

SB 796 – Beilenson

Chapter 578, Statutes of 1971

The 1971 Welfare Reform Bill Signed by Governor Reagan that provided for statutory COLA for AFDC (now called CalWORKs) families.

The bill included a host of provisions that were inconsistent with federal and were invalidated in court under the leadership of CRLA Legal Services attorney Ralph Abascal. Other legal services lawyers involved were Daniel Brunner, Peter Reid, Chris May and others.

CHAPTER 578

An act to amend Sections 206 and 248 of, and to add Section 5127.5 to, the Civil Code, to amend Section 690.6 of the Code of Civil Procedure, to amend Section 29851 of the Government Code, to amend Section 10125 of the Health and Safety Code, to add Section 19286.5 to the Revenue and Taxation Code, to amend Sections 1094, 1095, and 2714 of, and to add Chapter 3.5 (commencing with Section 5250) to Division 2 of, and Division 4 (commencing with Section 12000) to, the Unemployment Insurance Code, and to amend Sections 10500, 10800, 10804, 10850, 11004, 11008, 11050, 11056, 11100, 11253, 11265, 11353, 11450, 11452, 11454, 11476, 11487, 12050, 12101, 13550, 15201, 15202, 15203, and 15204 of, to add Sections 10053.2, 10053.3, 10602.5, 10811, 10811.5, 10812, 11008.7, 11018, 11020, 11104, 11105, 11157, 11250.6, 11252.5, 11258, 11266, 11267, 11350, 11451.6, 11453,

11153.1, 11153.2, 11189, 12101.1, 12107, 14010, and 15200.1, to, to add Article 3.5 (commencing with Section 11325) to Chapter 2 of Part 3 of Division 9 of, and to repeal Sections 11009, 11103, 11155, 11157, 11252, 11258, 11261, 11262, 11350, 11351, 11453, 12052, 12657, and 17104 of, the Welfare and Institutions Code, relating to public social services and making an appropriation therefor and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 13, 1971. Filed with
Secretary of State August 13, 1971.]

The people of the State of California do enact as follows:

SECTION 1. This act shall be known and cited as the Welfare Reform Act of 1971.

SEC. 3. Section 206 of the Civil Code is amended to read:

206. It is the duty of the father, the mother, and the children of any person in need who is unable to maintain himself by work, to maintain such person to the extent of their ability. The promise of an adult child to pay for necessities previously furnished to such parent is binding. A person who is receiving aid to the aged shall be deemed to be a person in need who is unable to maintain himself by work.

SEC. 3.3. Section 248 of the Civil Code is amended to read:

248. The obligee may enforce his right of support against the obligor and the county may proceed on behalf of the obligee to enforce his right of support against the obligor. Whenever the county furnishes support to an obligee, it has the same right as the obligee to whom the support was furnished, for the purpose of securing reimbursement and of obtaining continuing support. The right of the county to reimbursement shall be subject to any limitation otherwise imposed by the law of this state. The court may order the obligor to pay the county reasonable attorney fees and court costs in any proceeding brought by the county pursuant to this section.

SEC. 8.6. Section 5127.5 is added to the Civil Code, to read:

5127.5. Notwithstanding the provisions of Section 5125 or 5127 granting the husband the management and control of the community property, to the extent necessary to fulfill a duty of a wife to support her children, the wife is entitled to the management and control of her share of the community property.

The wife's interest in the community property, including the earnings of her husband, is liable for the support of her children to whom the duty to support is owed provided that for the purposes of this section, prior support liability of her husband plus three hundred dollars (\$300) gross monthly income shall first be excluded in determining the wife's interest in the community property earnings of her husband.

The wife may bring an action in the superior court to enforce such right provided that such action is not brought

under influence of fraud or duress by any individual, corporation or governmental agency.

A natural father is not relieved of any legal obligation to support his children by the liability for their support imposed by this section and such contribution shall reduce the liability to which the interest of the wife in the community property is subject.

SEC. 8.8. Section 690.6 of the Code of Civil Procedure is amended to read:

690.6. (a) Except as provided in Welfare and Institutions Code Section 11489, all of the earnings of the debtor due or owing for his personal services shall be exempt from levy of attachment without filing a claim for exemption as provided in Section 690.50

(b) One-half or such greater portion as is allowed by statute of the United States, of the earnings of the debtor due or owing for his personal services rendered at any time within 30 days next preceding the levy of execution shall be exempt from execution without filing a claim for exemption as provided in Section 690.50.

(c) All of such earnings, if necessary for the use of the debtor's family residing in this state and supported in whole or in part by the debtor, unless the debts are:

(1) Incurred by the debtor, his wife, or his family for the common necessities of life.

(2) Incurred for personal services rendered by any employee or former employee of the debtor.

(d) The court shall determine the priority and division of payment among all of the creditors of a debtor who have levied an execution upon nonexempt earnings upon such basis as is just and equitable.

