

CCWRO Weekly New Welfare News - #2002-16

April 30, 2002

HEADLINES

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IN BRIEF

-- In a national study of TANF recipients, the General Accounting Office found that 44 percent of TANF recipients nationally had at least one physical or mental health impairment, three times higher than the rate of such impairments among adults not receiving TANF benefits:

U.S. General Accounting Office, Welfare Reform: More Coordinated Federal Effort Could Help States and Localities Move TANF Recipients With Impairments Toward Employment, October 2001. GAO reports can be found at www.gao.gov.

-- A recent report by the Center on Budget Policies and Priorities reveals that in New York, California, Ohio, Arizona and Wyoming — high-income families got richer while the poor got poorer. In the vast majority of the remaining states, although incomes of families at both ends of the income scale grew, the incomes of high-income families grew faster than the incomes of low-income families. It just proves that the rich get richer and the poor get poorer in this land of alleged compassion. <http://www.cbpp.org/4-23-02sfp.htm>

DSS NEWS

Nevada County informed DSS "We have a participant here in Nevada County who has timed off her 24 month clock. Her participation now requires Community Service and/or unsubsidized employment.

She started a business called "Fold and Fluff" at the local Laundromat. Her job is to do other people's laundry, including pick up and delivery, for a set price per load. In order for her to have office space at the Laundromat, the owner has agreed to waive the rent (which would be \$500.00 per month according to him) in return for her being there 56 hours per week assisting customers and cleaning the Laundromat. Meanwhile, she can run her fold and fluff out of the Laundromat.

So far she has earned approximately \$1.00 per hour by working 56 hours per week. Is there anything in the regulations that says she must be earning minimum wage? Would this be considered "subsidized employment"? She is determined to continue and is currently sanctioned. I feel she is being exploited. I would like your advice on this. Thank you."

DSS ANSWER: Audrey King of DSS responded on 12/5/01 as follows: "Minimum wage requirements are applicable for individuals wishing to become self-employed. While self-employment is not in State statutes and regulations, CDSS policy is that it falls within the definition of employment. Employment is defined in MPP Section 42-701(e)(1) as an activity "that is compensated at least at the applicable state or federal minimum wage. If either wage rate applies, the work must be compensated in an amount equivalent to the lesser of the two." A recipient, who is not making at least minimum wage per hour, cannot be considered employed for those hours.

Although not applicable to your specific question, please read the following for pre time limit self employment information.

Because obtaining true self employment is difficult and that it takes time to get a business off the ground, in order to assist pre 18- or 24 month time limit recipients who want to become self- employed, we have suggested counties offer "self employment training" as a welfare to work (WTW) activity. If a recipient is in self employment training, they do not have to meet the minimum wage requirement necessary under self employment. Participation in self employment training can allow a recipient to continue to try to become self employed, even if making less than minimum wage, if it is determined that the individual's business has the potential to succeed in assisting the individual in becoming self sufficient. Self employment training falls under MPP Section 42-716.111(r) "other activities necessary to assist an individual in obtaining unsubsidized employment." Counties have flexibility in determining the content of this training and the number of hours per week spent in this activity. Elements of this training may include guidance to do the following: developing a viable business plan, implementing efficient and effective production and marketing strategies, identifying additional financial resources, including small business grant and loans, learning basic business and bookkeeping skills, etc. The 32/35 hours per week participation requirement continues to apply to these individuals. Self employment is allowed pre and post time limit, as long as a least minimum wage is earned, however, self employment training is only an allowable pre time limit WTW activity."

CCWRO COMMENT: This is an underground rule by DSS that is in direct conflict with the state law which does not even mention the words "minimum wage".

-- Fresno county has imposed Food Stamp Sanctions on persons who do not participate in Community Services (also known as unpaid labor, involuntary servitude duty) in order to remain eligible for CalWORKs, even though the individual was not assigned to this activity. This is wrong said DSS - "... a food stamp sanction is only imposed when, follow-

ing the expiration of the 18/24 month period, a client fails to participate in community service when assigned."

EMERGENCY REGULATION PROPOSED BY DEPARTMENT OF CHILD SUPPORT

OAL FILE NUMBER: 02-0424-01E

EMERGENCY REGULATION ACTION SUBMITTED TO OAL ON: 04/24/2002

AGENCY: DEPARTMENT OF CHILD SUPPORT SERVICES

TOPIC: Local Plan of Cooperation

SECTION AFFECTED: Manual of Policies and Procedures (MPP) and Title 22, Sections 12-000 - 111230

Unless OAL approves or disapproves the regulations sooner, the last day for public comment is 04/29/2002

OAL DECISION DUE: no later than 05/06/2002

AGENCY CONTACT: Lucila Ledesma @ (916) 464-5087

TANF REAUTHORIZATION NEWS-

-- In a 3/12/02 congressional hearing on welfare reform, Congressman Charles Rangel of New York stated, "I would want you to know that it is my belief, especially after listening to the Chair and Ranking Member, that the Administration might do better in reaching a bipartisan accord on this issue by working with us and seeing what we can come up with because I am afraid my Republican friends are looking for some rhetoric for the campaign and we are just looking for a solution to the problem."

It is true that the Republicans are looking for rhetoric for the 2002 campaign, but so are the Democrats for the Democrats are not looking for a solution to poverty. For of all the problem is poverty and the Democratic answer has been "let them do unpaid labor". There is no Democrat challenging the Republicans for "leaving poor children behind".

It appears that Democrats are on the defensive and Republicans are on the offensive. Republicans are attacking poor families and children while Democrats are simply defending the evil forces that have caused increased poverty in America among impoverished families and poor babies.

-- The Center on Budget Policies and Priorities has found that a very conservative estimate based on the limited data available from most states is that more than one million working families receive TANF-funded services without being counted in the caseload. Thus, propaganda that caseloads have gone down is not completely true as most propaganda has a shade of untruth. You can find this report at: <http://www.cbpp.org/4-24-02tanf.htm>

-- CWD VICTIM OF THE WEEK

Grandma was taking care of three of her teenaged grandchildren in Alameda County. She moved to Contra Costa County. As many other people do to make sure their kids get a good education, she enrolled the children in good schools by using addresses of friends and acquaintances. When she moved to Contra Costa County, the County forced her to reapply for CalWORKs, which was totally unlawful. According to Ellen Tabachnik of Bay Area Legal Services, this has been a long time practice in Contra Costa County. In February, Grandma got her last check from Alameda then Contra Costa informed her that her application was denied based on a report from the District Attorney. We did an exhaustive search on Westlaw, the Internet, and DSS's webpage and could not find any authority for denying an application based on the district attorney's report, but Contra Costa County has their own rules, even if they are in conflict with the state law and regulations.

The county refused to release the report to Ellen Tabachnik, who needed it for fair hearing purposes, even though it was used to unlawfully terminate benefits to this family. The law states that inter-county transfers are not applicants, they are recipients. See MPP§ 40-188.16, which states what is the transfer period: "The period of time in which the second county determines eligibility and the first county remains responsible for the payment of aid."

The regulations are clear - Grandma is a "recipient" not an "applicant", thus, Contra Costa County cannot deny her application.

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Coalition of California Welfare Rights Organizations, Inc.

1901 Alhambra Blvd

Sacramento, CA 95816

Tel. 916-736-0616

After 6 PM - 916-387-8341

Message/cell number 916-712-0071

FAX 916-736-2645

e-mail address: ccwro@aol.com

