

*Generations United*  
*Public Policy Agenda*  
*for the 109th*  
*Congress*

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*April 2005*





## Letter from the Chair and Executive Director

Generations United (GU) works in a bipartisan manner to encourage public policies that mutually benefit children, youth, and older adults. Since our inception in 1986, Generations United has continued to serve as a resource for educating policymakers and the public about the economic, social, and personal imperatives of the intergenerational cooperation.

As a result, we are proud to present GU's Public Policy Agenda for the 109<sup>th</sup> Congress. This agenda is the result of a detailed, thoughtful development process by the Generations United Public Policy Committee, Board of Directors and Staff.

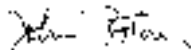
To determine our priorities, GU uses an intergenerational lens. While we support a wide range of policies, we strive to identify a very short list of top priorities. Generations United works carefully to limit our focus to those areas that are distinctly intergenerational, timely and/or are in need of clear leadership.

GU has had made significant accomplishments in recent years. The LEGACY Intergenerational Housing bill to help grandparents raising grandchildren was signed into law in December 2003. Prior to that, our leadership led to the inclusion of grandparents and other relatives in the National Family Caregiver Support Program. Still there is much to be done.

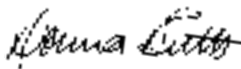
We would like to commend the Co-chairs of the Public Policy Committee: Paul N.D Thornell, Vice President of Public Policy and Partners with United Way of America; Howard Bedlin, Vice President for Public Policy and Advocacy with the National Council on Aging; and Gregg Haifley, Deputy Director of Government Relations for the Children's Defense Fund. They have provided tremendous leadership in the creation of an agenda that represents the mutual concerns of young and old and promotes innovative intergenerational approaches.

In addition we would like to thank the committee members who worked diligently to develop the priorities and language presented in the agenda. And finally, thank you to the GU staff, in particular Public Policy & Outreach Director Jaia Peterson Lent, who continues to provide ongoing support to the committee and leadership for furthering the objectives of the agenda.

Generations United intends to use this public policy document as a basis for strong educational efforts to promote intergenerational public policy and create a world that values all generations.



John Rother



Donna M. Butts



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John E. Kimpel



## Introduction to Generations United

Generations United (GU) is the national membership organization focused solely on improving the lives of children, youth, and older people through intergenerational strategies, programs, and public policies. GU represents more than 100 national, state, and local organizations representing more than 70 million Americans. Since 1986, GU has served as a resource for educating policymakers and the public about the economic, social, and personal imperatives of intergenerational cooperation. GU acts as a catalyst for stimulating collaboration between aging, children, and youth organizations providing a forum to explore areas of common ground while celebrating the richness of each generation.

### **VISION:**

A world that values and engages all generations.

### **MISSION:**

To improve the lives of children, youth, and older people through intergenerational collaboration, public policies, and programs for the enduring benefit of all.

### **OUR ROLE:**

To act as a catalyst that fosters innovation in programs and policies that grow and lead the intergenerational field.

### **CORE BELIEFS:**

Generations United is the catalyst that brings single-age focused groups together to build and support a common agenda while providing a unique voice in public debate. Generations United honors all ages, supports all ages, and engages all ages. Further we believe:

- Intergenerational collaboration will unite and improve our communities.
- Intergenerational approaches have a positive relationship to economic growth and value creation.
- Public policies should meet the needs of all generations.
- Resources are more wisely used when they connect the generations rather than separate them.
- Discrimination, in any form, limits a person's potential to contribute to the development of their community.
- Grandparents and other adults who step forward to raise children are providing an economic service to families and our country.

### **Mission:**

*To improve the lives of children, youth, and older people through intergenerational collaboration, public policies, and programs for the enduring benefit of all.*

## Generations United Public Policy Committee Statement

*Our goal is for all to understand that generational interdependence, or the mutual giving and receiving of resources over time, is crucial to promoting social progress.*

Our coming together is based on the belief that the dignity of young and old requires recognition and expectation of ongoing contributions to home and community. Generations United believes that the reciprocity shared among generations is a highly valuable resource in our society. Intergenerational transfers have been integral to all societies throughout time and should be supported by public policy that protects and encourages their perpetuation.

Generations United is the organization that brings single-age focused groups together to promote a common agenda. We believe that public policy should meet the needs of all generations and that resources are more wisely used when they connect generations rather than separate them. We share the concern for justice among all persons and groups in society. We think justice is ill-served by scapegoating young people, older people, the poor, or other groups. We further believe that sound public policy cannot be based on inaccurate caricatures or stereotypes of the generations.

Generations United promotes an intergenerational approach to framing public policies that impact child, youth and older adult issues. While popular perception suggests that advocates of these respective interest groups are at odds over policy, we contend otherwise. The intergenerational inequity view argues that relations between young and old are based on competition for scarce resources, which foster conflict between the generations. We hope to move the public's understanding of these issues beyond this narrow perspective. Our goal is for all to understand that generational interdependence, or the mutual giving and receiving of resources over time, is crucial to promoting social progress.

Children and the elderly benefit from investments that lead to a stronger economy.

Improved schools result in a more capable and productive work force, one that is better able to support those who are not working due to disability, retirement, or youthful age. A sound Social Security program enables middle-aged parents to focus more of their resources on their children, knowing that their own parents' retirements are secure. We seek to build on the common concerns of all for educational and employment opportunities, access to health care, a sound economy, and economic security in good times and bad. Effective programs require adequate investment.

Generations United supports full funding for the programs and policies supported in this agenda. Important human service programs such as Medicaid, federal foster care, child protection, Head Start, and housing programs must be maintained in a way that ensures continued access to the programs and also sustains and improves the level and quality of services and protections in order to enhance outcomes for children, families, and other adults intended to benefit from them.

Since 1986, Generations United has been the only national membership organization in the country focused solely on promoting intergenerational strategies, programs, and public policies. Our constituency includes over 100 national organizations, state and local coalitions and diverse individuals. Currently, more than 20 organizations representing those that serve younger and older constituencies serve on the Generations United Public Policy Committee under the leadership of Howard Bedlin, Vice President for Public Policy and Advocacy National Council on the Aging; Gregg Haifley, Deputy Director of Government Relations for the Children's Defense Fund; and Paul Thornell, Vice President, Public Policy and Partners with the United Way of America.

## About the Generations United Public Policy Agenda

### What issues are included in this agenda?

Generations United supports a wide range of policies that are consistent with the intergenerational approach. While this agenda was created to represent current key intergenerational issues of concern to GU members, additional issues may arise in the changing political atmosphere. Furthermore, while GU supports all items identified in this agenda, we will focus on the following priority legislative action items: expanding the National Family Caregiver Support program to serve grandparents and other relatives who are under 60 and raising children; creating a kinship navigator program, allowing the use of federal funds to create subsidized guardianship programs, and requiring that adult relatives be notified when a child enters foster care; protecting Social Security benefits for people of all ages; and ensuring that the quality of and access to human service programs is not compromised in efforts to reform the programs.

### How does GU determine if something is an intergenerational public policy issue?

GU recognizes a public policy issue as intergenerational when it either:

- Incorporates an intergenerational approach to addressing an issue, or
- Has an impact across the generations.

### How does GU determine if a public policy is sensitive to all generations?

The goal of this Generations United agenda is to promote public policies that use an intergenerational approach and shape other key policies to be supportive of intergenerational reciprocity. Public policies are intergenerational when they receive a positive response to questions such as:

- Are people of all ages being viewed as a resource?
- Does the policy promote the interdependence of the generations?
- Is the policy sensitive to intergenerational family structures, e.g., grandparents who are raising grandchildren?
- Does the policy encourage intergenerational transfers through shared care or services?



Carolyn Bryant

## Legislative Action Priorities during the 109<sup>th</sup> Congress

Generations United supports legislation to accomplish the following:

### **Grandparents and Other Relatives Raising Children:**

- Eliminating or lowering the age requirement in the National Family Caregiver Support Program in order for grandparents and other relatives who are under 60 and are raising children to qualify for supportive services.
- Reintroduction and passage of the Kinship Caregiver Support Act, specifically those provisions that call for the development of kinship navigator programs, the use of federal funds for subsidized guardianship programs for kinship caregivers, and the requirement that child welfare agencies notify adult relatives of children that enter foster care.
- Providing federal funding to be used by states to establish or to expand existing subsidized guardianship programs to support permanent guardianship placements with relatives.
- Creating statewide kinship navigator programs, such as help desks or hotlines, to educate grandparents and other relatives raising children about the resources available to them.
- Requiring child welfare agencies, as a condition of receiving federal foster care funding, to provide notice, within 60 days of the removal of the child from the custody of the child's parent(s), to adult grandparents and other relatives of the child, including those recommended by the child's parents, subject to exceptions due to family or domestic violence, where feasible.