(e) Any creditor, upon motion, shall be entitled to a hearing in the court in which the action is pending or from which the writ issued for the purpose of determining the priority and division of payment among all the creditors of the debtor who have levied an execution upon nonexempt earnings pursuant to this section

SEC. 9.5. Section 29851 of the Government Code is amended to read:

29851. Upon the filing of the affidavit, the auditor shall issue and deliver to the legal owner or custodian a duplicate warrant bearing the same date as the original warrant for the full amount of the original warrant, or for any lesser amount still due if any portion of the amount for which the warrant was drawn has been paid, and the treasurer shall pay the duplicate in lieu of the original warrant. If a warrant is lost or destroyed after it has been received by a bank with whom the treasurer has entered into a written agreement pursuant to Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code for the deposit in said bank of moneys belonging to or in the custody of the treasurer, the treasurer may pay on a

photocopy of the lost or destroyed warrant in lieu of the original warrant; provided the bank agrees to indemnify and hold the county harmless from any loss incurred by reason of such payment.

SEC. 10. Section 10125 of the Health and Safety Code is amended to read:

10125 The certificate of live birth shall be divided into two sections; the first section shall contain those items necessary to establish the fact of the birth and the second section shall contain those items relating to medical and health data. The first section shall contain the following and such other items as the State Registrar may designate if known:

- (a) Full name and sex of child;
- (b) Date of birth, including month, day and year;
- (c) Place of birth;
- (d) Full name of father, birthplace of father, social security number of father and color or race of father;
- (e) Full maiden name of mother, birthplace of mother, social security number of mother, color or race of mother;
- (f) Multiple births and birth order of multiple births;
- (g) Signature and certification of attendant; and
- (h) Date accepted for registration and signature of local registrar.

The second section shall contain such medical and health items as the State Registrar may designate.

SEC. 11.5. Section 19286.5 is added to the Revenue and Taxation Code, to read:

19286.5. (a) Subject to the limitations of subdivision (b) of this section and federal law, the Franchise Tax Board may permit the Director of Social Welfare or deputy directors, to inspect the income tax returns of applicants for aid, recipients of aid, or responsible relatives, or in lieu of such inspection, the State Franchise Tax Board may provide the director or deputy directors an abstract of the income tax return requested, or supply information concerning any item of income contained in the return or disclosed by the report of any investigation of the income or return of the applicant for aid, recipient of aid or responsible relative.

(b) The right of the director or deputy directors to inspect income tax records or obtain such other information as provided in this section shall be limited to the records for the current year and the year preceding inspection of applicants or recipients of assistance under Division 9 of the Welfare and Institutions Code, and the responsible relatives of such applicants or recipients. The information obtained pursuant to this section shall be used or disclosed only for the purpose of enabling the Director of Social Welfare or his deputy directors to verify or determine the eligibility or entitlement of an applicant for, or recipient of, public social services or the obligation of a responsible relative.

(c) The counties are authorized to request such information as provided in this section from the Director of Social Welfare

or deputy directors. The director may release such information to the director of a county from which the applicant or recipient receives aid and such information shall be used or disclosed by the director of said county only for the purpose specified in subdivision (b).

(d) The applicant or recipient or responsible relative whose income tax records have been requested of the Franchise Tax Board shall be notified by mail that such request has been made at the time of said request.

SEC. 12. Section 1094 of the Unemployment Insurance Code is amended to read:

1094. Except as otherwise specifically provided in this division the information furnished to the director by an employing unit, pursuant to this division, shall be for the exclusive use and information of the director in discharge of his duties and shall not be open to the public, nor admissible in evidence in any action or special proceeding, other than one arising out of the provisions of this division or one arising out of the provisions of Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services. Such information may be tabulated and published in statistical form for the use and information of state departments and the public, except that the name of the employing unit or of any worker shall never be divulged in the course of such tabulation or publication.

SEC. 13. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in his possession to the extent necessary for any of the following purposes:

- (a) To properly present a claim for benefits.
- (b) To acquaint a worker or his authorized agent with his existing or prospective right to benefits.
- (c) To furnish an employer or his authorized agent with information to enable him to fully discharge his obligations or safeguard his rights under this division.
- (d) To enable an employer to receive a reduction in contribution rate.
- (e) To enable the Director of Social Welfare or his representatives subject to federal law to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to the Welfare and Institutions Code, and directly connected with and limited to the administration of public social services.

SEC. 14. Section 2714 of the Unemployment Insurance Code is amended to read:

2714. All medical records of the department, except to the extent necessary for the proper administration of this part or as provided herein, or to the extent necessary for the proper administration of public social services pursuant to the Wel-

fare and Institutions Code, shall be confidential and shall not be published or be open to public inspection in any manner revealing the identity of the claimant, or the nature or cause of his disability. Such records are not admissible in evidence in any action or special proceeding other than one arising under this division or one arising under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services. The department may reveal its records to the Director of Social Welfare or his representatives and reveal the identity only of the claimant to the Department of Rehabilitation, but such information shall remain confidential and shall not be disclosed except as provided herein.

