addition, individuals receiving SSI are excluded from the work rate calculation because it is recognized that they are unable to work. Individuals who are applying for SSI should also be excluded if the state has determined they meet the SSI threshold instead of having to wait for an SSA determination. Similarly, individuals with severe temporary disabilities, who are ineligible for SSI due to the temporary nature of the disability, but are unable to work, should be excluded from the work rate calculation.

State legislators also believe that welfare reform is an ongoing process of sustaining the work effort of former welfare recipients. This includes services that support job placement, retention and advancement to prevent welfare participation and improve the lives of children and families.

NCSL urges the federal government to keep in mind the requirements of the Unfunded Mandates Reform Act as policies and proposals are developed, including consultation with states regarding the impact of regulations.

**State / Federal Partnership**

Any changes in the TANF program made at the federal level must be carefully crafted so as not to impede the progress made by innovative state and county programs because of the differences in the ways states have implemented programs. NCSL urges the federal government to avoid earmarks, preemption of state authority or mandates on
the states as they compromise the spirit of state/federal partnership critical to our success. States still face the financial risk and have lost flexibility, especially in the use of state maintenance of effort dollars. Congressional action is needed to return flexibility to the states.

**Restoring State Flexibility**

In order to meet these important goals, states need stability and certainty. States are struggling to respond to significantly tougher work participation requirements and the threat of financial sanctions for non-compliance and corrective compliance plans that could curtail state flexibility. HHS continued to change these rules, making it even more difficult for states to meet the work rates. In addition, the rules constrain state flexibility by limiting the use of diversion programs and curtailing states’ use of additional state TANF spending (MOE), to increase their caseload reduction credits toward meeting work rates. State lawmakers' spending choices and strategic TANF policy making and oversight have been frustrated. NCSL urges HHS to reconsider these rules and also urges Congress, where necessary, to exercise its oversight authority to preserve state flexibility.

Our income assistance program should emphasize flexibility for the states to design their own programs in accord with community needs and should include: (1) financing of the program without cost-shifting to state government and without targeting other vulnerable populations, (2) the promotion of family formation and stability, (3) parental responsibility, (4) training and education that are geared toward lifetime career opportunities as well as community and business needs as a path to self-sufficiency, (5)
support services necessary to self-sufficiency such as health care, child care and transportation during education, training and subsidized employment and transitional services for those who successfully leave cash assistance, (6) short term assistance to able-bodied heads of households, (7) long term support for the disabled and the elderly, (8) strengthening child support services

**NCSL's Concern for Children**

NCSL reiterates its concern for children and their well-being in consideration of welfare reform. Children will be better off with parents who are self-sufficient. However, NCSL urges the federal government to consider the impact of any new welfare strategies on other state and federal systems that serve children and their families. There must be coordination with the myriad employment and training and retraining programs. The child welfare system, including foster care, may be inadvertently impacted by welfare reform if parents are unable to support their children.

**TANF Funding Issues**

States have upheld and continue to uphold their part of the welfare reform agreement. NCSL urges Congress and the Administration to resist all efforts to cut the welfare block grant (TANF), the Social Services Block Grant (SSBG), Low Income Home Energy Program (LIHEAP) or any related welfare program, to restore TANF supplemental grants and contingency fund, and preserve the full integrity of the historic welfare agreement.
With TANF and MOE funds, states can serve families who receive cash assistance and families who formerly received cash assistance, as well as families who have never received cash assistance and should continue to have flexibility to do so.

State MOE funds should retain their flexibility as originally enacted in 1996. Recent regulations that restrict their use to a narrow list of programs, eliminate their use to meet work participation rates, or attach federal requirements to separate state programs should be stopped.

**State Legislative Authority ("The Brown Amendment")**

A critical component of the 1996 law explicitly gave state legislatures the specific authority to appropriate their state's TANF, child care, and welfare to work funds. This authority invests state legislators fully in the TANF program and increases state oversight of TANF funds. NCSL strongly supports maintaining this language.

**The TANF block grant**

The TANF block grant must be fully funded, which includes TANF supplemental grants in the baseline. The TANF block grant must not be reduced. NCSL appreciates that the Administration and key Congressional proposals support full funding.