### **Income Supports:**

- Maintaining a strong and solvent Social Security system that continues to meet its obligations for current and future beneficiaries, including the more than 30 percent who are under 65 and received disability and/or survivors benefits.

### **Health & Social Supports**

- Ensuring that important human service programs such as Medicaid, federal foster care, child protection, Head Start, and housing programs be maintained in a way that ensures continued access to the programs and also sustains and improves the level and quality of services and protections in order to enhance outcomes for children, families and other adults intended to benefit from them.

*Generations United as a Resource to You: Generations United serves as a catalyst for communication among organizations serving youth and the elderly. We act as a resource to advocates, researchers, congressional staff and the public through fact sheets, publications, a quarterly newsletter, a biennial conference and through an extensive referral network of experts in the fields of children, youth and the elderly. Generations United also operates the only national resource center of intergenerational programs.*

# Grandparents and Other Relatives Raising Children and Other Family Caregiving

## POSITION STATEMENT

Generations United supports public policies that assist family caregivers of all types in caring for family members. Family-friendly national policies will require eliminating barriers to eligibility in current programs, expanding programs to allow greater access, and creating new programs to address the continuing growth in intergenerational caregiving.

## IN ADDITION, GENERATIONS UNITED SUPPORTS

- **Reintroduction and passage of the Kinship Caregivers Support Act, specifically those that call for the development of kinship navigator programs, the use of federal funds for subsidized guardianship programs for kinship caregivers, and the requirement that child welfare agencies notify adult relatives of children that enter foster care.**
- **Providing federal funding to be used by states to establish or to expand existing subsidized guardianship programs to support permanent guardianship placements with relatives.**
- **Creating statewide kinship navigator programs, such as help desks or hotlines, to educate grandparents and other relatives raising children about the resources available to them.**
- **Requiring child welfare agencies, as a condition of receiving federal foster care funding, to provide notice, within 60 days of the removal of the child from the custody of the child's parent(s), to adult grandparents and other relatives of the child, including those recommended by the child's parents, subject to exceptions due to family or domestic violence, where feasible.**
- **Eliminating or lowering the age requirement in the National Family Caregiver Support Program in order for grandparents and other relatives of any age who are raising to qualify for supportive services.**
- Increased funding for the National Family Caregiver Support Program (NFCSP) and initiatives that ensure use of the full 10 percent of funds allowed on services for grandparents and other older relatives raising children.
- Allowing older relatives caring for an adult child or grandchild with a disability to qualify for supportive services through the National Family Caregiver Support Program.
- Expanding and improving respite care services for grandparent and other relative caregivers.
- Expanding and improving mental health services for grandparent- and other relative caregivers and the children they are raising.

\* Items in bold are identified as GU's top legislative priorities.

### Intergenerational Intersection

Caregiving of many kinds unites the generations. Whether a grandparent is raising a grandchild or an adult child is caring for an aging parent, the well-being of two, and sometimes more, generations is inextricably linked. In order for these families to flourish, the needs of both caregivers and those cared for must be considered.

- Eliminating barriers that keep grandparents and other relative caregivers from enrolling children in school and accessing certain key services for the children in their care such as physical and mental health services and school services, including special education.



Susan Forte

- Funding for the LEGACY Intergenerational Housing bill at the authorized level of \$10 million.
- Providing assistance to grandparents and other relative caregivers (who own and live in their own home) to build additional bedrooms to accommodate the children who have unexpectedly come into their care.

### **Background** **GRANDPARENTS AND OTHER RELATIVES** **RAISING CHILDREN**

Intergenerational family caregiving of all kinds is on the rise. An increasing number of adults are caring for aging parents or other relatives, often at the same

time they are raising their own children. More grandparents and other relatives are raising related children. All of these family caregivers make tremendous contributions, and often, major sacrifices to keep their families together. If not for these caregivers, millions of children and other relatives would be denied the opportunity to remain in stable, loving homes.

According to the U.S. Census Bureau, there are over 6 million children living in grandparent- or other relative-maintained households. Past Census data shows that approximately 2.1 million of those children are being raised solely by their grandparents or other relatives with no parents present. The vast majority of these children are being raised by grandparents. This trend in families cuts across racial and class lines and is evident in both rural and urban areas. Overall, grandparent caregivers are more likely to live in poverty and to be uninsured than are grandparents not raising grandchildren. In 1997, 27% of children living in grandparent-headed households lived in poverty, and one in three children living in these homes had no health insurance.

These grandparents and other relative-caregivers perform an extraordinary service that allows hundreds of thousands of children to maintain vital ties to their families, while simultaneously easing the burden on the public child protection system. The cost savings — in both human and fiscal terms — are enormous. Of the approximately 2.1 million children living with grandparents or other relatives with no parent present, approximately 145,150 are in the foster care system- almost a fourth of the entire system. The remaining almost 2 million are being cared for outside of the system, by caregivers who often do not have access to any support services or financial assistance. If even half of these

2 million children were to enter the formal foster care system, it would cost taxpayers \$6.5 billion dollars each year and completely overwhelm the system<sup>1</sup>. Alternative services and financial supports must be implemented for these families. For more information about grandparents and other relatives raising children, contact Generations United to obtain fact sheets.

### **STATEWIDE KINSHIP NAVIGATOR PROGRAMS**

Grandparent- and other relative-caregivers often report that what they need most is accurate information about the existing programs and services that are available to their families. Statewide kinship navigator programs are toll-free hotlines or help desks that guide families toward and connect them to existing benefits programs, local support groups, respite care programs, and other helpful government and non-profit services. The programs also publish materials and offer helpful websites to share key information. Funding for state navigator programs will help kinship care families better utilize existing programs and provide a centralized mechanism for creating partnerships between government, non-profit, community and faith-based agencies to better serve the needs of these families.

### **SUBSIDIZED GUARDIANSHIP PROGRAMS**

Relative-headed families have a continuum of needs. Some families may only need a support group or respite, whereas others need financial assistance. In many states, the only financial assistance available is through Temporary Assistance for Needy Families (TANF) child-only grants or foster care payments for those relatives who are foster parents. Adoption subsidies are available in every state for children with special needs. Though the definition of special needs

varies from state to state, children who are in relative care often qualify. Some relative caregivers may not want to adopt the children they are caring for because it involves terminating parental rights, and for many relative caregivers this is not an appropriate or acceptable option. Many states have implemented subsidized guardianship programs, which strive to provide income support to relative caregivers and permanency for the children in their care. In general, subsidized guardianships are designed for those children who have been in state custody, with a relative or non-relative providing the case, for at least six months and in some states up to two years. These subsidized guardianships give the caregiver the opportunity to become the legal guardian of the child without terminating parental rights, thereby replacing the state in that role. Once guardianship is granted, the state issues a monthly subsidy check to the guardian for the care of the child.

### **NOTIFICATION OF RELATIVES WHEN CHILD IS PLACED IN FOSTER CARE**

When it is determined that a child must be removed from the custody of the child's parent(s), some states requires their child welfare agencies to give preference to placing the child in the safe home of a relative over placing the child in a foster home. In practice, however, relatives often are not notified when a child is placed in foster care. Some first learn of the child's placement after the child has already been in foster care for several months or years and is moving toward adoption. If relatives step forward at this later stage, the child may already be bonded with the foster parent, and the move to relative care may further disrupt their life. Requiring written notification of adult relatives of children at the point of foster care placement helps increase the child's opportunities to stay

with safe family members from the beginning and promotes stability by preventing such interruptions at the point of adoption.

### **RESPIRE**

Even caregivers who do not necessarily require substantial financial assistance do have a genuine need for some time away from their child care responsibilities—to buy groceries, pick up dry cleaning, visit the doctor or dentist, or even just take a nap. With one or more young children in the household, accomplishing such tasks can become almost insurmountable without some type of episodic relief. Respite care allows caregivers much needed time to themselves, during which they can attend to matters in or outside of the home without having to watch over the children, take them along, or leave them in uncertain or expensive babysitting arrangements. Respite programs can occur in a variety of settings, including the families' homes, providers' homes, camps, residential facilities, day care centers, recreational facilities, churches, therapeutic child development centers, family resource centers, schools, and senior centers. They are often administered by public or private welfare agencies, mental health agencies, religious institutions, family resource centers, child care centers, aging service providers, or a combination thereof.