SEC. 15. Chapter 3.5 (commencing with Section 5250) is added to Division 2 of the Unemployment Insurance Code, to read:

CHAPTER 3.5. JOBS FOR WELFARE RECIPIENTS

5250. The State Personnel Board shall, in conjunction with the Career Opportunities Development Program established pursuant to Division 4, develop jobs providing or leading to permanent employment for welfare recipients, to be contracted for by the department in accordance with its responsibilities under the Work Incentive Program (Part C of Title IV of the Social Security Act).

5251. In order to carry out the purposes of this chapter the board may pay to the department the amount necessary to provide the employer with up to 100 percent of the wages to be paid to individuals employed in special work projects. This amount shall augment any funds available to the department to reimburse the said employer pursuant to Section 402(a)(19)(E) of the Social Security Act.

5252. The costs of the board for carrying out this division shall be considered, to the maximum extent possible, administrative costs pursuant to Section 435 of the Social Security Act.

5253. The board shall, beginning 90 days after the effective date of this division, report to the Legislature by the 10th day of the month and bimonthly thereafter on the number of jobs which have been created pursuant to this division, the number of employed, the cost to the state, and the number of persons who enter permanent employment not supported pursuant to this division.

5254. All jobs developed under the provisions of this chapter shall pay the prevailing rates paid to persons employed in similar public occupations by the same employer, but in no case shall wages be paid which are less than the amount required by Section 433(e)(4) of the Social Security Act.

5255. Any supplemental payments made to persons in special work projects shall be considered aid and the nonfederal share shall be paid in its entirety from the General Fund.

5256. For the purposes of determining "net income," the Department of Social Welfare shall reduce an individual's gross wages received from participation in a special work project by an amount equal to such individual's involuntary deductions plus work-related expenses, except that, for the purposes of this section "involuntary deductions" shall not include contributions to any state or local public retirement system.

5259. For the purposes of this program, and notwithstanding any other provision of the law, involuntary deductions plus work-related expenses shall not be more than allowed under Section 11451.6 of the Welfare and Institutions Code.

SEC. 15.1. Division 4 (commencing with Section 12000) is added to the Unemployment Insurance Code, to read:

DIVISION 4. CAREER OPPORTUNITIES DEVELOPMENT

CHAPTER 1. GENERAL PROVISIONS

12000. It is the intent of the Legislature to help reduce public dependency and prevent future dependency by creating career employment opportunities in public service for former, current and potential welfare recipients and other disadvantaged persons. Drawing upon its knowledge and expertise in developing permanent civil service employment opportunities for welfare recipients and other disadvantaged persons, as demonstrated in the Career Opportunities Development Program and Public Service Careers Program, the State Personnel Board shall continue and accelerate its activities to remove artificial, institutional barriers and to develop affirmative approaches to the employment of the disadvantaged.

12001. The State Personnel Board shall, within funds appropriated, carry out a Career Opportunities Development Program in state employment and provide technical assistance and direct grants to cities and counties and other units of state and local government.

12002. As used in this division a "Career Opportunities Development Program" includes but is not limited to:

(a) Analysis and reevaluation of job descriptions and skill requirements, and wherever necessary restructuring of jobs in order to insure that maximum entry level positions are available requiring minimum qualifications and that jobs at all levels of the agency employment provide the greatest possible opportunities for promotion based upon demonstrated performance capability;

(b) Development of career ladders extending wherever possible from minimum qualification entry level positions to high-level professional and managerial positions to give new and existing agency staff the greatest possible opportunities for vertical and horizontal career mobility;

(c) Reexamination of civil service testing and selection requirements and practices to insure that such requirements and practices are in conformance with the standards for testing and selection adopted by the California Fair Employment Practices Commission;

(d) Reexamination of recruiting policies and practices to insure that positive opportunities are provided to groups suffering present or prior employment discrimination to seek and obtain available employment opportunities; and,

(e) Development and operation of career education and training programs providing academic and job skills to facilitate permanent employment and upward job mobility.

12003. As used in this division "board" means the State Personnel Board.

12004. It is the intent of the Legislature that the board in carrying out career opportunities development programs pursuant to this division shall provide for:

(a) Close coordination between career opportunities development programs and related activities under the Federal Intergovernmental Personnel Act (Public Law 91-648); and,

(b) Clear, direct and systematic involvement by representatives of cities, counties, educational agencies, including but not limited to the California Community Colleges, the California State Colleges and the University of California, and lay representatives, especially those which represent low-income and minority persons.

