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MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR

March 15, 2006

The Honorable Salvatore F. DiMasi
Speaker, Massachusetts House of Representatives
Room 356
State House
Boston, MA 02133

Dear Speaker DiMasi:

On February 8th, President Bush signed the Deficit Reduction Act of 2005. One of the important provisions of that law is the reauthorization of the Temporary Assistance for Needy Families (TANF) program, effective October 1, 2006.

The TANF program has always been based on the premise that states must operate work and self-sufficiency oriented programs for welfare recipients, and that federal funding is contingent on states meeting participation targets. Like the original TANF legislation, the Deficit Reduction Act (DRA) requires states to meet participation targets of 50% for all families and 90% for two-parent families. Our current rate of participation, as measured by the federal government, is only approximately 15% - far below the required 50% level. Furthermore, under the original welfare reform law, states received a credit towards participation based on caseload declines since 1996 (about 43% for Massachusetts), and states were allowed to exclude certain families in a "separate state program." Under the DRA, the rules have changed. The caseload reduction credit is updated to only reflect caseload declines from 2005, and families placed in a separate state program with Maintenance of Effort (MOE) funds are now included in the federal work participation calculation.

Failure to comply with the new federal requirements may result in the loss of up to $56 million in federal funds for SFY07 alone. It is clear that we must enact legislative changes in order for Massachusetts law to conform with new federal requirements. A cornerstone of that effort is timely passage of the legislation that I filed as part of House 2, and also as HB 4249. This legislation is necessary because Massachusetts' current work rules are more lenient than federal requirements.

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My philosophy concerning welfare reform is straightforward: work is an important and necessary part of life for all adults, and every member of our society should contribute to the level of his or her abilities. This does not mean that reform has to be punitive – I believe in providing adequate supports and building in flexibility for individuals with disabilities or other barriers. But the bottom line is that for a family on welfare, even a part-time job at minimum wage can lift the family out of poverty when combined with other available benefits. Very simply, adults who have entered the workforce are in a better position to ascend the economic ladder than those who are not employed.

Some will advocate creating special programs for certain welfare populations using 100% state dollars to avoid federal penalties. I believe that is the wrong direction. We should not be creating expensive new welfare entitlements. There is no legitimate reason to lower our expectations that all parents receiving welfare assistance take steps to enter the work force. In fact, there is an even greater urgency to asking such families to work in order to minimize our reliance on state funding while giving families a chance for a better future.

I thank you for your commitment to helping needy families in the Commonwealth move out of poverty, and urge you to take rapid action to approve welfare reform legislation.

Sincerely,

Mitt Romney
Governor