### **MEDICAL CARE AND EDUCATION**

While these caregivers often face a host of financial, housing, legal, and emotional problems, they are ineligible for many of the services to which similarly situated biological parents are entitled. In addition, custody requirements vary widely by state, and often ignore the role grandparents and other relatives play in raising and nurturing many of today's children. For example, it is often difficult for grandparents to obtain medical treatment for grand-

children in their care. Many insurance companies refuse to allow a grandparent to include a grandchild as a dependent on his or her insurance policy unless the grandparent has adopted the child or has legal custody or guardianship. Many schools refuse to admit children living with grandparents unless one of the parents is living in the household or the grandparent is the legal guardian.

### **HOUSING**

The availability of safe and affordable housing is a major concern for many relative caregivers. Grandparents and other relative caregivers often begin caring for children without warning or preparation, and may have difficulty accommodating children in their current residence. Often caregivers' residences may be too small to accommodate one or more children; moreover, the presence of additional children may violate lease agreements. If a grandparent is living in public housing with occupancy restrictions, the addition of children can lead to eviction. Older relative caregivers living in senior housing where children are disallowed may also face eviction. Safe and affordable housing may be particularly difficult for low-income relative caregivers to access. When fully funded, the provisions of the LEGACY Act signed into law in December 2003 will provide improved access and increase the supply of housing for relative caregiver families. Specifically, the LEGACY Act will: Create national demonstration projects that provide opportunities within HUD's Section 202 program to develop housing specifically for grandparents and other relatives raising children; train and educate front line workers who, through no fault of their own, may be misinterpreting policies that affect the grandparent-and other relative-headed families; and con-

duct a national study of the housing needs of grandparents raising grandchildren.

### **OTHER FAMILY CAREGIVING**

Family caregivers maintain and coordinate care at home for relatives who are elderly, disabled, and chronically or terminally ill. One in four U.S. households, some 22 million, currently provide such care. A study in 1999 estimated the national economic value of unpaid informal caregiving for ailing adults to be roughly \$200 billion per year, equivalent to approximately one-fifth of the nation's total annual health care expenditure.<sup>2</sup> Approximately 10 percent of older people would be in nursing homes without the help provided by their families. Over half of family caregivers are women, many caring simultaneously for children or adolescents and parents.

While the majority cite the benefits of caring for family members, the incidence of feelings of isolation and depression among caregivers is six times higher than the national average. Over half of all caregivers report that their caregiving responsibilities cause them to have less time for other family members or their own activities. Employed caregivers find that have to make problematic and burdensome accommodations by working fewer hours, rearranging schedules, taking time off without pay, or quitting work altogether to become full-time caregivers.

### **THE NATIONAL FAMILY CAREGIVER SUPPORT PROGRAM (NFCSP)**

In 2000, Congress reauthorized the Older Americans Act, which included the

National Family Caregiver Support Program. NFCSP authorized 125 million dollars in 2001 and 141 million dollars in 2002 to fund supportive services to informal family caregivers providing care to an older relative with a serious chronic illness or disability. Ten percent of these funds are available for supportive services to grandparents and other relatives who are over 60 and raising children. The current age limit of 60 covers 29 percent of this population. Lowering it to age 55 would cover 47 percent. Eliminating the age requirement would ensure that such grandparents and other relative caregivers of all ages would qualify for available services. Furthermore it would allow the NFCSP to provide support to older caregivers that are responsible for their adult children that have physical and mental disabilities. *For more information about the NFCSP, contact GU to obtain a fact sheet or visit [www.gu.org](http://www.gu.org).*

### **CHILD CARE**

The U.S. Census Bureau reports that 50 percent of working families rely on child care providers to care for their children while they work. Research shows that high-quality early childhood programs help children-especially those from families with low incomes-develop the skills they need to succeed in school. These low-income families include a substantial portion of grandparent and other relative headed families. Additional information about child care is found in the Social Supports section of this agenda.

## Social Supports

### POSITION STATEMENT

Generations United is committed to protecting social programs. The federal government, in partnership with state and local governments across the country and thousands of non-profit organizations in many local communities, has long combined resources to provide important social programs that improve the lives of countless citizens. While increasing flexibility and responsibility have been given to state governments for the use of federal funds in domestic programs, such flexibility should not compromise the access to or quality of services provided and should be tied to improved outcomes for those intended to benefit from the programs and resources. GU supports comprehensive reform of the child welfare system to ensure that states and child-serving community-based agencies have the flexibility and new federal financial investments to implement needed improvements and expand services to better protect children and support families.

### Intergenerational Intersection

**M**any federal programs provide opportunities for intergenerational interaction that helps enrich the lives of all the nation's citizens. Generations United supports federal involvement in programs that recognize younger and older people as resources to the community. These social support programs should provide opportunities for younger and older generations to interact and serve one another, including older adult involvement with high-quality early childhood education and before- and after-school programs.

Generations United is committed to advocating for continued federal involvement in valuable social programs that are proven to enrich lives, from the very youngest and most vulnerable to the oldest and most frail of our nation's citizens. We believe a healthy society can and should meet the basic needs of each generation.

### IN ADDITION, GENERATIONS UNITED SUPPORTS:

- **Maintaining human service programs such as Medicaid, federal foster care, child protection, Head Start, and housing programs, in a way that ensures continued access to the programs and also sustains and improves the level and quality of services and protections in order to enhance outcomes for children, families, and other adults intended to benefit from.**
- Reauthorization of the Corporation for National and Community Service
- Raising the income threshold and lowering the age requirement for Foster Grandparents to make more senior volunteers eligible for the program
- Restoring funding for the Social Services Block Grant to its full level at \$2.8 billion
- Creation of substantial new opportunities for intergenerational community service by older Americans through new initiatives that foster innovation.
- Increased funding for programs with intergenerational components, especially those providing service opportunities for older adults, such as Family Friends and Experience Corps
- Reauthorization of the Older Americans Act

\* Items in bold are identified as GU's top legislative priorities.

- Initiatives to strengthen the intergenerational focus within the Older Americans Act, such as: the inclusion of grandparents and other relatives raising children in National Family Caregiver Support program; promoting the involvement of older Americans in child care and after school programs; including demonstration programs that encourage the collocation of senior centers in public school facilities that are designed as centers of communities; and encouraging Area Agencies on Aging to work with school officials, municipal leaders, recreational and community services organizations such as YMCAs, and the arts community in developing joint-use facilities
- Including the Family Friends Program in the Older Americans Act with the provision of the additional funds required to support the program.
- Conducting a national study to evaluate existing shared sites that encourage intergenerational opportunities
- Federal funding to help create nationwide access to the phone service 2-1-1, the national telephone number for access to community services and volunteer opportunities, that makes it easier for people of all ages to get and give help.
- Initiatives to continue and expand before- and after-school child nutrition programs and senior programs, especially on shared sites where children and seniors are encouraged to interact and share resources.
- Initiatives to continue and expand funding for families to have access to quality child care and Head Start programs, especially low-income

working families, and funding to improve the quality of early childhood programs at all levels and include older adults in working with and mentoring children. GU supports Head Start's comprehensive, high quality performance standards and Outcome Framework. GU also supports the guarantee of strong, comprehensive services for children most in need and does not support lowering standards or resources.

- Creating a National Housing Trust Fund to produce, rehabilitate, and preserve 2.5 million affordable housing units by 2023.
- Reforming the child welfare system to ensure the safety and well-being of all children, especially those that come to the attention of the child welfare providers.

### **Background**

#### **CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**

The Corporation for National and Community Service administers programs that tap the experience and skills of older and younger people to help others. The Corporation was due for reauthorization in 2002. In recent years, new approaches to service by older adults have been proposed, including the proposed Boomer Corps for placement of 1 million stipended volunteers in programs of youth education, elder care and civic engagement by older adults.

#### **Senior Corps**

offers a range of opportunities for intergenerational interaction and service. The program engages more than a half million older Americans in service to their communities, as volunteers or in exchange for a small stipend through programs such as:

### Foster Grandparent Program –

Foster Grandparents devote their volunteer services to children with special or exceptional needs, offer emotional support to child victims of abuse and neglect, tutor children who lag behind in reading, mentor troubled teenagers and young mothers, and care for premature infants and children with physical disabilities and severe illnesses. Currently this program restricts eligibility for stipends to volunteers who live at or under 125 percent of poverty. Increasing the level of eligibility and lowering the age requirement from 60 to 55 would allow higher rates of recruitment so more seniors and children could benefit from the positive outcomes of this program.

### Retired Senior Volunteer Program (RSVP) –

RSVP volunteers provide a wide variety of community supports, including helping to build houses, planning community gardens, delivering meals, and helping community organizations operate more efficiently.