SEC. 16. Section 10053.2 is added to the Welfare and Institutions Code, to read:

10053.2. Family planning services shall be offered to all former, current or potential recipients of childbearing age, age 15 to 44, inclusive, and provided to those former, current or potential recipients wishing such services. Such services shall be offered and provided without regard to marital status, age, or parenthood. Notwithstanding any other provisions of law, the furnishing of these family planning services shall not require the consent of anyone other than the person who is to receive them. Within the meaning of this section, the term "potential recipients" shall mean all persons in a family where current social, economic and health conditions of the family indicate that the family would likely become a recipient of financial assistance within the next five years.

Family planning services shall include, but not be limited to:

(a) Medical contraceptive services such as diagnosis, treatment, supplies, and followup.

(b) Informational and educational services.

(c) Facilitating services such as transportation and child care services needed to attend clinic or other appointments.

Services under this section shall be provided by contracts between the county welfare department and the State Department of Public Health, subject to the approval of the department. Such contracts shall include to the maximum extent possible, cooperative funding and other financial arrange-

ments which permit maximum use of available federal funds. Information and referral services only shall be available to all other families and children.

SEC. 17. Section 10053.3 is added to the Welfare and Institutions Code, to read:

10053.3. The county welfare department shall submit a quarterly statistical report on the operation of Section 10053.2 to document the effectiveness of this program. Such report shall include, but not be limited to:

(a) A description of the procedures used to inform former, current, and potential recipients of childbearing age of their eligibility for and the availability of family planning services.

(b) The number of current recipients of childbearing age offered family planning services during the quarter.

(c) The number of referrals to family planning clinics by the county welfare department.

(d) The number of visits to family planning clinics and the medical contraceptive and other services provided at those visits, categorized according to former, current, or potential recipients.

(e) The number of live births per 1,000 current female recipients of childbearing age during the quarter.

(f) The number of live births per 1,000 females of childbearing age resident in the county during the quarter.

The department shall prepare a report setting forth such information by counties and submit its report to the Legislature no later than 60 days after the end of each quarter.

SEC. 17.5. Section 10500 of the Welfare and Institutions Code is amended to read:

10500. Every person administering aid under any public assistance program shall conduct himself with courtesy, consideration, and respect toward applicants for and recipients of aid under that program, and shall endeavor at all times to perform his duties in such manner as to secure for every person the amount of aid to which he is entitled, without attempting to elicit any information not necessary to carry out the provisions of law applicable to the program, and without comment or criticism of any fact concerning applicants or recipients not directly related to the administration of the program.

SEC. 18. Section 10602.5 is added to the Welfare and Institutions Code, to read:

10602.5. An auditor appointed by the grand jury shall annually review the child support collection program of the county and comment in writing upon the performance of the duties involved therein by any county agency so concerned. It shall cause a copy of such report to be transmitted to the board of supervisors and the department.

SEC. 18.1. Section 10800 of the Welfare and Institutions Code is amended to read:

10800. Subject to the provisions of Section 11050, the administration of public social services in each of the several

counties of the state is hereby declared to be a county function and responsibility and therefore rests upon the boards of supervisors in the respective counties pursuant to the applicable laws, and in the case of public social services for which federal or state funds are provided, subject to the regulations of the department.

For the purpose of providing for and carrying out this function and responsibility, the board of supervisors of each county, or other agency as may be otherwise provided by county charter, shall establish a county department, unless otherwise provided by the county charter. Except as provided herein, the county department shall be the county agency for the administration of public social services and for the promotion of public understanding of the public social services provided under this code and the problems with which they deal.

Sec 18.2. Section 10804 of the Welfare and Institutions Code is amended to read:

10804. The board of supervisors in any county may contract with any other county or counties or with the department for the operation and maintenance of such public social services as are provided in one or more of the contracting counties, or for the establishment and maintenance of such public social services as the board of supervisors shall deem to be desirable to discharge the duties of the county to provide for public social services for those eligible therefor or the health and care of the sick. Except as provided in Section 11050, the cost of contracted services shall be borne by the contracting county or counties and shall, insofar as state or federal funds are involved, conform to department standards and regulations generally applicable to such services.

Sec 18.3. Section 10811 is added to the Welfare and Institutions Code, to read:

10811. Each county shall provide child care services for former, current, and potential recipients of public assistance who certify that if provided such services they will accept or maintain employment or training and who further certify that without such services they would be unable to accept or maintain employment or training. The county is authorized to charge a fee for child care services pursuant to a schedule established by the department based on the ability of the person to pay using a sliding scale, ranging from a lesser amount for parents with low-income levels to a higher amount for parents with higher income levels. In no event shall the fee exceed the fee in comparable arrangements established pursuant to Section 16614 of the Education Code. The county may contract with other public or private entities to provide child care services.

The state shall pay as its share from the funds appropriated therefor the percentage provided in subdivision (a) of Section 15200 of the nonfederal costs of the services provided pursuant to this section.

The county expenditure for services under this section shall be in addition to the amount spent during the 1970-1971 fiscal year for child care services.