**Inflationary Adjustment**

NCSL urges Congress and the Administration to consider an inflationary adjustment to the TANF block grant. Congress should provide an inflationary increase in the overall block grant. This will allow us to address the increased demand for non-cash assistance, economic uncertainty and any new expectations of welfare reform. If
Congress were to include increased state MOE as a condition, it should be optional for states to receive this adjustment. States are currently struggling with severe budget deficits and funding constraints. Therefore, it should be optional for states that can contribute above 75% state MOE.

**Earmarks**

NCSL will oppose any effort to earmark the TANF block grant as a limitation on critical flexibility and antithetical to the notion of devolution. Any earmarks of TANF funds will also have a disproportionate impact on states that rely on their supplemental grants or states that spent all of their TANF funds and do not have any carried over funds.

**TANF supplemental grants**

The 1996 law provided grants to states with historically low levels of welfare spending under the prior AFDC program and high population growth, ensuring that they were not disadvantaged under the block grant formula. Without restoration of these grants, states that received them will be hard pressed to continue innovative programs and a divisive formula fight will ensue. Already these states have had to curtail or cut programs. NCSL urges Congress to ensure that states continue to receive supplemental grants and that these grants are incorporated into their TANF baseline.

**Carried-over funds**

According to the April 1999 regulations, TANF block grant funds carried over from one fiscal year to the next can only be spent on assistance -- cash, food, and housing. This severely impacts state flexibility to provide services that might keep a family from
needing cash assistance. Carried-over TANF funds should be as flexible as current year TANF funds.

**Contingency funds**

If welfare caseloads increase, states will be pressured to spend a greater percentage of their TANF funds on cash assistance, and there will be less money available for supports such as child care and transportation that help low-wage workers keep their jobs. A contingency fund should be part of any reauthorization proposal. It must be a contingency fund with a less restrictive trigger mechanism and with less complicated requirements for state participation than the contingency fund in the 1996 law. NCSL urges the federal government to construct the reconciliation and maintenance of effort provisions so that needy states can have greater access to the fund. Additionally, the commonwealths, territories and tribes should be allowed to participate in the contingency fund. NCSL appreciates the Administration's proposal to continue the contingency fund. NCSL urges Congress to adopt a less restrictive trigger mechanism and MOE requirement than in the 1996 law that will make the contingency fund more accessible when states' caseloads and spending increase.

State contingency funds remain in the federal treasury and are considered unobligated, so it can appear that those funds are not needed or not allocated for any purpose. This issue should be addressed and is an example of the unfortunate interactions between the block grant and the Cash Management Improvement Act.

**Work**
NCSL believes that work is a critical component of welfare reform. Welfare recipients want to work for themselves and their children. The goal of reform should be to enable clients to become self-sufficient, strengthen their families and work their way off welfare. The diversity of the welfare population means that states must have the ability to choose different strategies for families receiving assistance. Federal law should support state efforts to create a continuum of self-sufficiency. This would range from job search for those with skills and work histories to treatment for parents with substance abuse and mental health problems that are a barrier to employment to mandatory work for those unable to find employment. It also should include part-time work with increased earning disregards as well as work focused educational assistance including English as a Second Language and other supports for the employed so that work is always better than public assistance. State legislators urge HHS and Congress to revisit the current regulations on the definitions of job search and the ability to count the work effort of those with disabilities. Substance abuse and mental health treatment should not be limited to job search.

Part-time employment with some support is preferable to no employment. State legislators strongly believe that federal rules that create financial disincentives for work should be repealed. Subsidized employment is one of several tools that states might employ to help families during difficult times and should be supported by the federal government. Working should always improve a family’s financial and economic situation.

Work Requirements
NCSL supports the current requirement that after 24 months, all families should be engaged in work, as defined by the state.