### AmeriCorps

another major component of the Corporation for National and Community Service, involves 75,000 adults of all ages in tackling community problems. AmeriCorps should be reviewed and revised to provide the maximum encouragement to older adult participation.

### Learn and Serve America

the third component, engages nearly two million youth in service in areas of education, public safety, the environment, and other human needs.

## DEMONSTRATION PROJECTS

Demonstration projects provide an opportunity for innovative programs that recognize seniors as a resource to the community. Successful programs such as

Experience Corps and the Family Friends Program have emerged as demonstration projects. Experience Corps builds on the capacities of older adults and engages them in leadership to strengthen ties between the schools, youth serving organizations, and the community. Family Friends is an intergenerational family support program that involves volunteers 55 years and older in making weekly visits to homes of families who have children with disabilities and chronic illnesses.

## SOCIAL SERVICES BLOCK GRANT (SSBG)

The Social Services Block Grant (SSBG), Title XX of the Social Security Act, enacted in 1975, was intended to be the primary source of federal funds for social services. SSBG provides critical, flexible funding for important social services affecting all ages, such as adult and child day care, adult and child protective services, special services for disabled persons, meals programs, employment preparation, and transportation. Administered by the U.S. Department of Health and Human Services, SSBG is used by states, local governments, and non-profit organizations to supplement other social service programs and leverage additional funding and resources. In 2002, SSBG helped approximately 14.3 million children, families, older Americans, and people with disabilities. Of that total, SSBG funds went to assist 7.8 million children and 1.2 million seniors age 60 or older.<sup>3</sup>

Federal funding for SSBG was set at \$2.5 billion annually in 1974. By 1977, annual funding had increased to almost \$2.8 billion. Since 1998, however, Congress has funded SSBG below its authorized level. In FY 2000, Congress funded SSBG at \$1.775 billion, far below the authorized level of \$2.38 billion. In FY 2001 funding for SSBG was reduced further, to \$1.725 billion. For

FY 2005, SSBG funding is \$1.7 billion. This represents a cut of over \$1 billion to the program since FY 1996. This action represented a reversal of a commitment made in 1996 when the block grant was originally cut that funding would be restored to \$2.8 billion in 2003.

In the 108<sup>th</sup> Congress, there was significant progress in the effort to restore funding to SSBG, but the Congress adjourned without completing action. The CARE Act (S. 476) that passed the Senate by a vote of 95-5 in April 2003, included the full restoration of funding for SSBG, along with other measures to spur charitable giving. Despite broad bipartisan support, the Senate and House could not agree on a final bill.

### **CHILD WELFARE SERVICES**

The Foster Care and Adoption Assistance Program (Title IV-E of the Social Security Act) is the major source of federal support for child welfare. Other federal funds that also support child welfare include the Social Services Block Grant, Medicaid, and Temporary Assistance for Needy Families (TANF). States also supplement these federal funds with state funds to fund activities such as prevention and supportive services for children who are not eligible for federal assistance.

Title IV-E provides federal reimbursement for some of the federally eligible foster care or adoption expenses that the state has already paid. Title IV-E is an entitlement linked to the number of eligible children. There is no cap on federal funding available. Federal funding for this program was \$4.9 billion in FY 2003. Reimbursement is provided for the room and board costs associated with foster care and adoption assistance placements, administrative costs which support case-worker planning and providing some services, and training for the child welfare workforce.



*Inese Alvarez*

To move forward with a new vision and course of action that ensures the safety and well-being of all children, especially those that come to the attention of the child welfare system, states and community-based agencies need to have the tools and resources in place to ensure that our children are protected. Generations United supports comprehensive reform of the child welfare system to ensure that states and child-serving community-based agencies have the flexibility and new federal financial investments to implement needed improvements and expand services. This comprehensive reform must include a review of all federal funding that support child welfare.

Key elements of reform must preserve and make more children eligible for the basic safety net of federal assistance offered through the Title IV-E Foster Care and Adoption Assistance program. Other key elements of reform are expanding the guaranteed federal financial support of child welfare services for a broad array of services beyond out-of-home care, including prevention, child protective services, in-home supports, treatment foster care, residential treatment, reunification, post-permanency, and post-adoption services.

### **OLDER AMERICANS ACT**

Since its initial passage over 30 years ago, the Older Americans Act (OAA) has been an important force for change in programs and services for seniors aged 60 and older. Funding for the program has not kept pace with inflation and increasing demand for services. After a five-year lapse, the OAA was reauthorized and signed into law on November, 13, 2000. The Act is due for reauthorization in 2005. In addition, the White House Conference on Aging, which is scheduled to take place in October 2005, can be expected to provide a broad platform of policy recommendations for the Older Americans Act and many other aspects of federal legislation affecting older adults.

A network of 660 Area Agencies on Aging (AAAs) across the country contract with approximately 27,000 public or private groups to provide: Access Services, such as information and referral, outreach, and transportation; In-Home Services, such as personal care and home-delivered meals; Community Services, such as senior center, day care, employment counseling, and referral and health promotion; and Caregiver Services, such as respite, counseling, education programs, and other services included under the National Family Caregiver Support Act.

The Older American Act includes a number of provisions that are intergenerational. Title V of the OAA establishes Community Service Employment for Older Americans. Training assignments include intergenerational services in areas such as child care, health, social services and education. Section 311 of the OAA encourages AAAs to coordinate services with agencies and organizations carrying out intergenerational programs or projects. A fact sheet outlining additional intergenerational provisions can be obtained by contacting Generations United.

There is potential for additional intergenerational opportunities in the Older Americans Act such as those that promote intergenerational shared sites. Intergenerational shared sites are co-located facilities that provide services to both younger and older people and provide opportunities for interaction between the generations. Shared sites encourage mentoring, tutoring and after-school opportunities for seniors and also, at the same time, provide students with ample community service opportunities (for example, participating in the Meals on Wheels program).

In the next five years alone, school boards will spend \$120 billion to build new school facilities providing many new opportunities to create shared site opportunities. Area Agencies on Aging should be encouraged to work with school officials and municipal leaders to develop joint-use facilities. In addition to providing mentoring and tutoring opportunities for children, co-locating seniors centers in public school facilities provides seniors with easy access to recreational and wellness facilities that encourage an active and healthy lifestyle. Shared sites should also be encouraged at YMCAs, early childhood centers, and in non-profit community based organizations.

### **THE FAMILY FRIENDS PROGRAM**

The Family Friends program is an intergenerational family support program that involves volunteers 55 years and older in making weekly visits to homes of families who have children with disabilities and chronic illnesses. Volunteers: engage the children in educational and recreational activities; expand the social support network of families; improve the parenting, home management and problem solving skills; connect families to resources and services to which they are entitled; accompany the family on doctor visits and teacher meetings;

and provide a break for parents, encourage them, and become a friend to the family as a whole.

Family Friends became a federally supported demonstration program in 1991 under authority of Section 1113 of the Social Security Act and now operates 26 programs in 18 states and 24 cities. Family friends continues to be replicated with federal funds through the appropriations process every year, however the program does not have a permanent home in the Older Americans Act. In order to assure that this valuable program continues to receive the support it needs, it should be included in the reauthorization of the Older Americans Act. This core funding per project year. Funding for the Older Americans Act should reflect this increase if it is included in reauthorization of the program.

### **NATIONWIDE 2-1-1**

2-1-1 is an easy-to-remember and universally recognizable number that makes a critical connection between individuals and families seeking services or volunteer opportunities and the appropriate community-based organizations and government agencies. 2-1-1 makes it possible for people of all ages to navigate the complex and ever-growing maze of human services' agencies and programs.

Every hour of every day, someone needs essential services – from finding an after-school program to securing adequate care for a child or an aging parent. Faced with a dramatic increase in the number of agencies and help-lines, people often do not know where to turn. In many cases, people end up going without these necessary services because they do not know where to start. 2-1-1 helps people get and give help.

As of October 2004, 2-1-1 reaches only about 33 percent of the country. Current funding where 2-1-1 is operational comes

from diverse sources, including non-profits, state and local governments, foundations, and businesses. A nationwide 2-1-1 system will not happen without the support of the federal government, in partnership with states. Generations United supports the Calling for 2-1-1 Act and will continue to advocate for it when it is reintroduced in the 109<sup>th</sup> Congress.