SEC. 18.4. Section 10811.5 is added to the Welfare and Institutions Code, to read:

10811.5. Each county in cooperation with the department, the Department of Human Resources Development, and the Department of Education shall, provided state funds are available, establish a child care training program which gives priority to the training and employment of public assistance recipients in child care services.

The state shall pay as its share from the funds appropriated therefor 67½ percent of the nonfederal costs of the program established pursuant to this section, and the county shall pay 32½ percent of such costs.

SEC. 18.5. Section 10812 is added to the Welfare and Institutions Code, to read:

10812. In addition to services, as defined in Section 10053, that may be required under this division a county may provide any service permitted by federal law and for which federal participation is available.

SEC. 19. Section 10850 of the Welfare and Institutions Code is amended to read:

10850 Except as otherwise provided in this section, all applications and records concerning any individual made or kept by any public officer or agency in connection with the administration of any provision of this code relating to any form of public social services for which grants-in-aid are received by this state from the United States government shall be confidential, and shall not be open to examination for any purpose not directly connected with the administration of such public social service; provided, however, that any agency having custody of such records may make the disbursement records available to the district attorney upon his request. The information thus obtained shall be made available to the district attorney for the official conduct of his office and shall not be used for any other purpose.

Except as otherwise provided in this section, no person shall publish or disclose or permit or cause to be published or disclosed any list of persons receiving public social services. Any county welfare department in this state may release lists of applicants for, or recipients of, public social services, to any other county welfare department or the Department of Social Welfare, and such lists or any other records shall be released when requested by any county welfare department or the Department of Social Welfare. Such lists or other records shall only be used for purposes directly connected with the administration of public social services. Except for such purposes, no person shall publish, disclose, or use or permit or cause to be published, disclosed, or used any confidential information pertaining to an applicant or recipient. However, this section shall not prohibit the furnishing of such informa-

tion to other public agencies to the extent required for verifying eligibility or for other purposes directly connected with the administration of public social services. Any person knowingly and intentionally violating the provisions of this paragraph is guilty of a misdemeanor.

The Department of Social Welfare shall inform the Department of Motor Vehicles of the names, birth dates, and addresses of all applicants or recipients of aid to the blind. The Department of Motor Vehicles, upon receipt of such information, shall inform the Department of Social Welfare of any such applicant or recipient of aid to the blind who holds a valid California driver's license.

The department may make rules and regulations governing the custody, use and preservation of all records, papers, files and communications pertaining to the administration of the laws relating to public social services. The rules and regulations shall be binding on all departments, officials and employees of the state, or of any political subdivision of the state and may provide for giving information to or exchanging information with agencies, public or private, which are engaged in planning, providing or securing social services for or in behalf of recipients or applicants; and for making case records available for research purposes, provided, that such research will not result in the disclosure of the identity of applicants for or recipients of public social services.

Any person, including every public officer and employee, who knowingly secures or possesses, other than in the course of official duty, an official list or a list compiled from official sources, published or disclosed in violation of this section, of persons who have applied for or who have been granted any form of public social services for which state or federal funds are made available to the counties is guilty of a misdemeanor.

SEC. 20.3. Section 11004 of the Welfare and Institutions Code is amended to read:

11004. The provisions of this code relative to public social services for which state grant-in-aid are made to the counties shall be administered fairly to the end that all persons who are eligible and apply for such public social services shall receive the assistance to which they are entitled promptly, with due consideration for the needs of applicants and the safeguarding of public funds.

(a) Any applicant for, or recipient or payee of, such public social services shall be informed as to the provisions of eligibility and his responsibility for reporting facts material to a correct determination of eligibility and grant.

(b) Any applicant for, or recipient or payee of, such public social services shall be responsible for reporting accurately and completely within his competence those facts required of him pursuant to subdivision (a) and to report promptly any changes in those facts.

(c) Any person who makes full and complete disclosure of those facts as explained to him pursuant to subdivision (a) is

entitled to rely upon the award of aid as being accurate, and that the warrant he receives correctly reflects the award made, except that the county paying the aid shall be allowed a period of six months following the month of payment, or six months following the hearing provided in subdivision (e), within which to adjust any errors or changes in amount of grant resulting from changes in income or need which occur too late to be reflected in the grant for the current month. Whenever possible, adjustments or overpayments shall be prorated evenly over the the adjustment period.

(d) If any overpayment which results because of the willful failure to report facts in accordance with subdivision (b) or because of any willfully fraudulent device, the county paying the aid shall be allowed a period of one year following the month of the discovery of the overpayment, or one year following the hearing provided in subdivision (e), to adjust current grants to recover the overpayment. Such adjustment shall be permitted concurrently with any suit for restitution, and recovery of overpayment by adjustment shall reduce by the amount of such recovery the extent of liability for restitution.