State lawmakers want to work with all families, understanding that each has different needs and barriers to employment, but all can make progress. State legislators agree that all families should have a self-sufficiency plan, which updates the employability plan under current law. However, the details of these plans, how participants are engaged and how these plans are monitored must be left up to state discretion. HHS should be required to provide technical assistance to the states on the implementation of these provisions. NCSL does not see the need for such a severe penalty - loss of TANF funds, increase in state funding to make up the difference and increase of state MOE - to ensure that states comply with this requirement. NCSL supports a program improvement provision that would allow states that are improving the work rates of TANF recipients, but do not meet newer, higher goals, to avoid financial penalties. This allows states to continue improving their programs without the burden of a reduced TANF grant.

**Work Activity and Work Participation Rates**

NCSL urges the following changes in the work participation rates:

- Eliminate the two-parent work participation rate and have all families count in one consistent work participation requirement, which will help strengthen families and remove a barrier to marriage.

- Allow states to count all recipient work effort.
• Give states greater flexibility to define what activities count as work, especially the combination of activities such as work, job training and preparation, education and treatment for alcohol and other substance abuse, and mental illness, and activities to meet the requirements of a domestic violence plan.

• Retain the 30 hour work participation rate as the standard.

• Continue to give states credit for those who leave welfare. If the current caseload reduction credit is reduced or eliminated, it must be phased out so as to give states time to adjust to any changes.

• Give states the option of including education leading to employment as part of the first 20 hours of work with the purpose of meeting state work participation rates and give states the flexibility to count post-secondary programs that lead directly to good jobs.

• The time limit on post-secondary education programs should be extended from 12 months to 24 months.

• Retain 20 hour requirement for a parent with a child under six.

• The focus on work should not come at the exclusion of necessary basic or vocational education that would enhance skills, job retention and earnings. NCSL has always urged the federal government to leave the decision on when and how education should count for each client up to the states, similar to other TANF benefit and services decisions. The current policy that limits the amount of time and caps the number of clients engaged in vocational education does not take into account state decision making. State legislators support efforts to expand the length of time a recipient can be in vocational education, and to lift or increase the cap on a
percentage of the caseload that can be counted. NCSL supports giving states more flexibility to define education, and to give credit to those engaged in Adult Basic Education and English as a Second Language and post-secondary education.

- Continue to support states ability to use TANF funds for subsidized employment programs.

State legislators are concerned about the impact of reauthorization. Tougher work participation requirements and limitations on what activities count for the core work requirements will force states to only concentrate their efforts on those receiving cash assistance and move away from supporting those who have left welfare to go to work. It will also force states to move away from putting clients into private sector jobs and force states to direct resources toward community service jobs. States will also be forced to reallocate TANF funding away from creative and innovative services including family formation efforts and mental health treatment to fund these new efforts. There are particular difficulties for finding employment and mandatory work in rural areas, where jobs may be few and access to child care and transportation services is limited. Administering these requirements in remote, rural and tribal land areas is especially costly. It will exacerbate the difficulties states face in providing child care to those on welfare and poor working families including former welfare recipients - especially if no new child care funds are included.

State welfare programs have honored and rewarded work. State legislators are concerned that if new and inflexible work requirements are added to the program, states, constrained by the fixed sum of money available from the block grant and their
own economic difficulties, will be forced to establish costly community work programs for those on public assistance at the expense of those who have left or have never been on public assistance. States will have to fund administrative structures to create slots and monitor activities to meet the work participation rates. To do otherwise would leave states vulnerable to substantial fiscal penalties - losing 5% of TANF block grant, backfilling this penalty with state dollars and an increase in 5% for the state maintenance of effort requirement. Diverting program funds to pay for these new administrative structures and technological changes will compromise state success. Forcing states to allocate additional funds to administrative purposes endangers the desired results of welfare reform.

NCSL supports the adoption of credits to reward state success in moving families to employment. Such credits would benefit states that focus their efforts to get recipients into jobs that promote long-term self-sufficiency. Part time work should also be counted, as State legislators believe part time work is an achievement. Additionally, states must have the ability to account for those who are in the application process for Supplemental Security Income. States should be given credit for providing services that keep potential recipients from having to go on public assistance. This is often referred to as "diversion." Additionally, it is critical that states receive credit for providing significant child care and transportation assistance that allows people to stay on the job. This would better reflect state efforts to encourage self-sufficiency.