### **NUTRITION PROGRAMS**

Many working parents and grandparent caregivers must rely on community resources to help care for their children during before- and after-school hours when they are at work. Federally-funded nutrition programs are a critical support for children and youth in such programs. Many of these programs can be operated in a shared site, encouraging children and seniors to interact and share resources. Two important federally-funded nutrition programs are the Child and Adult Care Food Program (CACFP) and the Summer Food Service Program. These programs provide reimbursement for the food, meal preparation, and paperwork costs of providing meals and snacks.

CACFP can be used to feed participants in before- and after-school programs, summer programs, child care centers, Head Start programs, and family child care homes and adult day care programs. The Summer Food Service Program can be used when school is out of session. Both programs require sites to be “geographically or enrollment eligible” to qualify. This means schools or programs must either be located in an area in which 50 percent of the children qualify for a free or reduced price school meal or 50 percent of the children enrolled in the program must be documented to qualify for a free or reduced-price school meal. Anyone attending a school program for people with disabilities, regardless of age, may also participate. Both public agencies

and non-profit organizations can participate if their programs meet certain eligibility requirements.

Since eligibility requirements require 50 percent of participants or local residents to have a family income of no more than 185 percent of poverty, many poor children and adults are left behind. Lowering the threshold to 40 percent would help reach many of the low-income younger and older individuals who currently do not qualify because of the area in which they are located. Additionally, while adult day care centers can qualify for CACFP, they often underutilize the program because complex regulations limit access. Adjusting regulations could increase access to these programs and increase participation.

### **HEAD START**

Head Start is a child development and education program that has served low-income children and their families since 1965. Head Start approaches the needs of the whole child and the family by providing health, education, social services, and parent-community involvement in one program. The program's clear emphasis on family and community involvement has intergenerational implications. Parents and caregivers are active in the planning and implementation of activities. They serve on policy councils and committees that make administrative decisions, participate in classes and workshops on child development, and volunteer in the program. In addition, Head Start provides outreach to families to determine what services they need. This comprehensive family and community support approach can be especially critical for grandparent and other relative caregivers who need extra support. Despite its growth, current funding for Head Start can assist only half of the eligible young children and should be increased. The program is up for reauthorization.

### **CHILD CARE**

Research shows that high-quality early childhood programs help children—especially those from families with low incomes—develop the skills they need to succeed in school. Despite the need, most programs in the United States are rated mediocre, and fewer than 10 percent meet national accreditation standards. Across the nation child care fees average \$4,000 to \$10,000 per year, more than tuition at a state college.<sup>4</sup> Yet, nationally, only one of every eight families who are financially eligible for child care subsidies receive them.<sup>5</sup>

Funds for child care have not increased at the federal level since FY2002. Demand still far outstrips availability of programs that meet high quality standards and that provide services for the different work schedules of families. States have growing waiting lists in the tens of thousands of families eligible for child care subsidies. The Child Care and Development Block Grant (CCDBG) is helping to promote access to child care for low-income working families with a small set-aside of funds for quality improvements. Much of the funding for increased access to child care in the states over the last several years is due to the transfer of funds from the Temporary Assistance for Needy Families (TANF) program to CCDBG, as allowed under the 1996 welfare law. As states face tight fiscal times, they are reducing their TANF transfers and resources are shrinking.

Both Head Start and childcare programs offer unique opportunities for older adult volunteers to assist program directors and provide additional one-on-one attention to the children. However, the involvement of volunteers should be recognized as added support, not a replacement for credentialed, paid staff for which there is an increasing need.

## Promoting Safe Communities

### POSITION STATEMENT

Generations United is committed to working to reduce the incidence of violence and to creating safe and nurturing homes, schools, and communities for children, youth and seniors. Policies that address violence and safety issues should be sensitive, strategic, and innovative, and should recognize that younger and older Americans are resources to communities. Policies should emphasize prevention of violent behaviors and foster meaningful connections between older adults and youth.

### IN ADDITION, GENERATIONS UNITED SUPPORTS:

- Expanding after-school programs through increased funding for the 21st Century Community Learning Centers program.
- Providing communities with resources to promote the positive development of young people through intergenerational opportunities such as those included in the Federal Youth Coordination Act and the Younger Americans Act.

- Initiatives that provide opportunities to create and sustain intergenerational shared sites.
- Creating a National Housing Trust Fund to produce, rehabilitate, and preserve 2.5 million affordable housing units by 2023.

### Background

#### 21ST CENTURY COMMUNITY

#### LEARNING CENTERS

Afterschool programs keep children and youth safe while their parents are at work and help them achieve in school. They are a cost-effective federal investment. Unfortunately, more than 15 million children lack access to after-school programs.<sup>6</sup> This is concerning because the incidence of violent juvenile crime triples during the hours between 3:00 and 6:00 p.m.<sup>7</sup> These are also the hours when kids are most likely to become victims of crime or be killed by accidents inside and outside the home. The National Longitudinal Study of Adolescent Health, a Congressionally mandated, federally-funded survey, reports that “problems with school work and time spent in an unsupervised setting with friends who engage in unhealthy behaviors are the two highest predictors of juvenile involvement with weapons.”

Research shows that quality after-school programs result in immediate reductions in crime, help children and teens learn the skills they need to succeed academically, teach concern and respect for others, help defuse local tensions, and alleviate the problem in many communities of clusters of young people congregating on street corners and in shopping malls. After-school programs take place in a variety of settings, many of which are also sites for co-located services for older Americans.

### Intergenerational Intersection

Generations United recognizes that violence in the home, the school, and the community, as well as public and personal safety are key issues of concern across generations. Younger and older populations are especially vulnerable to abuse and neglect, gun violence and other violent crimes. They have a particular need for safe environments, caring relationships, and freedom from fear. At the same time, effective intergenerational policy recognizes that children, youth, and seniors can be resources to each other to help reduce violence and promote safe homes and communities.

The 21<sup>st</sup> Century Community Learning Centers program (21<sup>st</sup> CCLC) is the primary federal funding source for after-school programs. The primary purpose of the program is to provide expanded learning opportunities for children and youth in a positive, supervised environment. The 21<sup>st</sup> CCLC program enables schools to stay open longer, providing a safe place for activities such as academic enrichment, drug and violence prevention, and inter-generational activities such as mentoring and tutoring.

Significant changes were made to the 21<sup>st</sup> CCLC program during the reauthorization of the Elementary and Secondary Education Act. Formerly administered by the Department of Education through a competitive grant process, 21<sup>st</sup> CCLC funding is now distributed by formula to State Education Agencies (SEA). 21<sup>st</sup> CCLC grants will be awarded on a competitive basis by SEAs to local education agencies (LEAs) and community-based organizations (CBOs). A priority is to be placed on applications submitted jointly by LEAs and CBOs targeting services to students in schools that have been designated in need



Marilyn Probe

of improvement under Title I. Grants are awarded for a three-to-five year period for not less than \$50,000.

The need to increase funding for 21<sup>st</sup> CCLC is evident in the gap between grant requests and dollars awarded by the State Departments of Education. In Florida, for example, 74 applications were received, requesting \$54,957,473 for the 2004–2005 school year. The State could only afford to fund 35 new applications, totaling \$24,393,418—less than half (44 percent) of the amount requested. Georgia faced a similar situation, receiving 95 applications totalling \$30,587,002 and only being able to fund 14 new requests totaling \$8.2 million—roughly a quarter (27 percent) of the amount requested. Current resources are simply not meeting the overwhelming need.

### **FEDERAL YOUTH COORDINATION ACT**

The Federal Youth Coordination Act (FYCA) creates a Federal Youth Development Council that will oversee federal programs serving youth, assess the needs of youth, improve communication and coordination, and provide accountability among the agencies involved. This bill was drafted in response to a report issued by the White House Task Force for Disadvantaged Youth, which describes the current federal response to the needs of youth as lacking in focus and recommends the evaluation and coordination of federal youth-serving programs as provided in the FYCA.

Just as the Older Americans Act provides for comprehensive coordinated services for older adults, similar legislation is needed to provide coordination of services for youth. The Federal Youth Development Council will set quantifiable goals and objectives for federal youth programs and develop a plan to reach these goals; facilitate interagency

collaboration and communication; develop demonstration projects to focus on special populations of youth; provide grants to states to improve state and local coordination; and conduct research and identify and replicate model programs.

Within one year of convening the council will provide to the President and Congress a report on its findings, recommendations, and actions taken to better serve the needs of youth.

### **YOUNGER AMERICANS ACT**

The Younger Americans Act, which is planned for reintroduction in the 109<sup>th</sup> Congress, provides opportunities for intergenerational activities such as mentoring and intergenerational after-school programs. This legislation uses a positive youth development perspective, which presents strategic investments in children and youth, providing critical resources they need now to build better futures. In contrast to deficit-based models that focus solely on youth problems, a youth development approach values youth; views youth as a resource for other youth, adults, and communities; and encourages the participation of youth in communities.