(e) Current grants may be reduced because of prior overpayments only if the recipient has income or resources available in the amount by which the county proposes to reduce payment; except that where there is evidence which clearly establishes that a recipient willfully withheld information about his income or resources, such income or resources may be considered in the determination of need to reduce the amount of the grant in current or future periods. Prior to effecting any reduction of current grants to recover prior overpayments, the recipient shall be advised of the proposed reduction and of his entitlement to a hearing on the propriety of the reduction. In no event shall the grant to a needy child be reduced unless the parents or other responsible persons have sufficient available resources or income to meet the current needs of the needy child according to the department standard during the period of reduction.

(f) If it is found that a recipient or a family was possessed of property in excess of the amount permitted by law, and it cannot be established that the recipient or family received such aid in bad faith, without honestly believing eligibility was properly established, the amount collectible shall be limited to an amount equal to the market value of the excess property or the amount of aid granted during the period the excess property was held, whichever is the lesser.

(g) When an underpayment or denial of aid occurs because of an administrative error or inadvertence on the part of a county, and as a result the applicant or recipient does not receive the amount to which he is entitled, the county shall pay aid equal to the full amount of the underpayment which occurred during the period of one year immediately preceding the date the error or inadvertence is discovered.

SEC. 20.5 Section 11008 of the Welfare and Institutions Code is amended to read:

11008. In order that recipients of public assistance may become self-supporting and productive members of their communities, it is essential that they be permitted to earn money without a proportionate deduction in their aid grants. It is the intention of the Legislature to promote this objective and the department, in implementing public assistance laws, is directed to do so in the light of this objective.

To the extent required by federal law, earned income of a recipient of aid under any public assistance program for which federal funds are available shall not be considered income or resources of the recipient, and shall not be deducted from the amount of aid to which the recipient would otherwise be entitled, provided that any exemption which was permitted by federal law on August 1, 1971 and was authorized and applied in California shall continue to be required as long as permitted by federal law. In computing the amount of income determined to be available to support a recipient, the value of currently used resources shall be included, except as provided in Section 11018.

Nothing in the amendments to this section made by the Legislature at its 1971 Regular Session shall be construed to give any person benefits based on a claim filed subsequent to August 1, 1971, relating to benefits not authorized and applied on August 1, 1971.

SEC. 21. Section 11008.7 is added to the Welfare and Institutions Code, to read:

11008.7. To the extent permitted by federal law the value of any loan or grant to any undergraduate student made or insured under any program administered by the State Scholarship and Loan Commission or a college accredited by the Western Association of Schools and Colleges shall not be considered in determining eligibility or the amount of the grant.

SEC. 21.5. Section 11009 of the Welfare and Institutions Code is repealed.

SEC. 22. Section 11018 is added to the Welfare and Institutions Code, to read:

11018. Notwithstanding Section 11008, in computing the amount of income available to support a recipient, the first sixty dollars (\$60) per quarter of any casual income or income from inconsequential resources which is received infrequently or irregularly shall be exempt.

SEC. 22.5. Section 11020 is added to the Welfare and Institutions Code, to read:

11020. Where a recipient under a categorical aid program has received aid in good faith but in fact owned excess property, he shall be considered to have been ineligible for aid during the period for which any excess property would have supported him at the rate of the aid granted to him. In such case the recipient or his estate shall repay the aid he received during such period of ineligibility.

SEC 23. Section 11050 of the Welfare and Institutions Code is amended to read:

11050. Except as provided in Section 11403 of this code, applications for public social services or public assistance by any person, or in behalf of any person, shall be made to the county department in the county in which the applicant is living. The application may be made in writing or reduced to writing upon the standard form prescribed in regulations of the department and a copy shall be furnished to each applicant at the time of the application.

The state is responsible for maintaining uniformity in the public social service programs provided for in Part 3 (commencing with Section 11000) of this division, and in order to promote and insure such uniformity, the department shall be responsible for the control of administering the payment of grants for all aid programs.

The department may contract with any county for the performance of eligibility and grant determinations for applicants or recipients within the jurisdiction of the contracting county, or for applicants or recipients within the jurisdiction of another county which has not contracted with the department to perform such functions or whose contract with the department has been terminated or in the absence of such contract the department may act in the place of the county and assume direct responsibility for the administration of such eligibility and grant determinations.

The department shall have the right to terminate any such contract immediately if the contracting county fails to carry out its contractual obligations.

SEC. 23.2. Section 11056 of the Welfare and Institutions Code is amended to read:

11056. If the applicant is determined to be eligible, aid shall be granted from the first day of the month following the date of application, or from the first day of the month following the date on which he becomes eligible if found to be later than the date of application, or upon an earlier date if determined by and in connection with a petition for a fair hearing; provided, however, that nothing contained herein shall be construed to prevent a county department from making aid to families with dependent children effective as soon as eligibility is determined, if such date is earlier than that specified herein.