Sanctions
NCSL believes that states should retain the flexibility they currently have to define sanctions for noncompliance with welfare rules including work requirements. Federal mandates regarding the definition, occurrence and duration of sanctions are contrary to the spirit of devolution. Such decisions should be made at the local level. NCSL opposes efforts to mandate a full family, full check sanction policy. Legislators strongly believe that states should retain full flexibility on the use of state MOE funds. Therefore, NCSL opposes any efforts that would restrict a state’s ability to provide state funding to serve sanctioned families including children.

**Drug Testing**

NCSL supports continued flexibility to address issues of drug use among TANF recipients, and opposes new federal mandates in this area. The key to success in welfare reform and any future success is continuing Congress’s clear original intent to leave such decisions to the states. States currently have a variety of innovative programs to address substance abuse issues, including screening, treatment, and testing.

**Time Limits**

It is important for federal policymakers to recognize that time limit policy is implemented differently across the states. Many states feel that there is sufficient flexibility under current law to exempt, delay and extend time limits as they choose for appropriate candidates, notably families facing tough challenges. However, some states with historically lower state welfare spending with resulting smaller MOE requirements report less flexibility within current time limit policy. While federal policy recognizes the ability
to exempt families from time limits, it does not explicitly allow extensions of time limits. NCSL believes that federal policy should always encourage work. When a parent is working and receiving benefits, states should have an option to extend or exempt these workers and their families from the federal time limits. The current policy should continue to:

- Give states flexibility to determine their own time limits
- Allow states to decide to maintain separate state programs under MOE or segregate their MOE spending in an existing program to be able to use the funds with greater flexibility.
- Maintain the ability of states to exempt 20% of their caseload, as defined by the state, from federal time limits.
- A related issue is the definition of "assistance". Receipt of assistance triggers time limit requirements. NCSL urges Congress to continue the practice of applying time limits to only "assistance" funded by TANF and to continue to allow states flexibility to decide time limit policy for MOE funded programs. State lawmakers continue to support efforts that would distinguish cash support from non-cash support. Currently housing, food and cash count as "assistance." NCSL urges Congress to separate housing from other forms of assistance.

There are some individuals with severe barriers to employment that may not be best served in time-limited assistance program. NCSL urges Congress and the Administration to carefully examine how the SSI and SSDI programs can be better coordinated with the TANF program and state efforts to help each individual achieve the maximum level of self-sufficiency possible.
Purposes of TANF

NCSL continues to support the purposes of the TANF block grant. The current four purposes focus state attention not only on caring for children and moving families from welfare to work, but allowing states to target funds on some of the key reasons for dependency - lack of employment, job preparation, formation and maintenance of two parent families, marriage and out-of-wedlock child bearing. The focus of the TANF program should be not just on getting a recipient into the workforce, but on job retention and wage enhancement strategies and supports that allow the recipient to become truly self-sufficient.

Family Formation and Marriage

While marriage is an issue that transcends discussion of the reauthorization of the TANF program, promoting the formation of stable families is part of ensuring that the cycle of dependency on government programs is broken. Marriage provides important benefits, including economic ones, for adults and children. Government policy should be to support healthy marriages, and, perhaps as critically, not to set up barriers to marriage. Great progress has been made in reducing the welfare cash assistance caseload since the passage of the PRWORA in 1996, but state legislators recognize that much remains to be done in addressing the underlying causes of poverty. That includes strengthening two-parent families.

State legislators recognize that not everyone will choose to marry or choose to stay married.
State legislators believe that any federal discussion of the issue of marriage must be based on the following principles:

- NCSL recognizes that efforts to salvage some relationships may not be appropriate and there needs to be special awareness of the prevalence of domestic violence, family violence and abuse. Therefore, NCSL supports the family violence option;

- Marital status must never be a condition of receiving TANF benefits or services. Great care must be taken to respect personal decisions because people approaching human services agencies are in a vulnerable position;

- Efforts to encourage marriage should respect cultural differences and should be conducted in culturally sensitive ways;

- States must have maximum flexibility as they utilize a range of approaches to promote marriage, especially within the finite resources of the TANF block grant. Marriage laws have been the purview of state government, not the federal government;

- A central focus of these efforts must be child well-being. NCSL supports efforts to assist parents with parenting skills, even in the absence of marriage, so the children involved have a stable support system;

- Rules for the TANF program and other federal programs must be examined to ensure that they do not penalize couples that choose to marry; and

- TANF program restrictions that apply solely to two-parent families must also be re-examined, especially the two-parent family work rate. Examples of federal areas of
law that can discourage couples from marriage include the tax code and federal low-income housing regulations.