Consistent with this approach, the Younger Americans Act recognizes that, in order for children to grow up as healthy and productive citizens, they need: ongoing relationships with caring adults; safe places with structured activities during non-school hours; physical well being and mental health; skills and competencies gained through education and youth development; and opportunities to give back through community service and civic participation.

The Younger Americans Act provides a research-based response to the growing need of adolescents for positive opportuni-

ties. Facing such risks as substance abuse, school failure, and adolescent pregnancy, at least 25 percent of adolescents in the United States are at serious risk of not achieving “productive adulthood.”<sup>8</sup> A wide array of program opportunities and supports should be made available to youth through a locally coordinated, strategic effort. This is the purpose of the Younger Americans Act.

### **NATIONAL HOUSING TRUST FUND**

Among the issues facing young and old Americans today, is the lack of safe and affordable housing. According to the Millennial Housing Commission, filling the gap in the number of units available and affordable to the nation’s poorest families would require the production of more than 250,000 units of housing each year for more than 20 years. A National Housing Trust Fund would serve as a dedicated source of revenue to produce such housing, as well as to rehabilitate and preserve existing low-income housing. The Trust Fund would build on the success of over 275 state and local housing trust funds, which are being used across the country to provide affordable housing for families of all ages.

The Trust Fund would rely on the excess revenue from the Mutual Mortgage Insurance Fund of the Federal Housing Administration and from the Government National Mortgage Association, as well as other sources, including appropriations. The use of resources from the Trust Fund would be compatible with existing housing programs that serve younger and older people, including the Section 202 elderly housing and the Section 8 family housing programs.

Trust Fund resources would be used primarily for rental housing for the poorest

families, reflecting the area of greatest need. Within its low-income targeting requirements, Trust Fund resources are flexible, with states and localities receiving allocations on a formula basis and making funding decisions based on local priorities and public participation. As a result, the Trust Fund would be available to support housing for multigenerational families. As the number of grandparent and other relative-headed households increase and the number of affordable homes for low-income families decreases, the Trust Fund would serve as an important resource for providing affordable, safe and decent housing for low-income families.

### **OTHER SAFETY-ORIENTED COMMUNITY PROGRAMS**

In addition to the previously identified social support services, the following programs provide opportunities to build safer communities:

#### **Social Services Block Grant (SSBG)**

SSBG provides states critical funding for a variety of services to children, older adults and people with disabilities. In 2000, Child Protective Services was the primary use of SSBG funds, serving over

one million children in 41 states. Over \$175 million was provided to Adult Protective Services in 32 states. Twelve percent of SSBG funds served individuals with disabilities.<sup>9</sup> SSBG accounted for more funding for child prevention services than the Child Abuse Prevention and Treatment Act (CAPTA) and more funding for adult protective services than the Older Americans Act. Additional information about SSBG can be found in the Social Supports section of this agenda.

#### **Corporation for National and Community Service Retired Senior Volunteer Program (RSVP)-**

among other activities, volunteers provide help getting children immunized, participate in neighborhood watch programs and offer disaster relief to victims of natural disasters.

#### **Learn and Serve America-**

provides opportunities for students to gain academic skills and knowledge by planning and implementing service projects that address community needs.

Additional information about the Corporation for National and Community Service can be found in the Social Supports section of this agenda.

## Income Supports

### Intergenerational Intersection

Today one in ten seniors is poor. However, half of all senior citizens would be poor without the aid of Social Security. This is in stark contrast to the state of today's children. While our senior citizens are experiencing a higher quality of life, nearly one in five (four million) children under the age of six is growing up in poverty. Today's children will provide the revenue upon which our nation will rely in the future, but children who grow up in poverty are more likely than other children to have problems that affect their health; development; school-readiness and achievement; and employability and productivity as adults. Raising the minimum wage and investing in income support programs will have positive long-term impacts on children, families, and across all generations.

With the help of Social Security, today's seniors live longer, healthier lives and are increasingly looked to as a resource to their communities and country. For more than 60 years Social Security has provided vital benefits to millions of Americans of all ages. Social Security is more than a retirement program. Its income protection extends across generations to workers and family members of workers who are disabled or deceased. Social Security embodies an intergenerational compact. Contributions of the current generation of workers finance the retirement of the current generation of beneficiaries. Social Security joins the generations in providing for one another in instances of a worker's death, disability or retirement.

### POSITION STATEMENT

The majority of poor children have parents who work. While more poor parents are working, the gains in earnings have been far outweighed by the loss of cash assistance and food stamps. TANF caseloads have decreased by 845,000 since 2000, but the food stamp caseloads are increasing and are now close to 24 million. We must do more to help low-income working parents increase their earnings while providing additional safety nets for them and their children. Generations United recognizes an increased minimum wage, an expanded unemployment program, a refundable Child Tax Credit, and the Earned Income Tax Credit as important methods to help provide such security.

While TANF caseloads have declined significantly since reform, there is now an increasing concentration of families with special and difficult problems remaining on caseloads. Although the economy has turned a corner and state revenues are picking up, budgets are still under strain and many services to low-income families have not recovered to their pre-recession levels. In addition, job growth continues to lag other economic improvements, so job availability for low-skilled workers remains poor. States should be able to establish categories that would warrant exemption from the time limit for families subject to specific hardships, such as a parent/caregiver who has a disability, who cares for someone with a disability, or who faces circumstances that make employment impossible.

Generations United values the role of Social Security to provide vital support for workers who are disabled and their families and the survivors of deceased workers. As the debate over how to achieve long-term solvency for the Social Security program

continues, Generations United urges policy-makers, advocates, and researchers to consider the impact of reform across vulnerable groups and all generations of beneficiaries: children, youths, middle-aged and older adults. In reforming Social Security, Congress should ensure that the burden of reform is shared broadly across generations, especially by those who can most easily afford it. Further, Generations United believes that any new “personal or individual account” features added in the name of reform must be in addition to the existing Social Security systems and in no way remove or replace funds from the system.

#### **IN ADDITION, GENERATIONS UNITED SUPPORTS:**

- **Maintaining a strong and solvent Social Security system that continues to meet its obligations for current and future beneficiaries, including the more than 30 percent who are under 65 and received disability and/or survivors benefits. Efforts to strengthen Social Security must not compromise our nation’s foremost social insurance program by carving out personal/individual accounts which would compromise benefits.**
- Recognizing the work and responsibilities of families by including the following as activities that satisfy work requirements for TANF: parents/caregivers providing substantial care for a child or family member with a disability; education and training; and activities necessary to overcome substance abuse and mental health problems.
- Increasing the number of exemptions from the TANF limit for families subject to specific hardships and recognizing

that time spent in education should not count against lifetime TANF limits.

- Passing through to children receiving TANF, all or most of the child support collected on their behalf instead of its being retained by the states
- Meeting the needs of low-income adolescents by making positive youth development an allowable use of TANF.
- Increasing funding for the Temporary Assistance for Needy Families Block Grant.
- Increasing the survivor and grandchild benefits under the Social Security system.
- Raising the minimum wage and indexing it to the annual increase in the median wage.
- Extending unemployment benefits beyond 26 weeks; and making recent hires and individuals who work part-time eligible for unemployment benefits.

### **Background**

#### **TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)**

##### **Time Limits and Work Requirements**

Some of those remaining on the rolls are likely to have severe barriers to employment that cannot be easily fixed. Others, because they are caring for children or other family members who have disabilities, are really working but their work is not recognized. Furthermore, with the recent downturn in the economy, many additional families are likely to require assistance and some states are already beginning to see increases in caseloads.

The TANF law allows 20 percent of the caseload to be exempt from time limits, but that provision was created at a time

\* Items in bold are identified as GU’s top legislative priorities.

when caseloads were much larger. Now that caseloads have plummeted, we see an increasing concentration of families with special and difficult problems remaining. Most families with fewer problems have taken advantage of the good economy and have gotten jobs, at least temporarily.

### Child Support

The Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) of 1996 requires states to strengthen their child support enforcement efforts and recover any public assistance dollars that were paid on behalf of a child from the parent who failed to support that child. This requirement has serious implications for grandparents and relative caregivers. A relative caregiver no longer chooses whether to pursue child support. If the relative seeks public benefits (TANF), the state must seek child support. Caregivers should be aware of this requirement before seeking benefits, because they may not want to set in motion a chain of events that can result in the incarceration of the child's parent or the loss of the parent's professional license.