The county at the time of receiving an application for public assistance shall determine and verify whether the applicant needs immediate assistance. If it is determined that the applicant is eligible for public assistance, and a signed affirmation is on file to this effect, aid shall be granted immediately. If subsequent investigation establishes ineligibility, the cost of such assistance shall be shared by the state and county in accordance with the applicable sharing ratio after federal contributions are deducted.

SEC. 23.5. Section 11100 of the Welfare and Institutions Code is amended to read:

11100 For the purposes of the provisions of this code relating to public assistance, the continued absence of a recipient of public assistance from this state for a period of 60 days or longer shall be prima facie evidence of the intent of the recipient to have changed his residence to a place outside this state. The county granting the public assistance shall make inquiry from all recipients who have been continuously absent from this state for a period of 30 days, with the next assistance payment, so as to determine their intent to remain residents of California or to become residents of another state, and shall redetermine the residence of such persons. In any case where the inquiry made under this section establishes that the recipient is no longer a resident of this state, his aid shall be terminated immediately.

If a recipient is prevented by illness or other good cause from returning to this state at the end of 60 days, and has not by act or intent established residence elsewhere, he shall not be deemed to have lost his residence in this state.

If a recipient is disqualified for aid on the ground that he has left the state, and returns to the state within 60 days after leaving, he shall be considered to have resided in the state for a sufficient time to qualify for aid, and, if otherwise eligible, aid shall be granted to him as of the first day of the month following his application.

SEC. 23.6 Section 11103 of the Welfare and Institutions Code is repealed.

SEC. 24. Section 11104 is added to the Welfare and Institutions Code, to read:

11104. Any alien who is otherwise qualified for aid shall be eligible to receive public assistance if he certifies under penalty of perjury that to the best of his knowledge he is in the country legally and is entitled to remain indefinitely, or if he certifies that he is not under order for deportation, or if he certifies that he is married to an individual not under order for deportation.

Such certification by the alien shall, upon receipt, be forwarded to the United States Immigration and Naturalization Service for verification. Aid shall continue pending such verification.

If an alien has been residing in the United States continuously for five years or more at the time the county department requests certification of his legal right to reside, the affidavits of two U.S. citizens attesting to such continuous residence by the alien shall constitute a rebuttable presumption that the alien is entitled to be in the country for purposes of determining eligibility.

If an alien subject to the provisions of this section is not fluent in English, it shall be the duty of the county department to provide an understandable explanation of the requirements of this section in a language in which the alien is fluent.

SEC. 24 01. Section 11105 is added to the Welfare and Institutions Code, to read:

11105. No person shall be granted aid under this part unless he is a resident of this state.

SEC. 241 Section 11155 of the Welfare and Institutions Code is repealed.

SEC 242 Section 11155 is added to the Welfare and Institutions Code, to read:

11155. In addition to the personal property permitted by other provisions of this part, an applicant or recipient, including an applicant for or recipient of aid to families with dependent children, may retain items of personal property, other than cash, securities, instruments or other evidences of indebtedness, of a market value not to exceed one thousand dollars (\$1,000), and in addition property falling within the following categories:

1. The entire value of wedding and engagement rings, heirlooms and clothing.

2. The reasonable value of household furnishings and, in addition, other property used to provide, equip and maintain a household for the applicant or recipient up to a market value of three hundred dollars (\$300) for each item.

3. Equipment and material of reasonable value, including motor vehicles, which are necessary to implement an employment, rehabilitation or self-care plan necessary for employment of the applicant or recipient

4. Any property right which is essential to land use or which is not available for the use of or expenditure by or in behalf of the applicant or recipient to meet a current or future need of the applicant or recipient.

In addition to all of the foregoing the director may at his discretion exempt other items of personal property not exempted under this section.

SEC. 243. Section 11157 of the Welfare and Institutions Code is repealed.

SEC. 244. Section 11157 is added to the Welfare and Institutions Code, to read:

11157 Notwithstanding Section 11008, all lump sum income received by an applicant or recipient, including an applicant for or recipient of aid to families with dependent children, shall be regarded as income in the month received except non-recurring lump sum social insurance payments, which social insurance payments shall include but are not limited to social security income, railroad retirement benefits, veteran's benefits, workman's compensation, and disability insurance.

SEC 245 Section 11250.6 is added to the Welfare and Institutions Code, to read

11250.6 The income of any person under a contract of employment on an annual basis but who works and receives income from such contract in fewer than 12 months, but more than eight months, shall be prorated over the period of the contract for the purposes of this chapter.

SEC 24.6. Section 11252 of the Welfare and Institutions Code is repealed.

SEC. 24.65. Section 11252.5 is added to the Welfare and Institutions Code, to read:

11252.5. The Legislature hereby finds that the high rate of unemployment, which has been aggravated in California's most populous regions by layoffs in the aerospace industries, has led to a high level of public assistance grants and that despite the unemployment rate, both the unemployment rolls and the welfare rolls are swollen by the influx of persons from other states, many of which allow smaller assistance grants.