- NCSL requests that the federal government consider existing efforts and how those efforts might be strengthened. States are already working to promote marriage outside the TANF program. Some examples of actions states have taken include establishing fatherhood programs, providing incentives for marriage education, enacting earned income tax credits without penalizing marital status, enacting family law related to both marriage and divorce and creating programs to sustain the marriages of parents of children with disabilities with respite care services. State legislators urge federal policymakers to affirm the value of these efforts.

- NCSL supports a demonstration fund for states to implement marriage and family formation initiatives. NCSL opposes any efforts to earmark the TANF block grant for the purpose of family formation or marriage.

**Teen Pregnancy**

Efforts must continue to reduce out-of-wedlock births. Eighty percent of teen births are non-marital and a significant percentage of teen mothers have second births out-of-wedlock.

State legislators realize that teen pregnancy occurs across all income levels, regardless of race and ethnicity, and over time teen parents have worse outcomes than other teens in educational attainment, and income expectations. Teen parents have more difficulty remaining self-sufficient and are more vulnerable to economic downturns. NCSL believes that this national problem deserves full attention and strongly supports a nationwide campaign to prevent out-of-wedlock births. NCSL supports highlighting this
issue, especially in the popular media, including a National Day to Prevent Teen Pregnancy. NCSL further believes assistance for teen parents to complete high school or obtain a GED will strengthen their futures.

NCSL recognizes that teen parents need special assistance beyond education and training programs to become self-sufficient. Programs to promote better parenting skills including nutrition and basic health must be added as well.

**Fathers**

More attention needs to be focused on the fathers, especially low-income non-custodial fathers. As NCSL's policy "Nurturing Responsible Families" details, NCSL believes that children deserve two involved parents. States have established innovative programs to reach out to low-income non-custodial parents, and can share their successes with the federal government. Child support is an especially critical issue for many low-income fathers. NCSL cautions the federal government, however, to remember that there are 50 state systems collecting child support. Any changes in federal child support enforcement law must be carefully crafted to avoid unintended consequences.

State legislators have long supported efforts to increase paternity establishment, recognizing how important it is to have both parents emotionally and economically involved in the life of their child. Establishment of paternity represents a point at which all options, including marriage, can be discussed with unwed parents. Paternity establishment should be accomplished in the least coercive way possible. Teen fathers also must not be left out of these programs.
**Data Collection and Reporting Requirements**

State legislators remain concerned that the reporting requirements in the law are unrealistic and do not gather the information both the federal and state legislatures need to adequately provide oversight over welfare reform implementation. The new law should pay attention to these provisions to ensure that the data required are collectible by the states and relevant to the policy questions state legislators have. Adequate time must be allowed to provide states an opportunity to create and design systems to collect all the required data by the deadlines stipulated in the law. Additionally, state legislators question the ability of states to track the time a recipient receives TANF funds when that recipient moves across state lines. In addition, the new regulations require very specific types of verification and do not allow states sufficient flexibility in pursuing additional and accurate verification methods in programs that are multi-dimensional. Integrated programs, which combine activities and have been proven to be successful for families, are difficult to fit into the new verification structure. NCSL opposes the establishment of a national error rate for the TANF and Child Care and Development Block Grant programs under the Improper Payments Act.