Before enactment of the PRWORA, grandparents were exempt from cooperating with support enforcement efforts if they could establish that a parent presented a danger to either the grandparent or the grandchild. Federal law no longer defines a "good cause" refusal to cooperate. Each state defines "good cause" for itself and establishes its own strategies for pursuing child support.

Relative caregivers who do choose to apply for TANF or Medicaid must assign child support rights to the state. Such assignment means that the state can retain child support up to the amount the individual receives in TANF and Medicaid



William Weltman

payments. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) eliminated the state's obligation to "pass through" even \$50 of support a month to the child without reducing the families' welfare payments. Thirty states have abandoned the pass through. In 1999 total child support collections for current TANF and foster care recipients were \$1.35 billion. Of this, only \$112.8 million, less than 10 percent, was paid to families. In 1996, prior to the elimination of the mandatory pass-through, \$480 million was passed through to families.

### Youth Development

The federal law that overhauled the nation's welfare system in 1996 aimed to break the cycle of poverty through its effects not only on welfare recipients but also on their children. At the time the law was passed, there were fears that some of

the policy changes might adversely harm young children, however there was some hope that older children could benefit from some of the changes in the law. The analyses from several studies released in recent years suggest that the new policies did not bring benefits to adolescents. When asked about their adolescent children, parents in the programs under study reported worse school performance, a higher rate of grade repetition, and more use of special educational services than did control group parents. The study concluded that the negative impacts on teens may be the result of a reduction in supervision and monitoring when parents are working and adolescents' taking on more adult roles such as paid work for more than 20 hours per week or care-taking of siblings. Allowing TANF funds to be used for positive youth development would help support youth in this increasingly challenging environment.

### **SOCIAL SECURITY**

While Social Security is often viewed solely as a retirement program, in fact, 30 percent of those who receive benefits from Social Security are not elderly. Instead, they receive support through Social Security's disability insurance and survivors' insurance programs. Social Security saves millions of American families - 14 million family members in 2001 - from financial hardship in the event of a worker's death or disability.

#### **Disability Insurance**

Many children under age 18 receive Social Security benefits as dependents of insured workers who are retired, disabled or deceased. Benefits are also paid to children 18 or older who become disabled before age 22. Benefits continue into their adult years as long as they remain disabled.

#### **Survivor's Insurance**

Survivor benefits are paid to a deceased worker's family. Children under the age of 18, youths age 19 and younger who are still attending high school, and children 18 or older who become disabled before the age of 22 can receive survivor benefits on behalf of a deceased parent. Nearly seven million Americans receive survivor benefits; of those, 1.4 million are children. A widow(er) who is caring for children under age 16 or who are disabled may receive benefits. Often survivors are elderly women who have little earnings because they did not work outside the home or their careers were interrupted by caregiving responsibilities.

#### **Dependent Grandchildren**

Recent studies indicate that half of the grandparents providing a home for their grandchildren do not have the resources to meet their grandchildren's needs. Raising grandchildren has been found to put grandparents at a significantly higher risk of poverty. While some grandchildren and step-grandchildren can qualify for survivor or disability benefits on the earnings record of a grandparent or step-grandparent, many grandparent-headed families remain in need of assistance. For more information on grandchild Social Security benefits, contact Generations United to obtain the Social Security fact sheet.

#### **ENHANCED INCOME FOR WORKING**

##### **FAMILIES**

##### **MINIMUM WAGE**

Currently, 40 percent of minimum-wage workers are the sole breadwinners in their families. Although the minimum wage rose in 1997 to \$5.15 an hour, this increase did not restore the minimum wage to its historic value, which remained unchanged at \$3.35 an hour from 1981

until 1990. Since 1997, the value of the minimum wage in real terms has fallen from \$5.15 to \$4.38.

Large portions of current welfare recipients and former recipients who are now employed, have family incomes either below or at poverty level. Studies show that many of these individuals are struggling to feed and house their families, even though they are working. Additionally, their opportunities to move up the occupational and economic ladder are limited by minimal education, job skills, and work experience.

In recent years poverty for working families has increased. The poverty rate among all workers grew from 5.7 percent in 1979 to 6.7 percent in 1996. During that period, the number of working families that remained poor rose from 2.2 million to 3.6 million. Lifting the minimum wage by \$1.50 per hour would significantly help these poor working families, particularly if future increases are indexed to increases in the median wage. Indexing the minimum wage to the annual increase in the median wage means that the minimum wage will

rise by the same percent that the median wage rises each year, ensuring that low-income workers who earn the minimum wage do not fall farther behind most Americans.

### **UNEMPLOYMENT INSURANCE**

The recent economic downturn forced many former TANF recipients to be laid off. The lack of unskilled jobs make it harder for many of these individuals to find work. Because they have not been in the workforce long enough to qualify for unemployment benefits they will be forced back onto the TANF rolls. Families that have reached their time limit will have no safety net whatsoever.

### **TARGETED TAX CREDITS**

The Child Credit and Earned Income Tax Credit both provide essential income support for families who earn too little to owe income taxes. Expanding both of these credits would benefit millions more children and families. More information about the Child Tax Credit and Earned Income Tax Credit can be found in the Tax Issues section of this agenda.

## Health Care

### POSITION STATEMENT

Over the last 40 years, the most vulnerable people in our country have relied on Medicaid to help provide services that they cannot afford themselves and that no other plans provide. Medicaid works where no other plan does. Medicaid is a program serving the health care needs of 40 million people, including low-income seniors, more than 20 million children (including disabled children), and disabled adults. Medicaid is currently designed as an entitlement program, which guarantees funding of services for every qualifying beneficiary. Proposals to overhaul this program by changing Medicaid from an entitlement to a block grant to the states, or to impose caps on the federal funding, could pit children, disabled people, and older people against each other and place them at risk of losing their health care coverage. Generations United opposes block granting of or imposition of federal funding caps on this program because funding would be limited in a way that could force states to choose between funding long-term care for older people and doctor visits for children.

### Intergenerational Intersection

**G**ood health is important to all generations. At the same time, children, youth, and adults have unique health care needs. Health care programs and services that are age-appropriate and address the different needs of the generations will benefit the health of the entire community and generations to come. Medicaid provides a critical safety net of health care coverage to children youth and seniors.

As the most recent economic downturn demonstrated, while state revenues declined, the demand for health and social services increased as people lost their jobs. Virtually all states are required to balance their budgets and face difficult choices when revenues are insufficient to meet projected spending needs. Protecting and improving the fiscal integrity of health programs in a fashion that protects the beneficiaries of the Medicaid program and the State Children's Health Insurance Program is essential at both the federal and state levels.

Generations United is committed to improving health care access, protections and coverage for children, seniors, their families and caregivers. Generations United places special emphasis on ensuring that the needs of the most vulnerable individuals are met.

Generations United supports efforts to ensure that age-appropriate quality of care services are made available to all Americans. Generations United supports all federal programs — including Medicaid, Medicare, State Children's Health Insurance Program, Federal Employee Health Benefit Program, TRICARE, and Veterans Administration programs — that meet quality standards and provide basic patient protections. Generations United will monitor the implementation of such standards within federal programs and support legislation where necessary to enact further patient protections and protect quality of care.

Young and old must work together to find solutions to the problems of coverage, cost, access, quality, and financing integrity facing our entire health care system. We must improve the quality of care for all while at the same time striving to increase

access to health care services for the millions who are currently uninsured.

### **IN ADDITION, GENERATIONS UNITED SUPPORTS:**

- Maintaining Medicaid as an entitlement program, while assuring that financing keep pace with growing consumer needs, without imposing artificial caps on spending. Federal minimum standards must be maintained, while block grants and unaffordable increases in cost-sharing should be opposed.
- Initiatives to expand and improve health care coverage, ensure that coverage is affordable and comprehensive, and improve access to care for all Americans.
- Continuing and further improving Medicaid and State Children's Health Insurance Program (SCHIP) and working to improve the outreach and enrollment of uninsured children while maintaining and sustaining the financing integrity and beneficiary protections of both programs.
- Initiatives to expand and improve access to long-term care for all Americans such as: improvements in the Medicare and Medicaid programs to provide better coverage for home and community-based care, and the provision of tax credits for caregivers and persons with disabilities of all ages.

### **Background**

There are 45 million uninsured individuals in the United States, including more than 9 million children.<sup>10</sup> While there has been progress in expanding coverage for children, including covering nearly six million children through the Children's Health Insurance Program (CHIP) in 2003,<sup>11</sup> nearly six million uninsured children are

eligible for but not enrolled in CHIP or Medicaid.<sup>12</sup> Large pockets of uninsured individuals such as low-income working parents and the "near elderly" (persons age 55 to 64) also remain. Health insurance makes a substantial difference in the amount and quality of health care that people receive. The consequences of not getting needed medical care are not trivial. It can result in serious health problems and even death.

Persons of all ages with disabilities lack basic protection against the costs of chronic and long-term illness particularly those receiving home and community-based care. Approximately 40 percent of persons who need long-term care are under 65 years of age. Millions of families are also facing enormous emotional, financial, and physical burdens caring for loved ones, and need of more support.

Medicaid finances health care for over 40 million low-income children and adults including the elderly and individuals with disabilities. It is critical to the well-being of all those it serves. Medicaid is a critical program for low-income seniors. Almost three-quarters of the expenditures spent on seniors goes toward long-term care services. Millions of seniors are also able to receive prescription drugs because of Medicaid. For the lowest income seniors, Medicaid also pays for Medicare's premiums, deductibles and coinsurance, which would otherwise be unaffordable. Medicaid is the largest single insurer of uninsured children in America and it guarantees coverage of all medically necessary services children need, including preventive care through well-baby visits and screenings for health problems as well as the extensive services severely disabled children need.

## Tax and Budget Issues

### POSITION STATEMENT

Generations United recognizes that a growing economy is essential for all generations to thrive. The tax code should promote balanced economic growth and generate revenues based on people's ability to pay taxes.

Tax policy should assure there are resources to fund necessary programs for people of all ages, paying special attention to low-income individuals and the circumstances of families raising children and providing care to relatives. During economic downturns, care should be taken to avoid program and eligibility cuts that have especially serious long-term consequences for vulnerable populations. Structural budget deficits should be eliminated when the economy is robust, insofar as they create interest costs that hinder our ability to finance the retirement of the boomer generation, the special needs of the young and the poor, and the health and long-term care needs of the oldest population.

### Intergenerational Intersection

A growing economy is critical to the health and well-being of all generations. Tax revenues are essential to support the programs that address the needs of our nation's citizens of all ages. Children and seniors must be priorities in generating revenues and making budget and spending decisions. Investing in supportive programs for children today helps prepare them for productive employment to ensure the nation's future prosperity. And providing adequate services for seniors helps ensure their continued participation in civic life and their availability as role models and mentors to the young.

In addition, Generations United supports:

- Tax and budget policies that provide sufficient revenues to fund health security for all Americans, that promote retirement savings along with strong and sustainable Medicare and Social Security programs for all generations, and that address the needs of poor children.
- Making the Child Tax Credit fully refundable and available to all families, including grandparents and other relatives raising children, regardless of whether they owe income taxes.
- Tax credits for family caregivers to help them offset the major economic sacrifices involved in caring for disabled parents or spouses.
- Expanding and simplifying the Earned Income Tax Credit.
- Ensuring that income, dividend, and estate tax cuts benefiting high-income Americans are not made permanent which would undercut our nation's ability to meet the needs of children, youth, and older people.
- Ensuring that any budget process change does not contain arbitrary caps on entitlements and/or domestic discretionary program which would disqualify citizens eligible for benefits.

### Background TAX STRUCTURE

In June of 2001, Congress enacted tax cuts costing approximately \$1.6 trillion over 10 years. These tax cuts disproportionately benefit people in the highest income brackets, with over 37 percent of the cuts going to the wealthiest one percent of the population making more

than \$1 million a year. At the time of enactment, large budget surpluses were being projected. However, a recession, tax cuts, and war-related spending have very quickly led to large and growing long-term budget deficits, a loss of \$800 billion in less than 4 years.

Even in a budget surplus environment, the country was already facing large unmet demands that continue to the present. Some 45 million Americans are uninsured, more than eight million of them children under age 18. Most of the uninsured live in households in which at least one person works fulltime, or more, year-round. Emergency shelters are filled and turning people away, and millions of households face food hardships. Yet funding to meet these immediate and basic needs is being further curtailed, while the vastly greater fiscal burdens of an aging population related to Social Security, Medicare, and Medicaid are not being addressed.

Not only do tax cuts jeopardize current and future funding for necessary programs for Americans of all ages—such as Medicaid, housing assistance, nutrition programs, family caregiving programs and other social supports—but inequitable tax cuts are threatening the social fabric. As the wealthy become moreso, while the poorest lag ever further behind, the kind of shared experiences and circumstances that can bind society together are disappearing. Meanwhile, a conservative estimate of the federal debt, assuming no changes in policy, predicts that it will swell by \$5 trillion in the next 10 years.<sup>13</sup>

Tax cuts have also caused serious damage to state budgets. Even where the states themselves have not granted large tax cuts (and most have—several times during the late 1990s), the federal cuts have affected state revenues where the

state tax systems are linked to the federal one. The services provided by states and localities are the most critical for the most vulnerable. Yet states' ability to meet those needs has been severely constrained for the past three years by recession, federal and state tax cuts, and unfunded federal mandates concerning national security, anti-terrorism, voting improvements, and the No Child Left Behind act.

### **BUDGET PROCESS**

As budget pressures rise and consensus builds around the need to cut spending, proposals to change the Congressional budget process could mount. For example, a bill was introduced in the House in the 108<sup>th</sup> Congress that would have forced entitlement reductions by as much as \$1.8 trillion over the next decade including \$392 million from Medicaid if cuts were shared proportionately. The Administration proposed caps to federal entitlements at current levels and required that all new entitlement spending be offset with entitlement cuts. Since new tax cuts would not be subject to similar rules, the new rules would also make it nearly impossible to expand entitlement services for children since corresponding offsets would have to come from the same programs. Some proposals also impose caps on domestic discretionary programs like Head Start, education assistance, housing assistance, and after school programs that could force more than \$100 billion in cuts in services over the next five years.

### **THE CHILD TAX CREDIT**

Current tax law provides a partially refundable child credit for most families that owe taxes. The credit is \$1,000 per child per year and is scheduled to expire in 2010. However, families whose income is so low that no income taxes are owed do

not benefit from the credit. This includes more than 16 million children in poor households, including households headed by grandparents and other relatives caring informally for children. Although these families may pay no income taxes, they pay significant sums in payroll and other non-income taxes.

### CAREGIVER TAX CREDIT

Family caregivers often must take time off from paid work or leave a paying job in order to meet their caregiving responsibilities. This care comes at great expense to the caregiver, while it saves the government billions of dollars in the aggregate that would otherwise have to be spent on alternatives to placements with caregivers. A refundable Caregiver Tax Credit would provide needed support to anyone who gives care to someone in need of care, whether disabled parents, a spouse, or a child. More information about family caregiving can be found in the section of this agenda dealing with Grandparents and Other Relatives Raising Children and Other Family Caregiving.

### EARNED INCOME TAX CREDIT (EITC)

Since 1993, the number of poor young children in working families has increased by more than 20 percent. Studies have shown that among working families, the EITC lifts substantially more children out of poverty than any other government program, reducing child poverty by nearly one-quarter and providing substantial positive effects in encouraging single parents to enter the work force. “Qualifying children” for EITC eligibility include grandchildren, nieces, nephews and other children if they have lived with and were cared for by the taxpayer for a minimum of six months to a year, depending on the relationship to the child.

Despite substantial evidence of the effectiveness of the EITC as a means of addressing poverty, fears about EITC fraud have prevented its being more broadly applied. Census data show that the EITC lifts substantially more children out of poverty than any other government program or category of programs.

The poverty rate of children in families with three or more related children in the US is more than twice the poverty rate of children in families with two children. Yet currently, the only distinction made in the EITC is between families with one child and families with two or more children. Expanding the EITC to establish a three-tier payment structure would make the program more responsive to the needs of larger families. For further information, contact Generations United to obtain the EITC fact sheet.

- 1 This figure was calculated based on the Federal share of the 2000 average monthly foster care maintenance payment, which was estimated at \$545 (2000 Green Book, Committee on Ways and Means, U.S. House of Representatives)
- 2 Journal of Health Affairs (March/April 1999)
- 3 U.S. Department of Health and Human Services, Administration for Children and Families
- 4 Children’s Defense Fund
- 5 U.S. Department of Health and Human Services, Administration for Children and Families
- 6 Afterschool Alliance, 2004.
- 7 Office of Juvenile Justice and Delinquency Prevention, 1999.
- 8 The National Research Council (NRC)
- 9 U.S. Department of Health and Human Services, Administration for Children and Families
- 10 U.S. Census Bureau
- 11 U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services
- 12 Children’s Defense Fund
- 13 Concord Coalition



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