**Child Care**

The Child Care and Development Block Grant (CCDBG) must also be reauthorized. NCSL policy directive on Child Care supports an expansion of funding for the Child Care and Development Block Grant. Child care is critical to meet increased federal work participation rates. Full funding of TANF is important for child care, as is the ability to transfer up to 30% of the block grant into the CCDBG. NCSL continues to oppose further earmarking of the CCDBG or direct TANF spending on child care.
**Social Services Block Grant**

NCSL has a policy directive on the Social Services Block Grant (SSBG) that details the importance of SSBG in providing critical services to low-income individual families and transferability of TANF to the SSBG.

**Child Welfare**

An issue that remains to be addressed is reconciling the "look back" date to a state's AFDC plan when determining IV-E eligibility. NCSL urges federal policymakers to reconsider this provision. NCSL has a policy directive on Child Welfare and Family Services that is more detailed.

**Tribal TANF**

NCSL urges clarification of the welfare reform requirements as they relate to tribal options. State legislators are concerned about the implications of the tribal options on the states and urge Congress and the Administration to work with state legislators and tribal leaders. NCSL has met with tribal leaders and will continue to work to find areas of mutual agreement in welfare reform.

As Congress considers revisions to the tribal TANF program, NCSL urges inclusion of the following:

- Continuation of and expansion of MOE credit for states who voluntarily provide state funds to tribal TANF programs;
- Trigger mechanisms that allow flexibility in work requirements and time limits for areas in tribal lands with high levels of unemployment,
• Provisions that would encourage state/tribal cooperation, foster a better state/tribal partnership and avoid mandates on the states,

• Access to performance bonuses,

• Funding for technical assistance to tribes including economic development,

• Consider reworking current law to provide a separate funding stream for tribal TANF with provisions for tribes to contract with states, and

• Change the period of time for tribal options to accommodate those states with biennial sessions and budgets.

**Welfare Waivers**

NCSL strongly believes that states need flexibility for further innovation. State legislators would prefer to have options, rather than waivers, for policy changes that are not in need of further evaluation. NCSL strongly believes that states must be able to continue current federal waivers as well as receive new federal waivers for welfare reform. The elimination of current state waivers will substantially undermine current state programs.

The Administration has proposed a new process for states to apply for waivers across programs and departments. NCSL has urged more coordination across programs and supports the creation of an expedited process to consider state requests. A new waiver process must have cost-neutrality provisions that allow states the ability to count their progress over five years, not year to year. It must include a broad range of programs. It would also be especially helpful if it allowed for data reporting across programs and agencies and allows for information technology to be adapted in a more flexible manner by states. State legislators should be given a role in the waiver application process.
Transportation

Transportation is another barrier to employment. Transportation assistance must be part of any federal welfare reform plan. Too often, work opportunities are provided at a distance from where recipients live. This assistance must take into account transportation needs for child care. Transportation assistance should not be considered "assistance" for the purpose of triggering time limits.

Other Work Supports

Work expenses are an additional barrier to employment. Uniforms, tools and texts can be especially costly for those beginning employment. NCSL believes that the federal government must provide adequate funds and eligibility disallowance for work expenses. There is little coordination between the various programs that assist low-income families with their housing needs and self-sufficiency efforts. State legislators urge the federal government to link these systems so that those who return to employment are not in danger of losing their housing assistance and can earn their way out of poverty.

Financing

State legislators are extremely concerned about federal financing of welfare reform. NCSL strongly opposes federal efforts to finance welfare reform through cost-shifting to the states. NCSL opposes the following:

- unfunded mandates;
- transfer of support for needy populations to state government through elimination of program and benefit funding by the federal government. The federal government
cannot eliminate their responsibility for legal immigrants, substance abusers, homeless families and families in crisis. This does not address legitimate needs -- it transfers the need to state-funded and nonprofit programs and public hospitals;

- capping current open-ended entitlements; and
- unrealistic assumptions about savings from recipients leaving welfare or receipt of child support enforcement.

**Technical Assistance/Implementation**

State legislators believe that there are many innovative programs around the country that should be shared. Technical assistance to state legislatures will be critical as state revisions are considered. NCSL urges that the federal government include funds for technical assistance to state legislatures as part of the national reform effort. Adequate implementation time is necessary, especially if states must make changes in state law to comply with new federal requirements. Regulations must be issued in a timely fashion and continue to promote state flexibility.