The Legislature further notes that increasing state taxes will have a depressing effect upon those individuals, firms, and industries now operating at a marginal level and will tend to further aggravate the unemployment rate and increase the welfare rolls.

The Legislature finds, therefore, that the most compelling state interest requires that the relationship between welfare and unemployment be recognized and that an emergency residency requirement be enforced in those areas of the state suffering from unusually high rates of unemployment

(a) At any time the director shall determine from information received from the Department of Human Resources Development that any county has an unemployment rate of 6.0 percent or more, the director shall declare a state of emergency to exist, and shall immediately direct such county to enforce an emergency residency requirement as provided in subdivision (b) until its unemployment rate falls below 6.0 percent. During this period and in any county in which such emergency exists, no person described in subdivision (b) shall be eligible for aid after the effective date of this section who does not meet the residency requirements of subdivision (b) of this section.

(b) No needy relative under Section 11203 shall be eligible for aid unless such needy relative has been physically present in the county for one year immediately preceding the date of application.

The provisions of this section shall not operate to render ineligible for aid any needy relative receiving such aid on the effective date of this section.

SEC. 24.7. Section 11253 of the Welfare and Institutions Code is amended to read:

11253. Aid may not be granted under the provisions of this chapter to or in behalf of any child over the age of 16 unless:

(a) He is less than 21 years of age and is regularly attending school or a training program, or if enrolled in an institution of higher education, attending regularly, achieving a passing grade and making progress according to standards set by the department, or

(b) He is physically or mentally disabled, or

(c) He is employed and contributing to the family, or applying his earnings to a plan approved by the county depart-

ment for his further education or preparation for future employment, provided that his earnings set aside for education or training are placed in an irrevocable trust for such purposes, with the county and the parents designated as joint trustees.

SEC. 24.12. Section 11258 of the Welfare and Institutions Code is repealed.

SEC. 24.13. Section 11261 of the Welfare and Institutions Code is repealed.

SEC. 24.14. Section 11262 of the Welfare and Institutions Code is repealed.

SEC. 25. Section 11265 of the Welfare and Institutions Code is amended to read:

11265. The county shall redetermine eligibility annually. The county shall at the time of such redetermination, and may monthly or at such other intervals as may be deemed necessary, require the family to complete a certificate of eligibility containing a written declaration of such information as may be required to establish the continuing eligibility and amount of grant pursuant to Section 11004 of this code.

The certificate shall include blanks wherein shall be stated the names of all children receiving aid, their present place of residence, the names and status of any other adults living in the home, the name, and if known, the social security number and present whereabouts of a parent who is not living in the home, and any outside income that may have been received through employment, gifts, or the sale of real or personal property.

If the certificate is mailed to the family, it shall be accompanied by a stamped envelope for its return. In the event the certificate is not completed and returned within 10 days after it is mailed or personally delivered to the family, a home visit or other personal meeting shall be made to or with the family, and the certificate shall then be completed with the assistance of the social worker, if needed. If there is a refusal to complete such certificate, the warrant for the succeeding month may be withheld pending clarification of eligibility.

Each adult member of the family shall provide, under penalty of perjury, the information necessary to complete such certificate.

SEC. 25.1. Section 11266 is added to the Welfare and Institutions Code, to read:

11266. Notwithstanding the provisions of Section 11056, if at the time of application the county determines that the applicant needs immediate assistance because he does not have sufficient resources to meet the immediate needs of his family, the county shall pay such applicant one hundred dollars (\$100) or the maximum amount to which such applicant is eligible, whichever is less. The county shall verify such applicant's eligibility within five working days, and advance payments made under this section shall be offset against the first grant payment made to the recipient. If eligibility is not veri-

fied within five working days, pursuant to this section, the county shall bear the entire cost of the advance payment made to the applicant.

SEC. 25.2. Section 11267 is added to the Welfare and Institutions Code, to read:

11267. To the extent permitted by federal law and regulations, no child or family is eligible to receive aid under this chapter if the total gross income, exclusive of grant payment, prior to any deductions available to such child or family exceeds 150 percent of the minimum basic standard of adequate care applicable to such child or family.

SEC. 25.3. Article 3.5 (commencing with Section 11325) is added to Chapter 2, Part 3, Division 9 of the Welfare and Institutions Code, to read:

Article 3.5. Community Work Experience Programs

11325. Assisting recipients of aid to become self-supporting through implementation of the work incentive programs established in accordance with subdivision (19)(A) of Section 402(a) of the Social Security Act, as amended, as well as through such additional or supplemental work programs permitted by federal law is a matter of public concern.

To the extent permitted by federal law, it is the intention of the Legislature that this article operate as a demonstration program. The Director of the Department of Human Resources Development shall develop a plan for the phased implementation of community work experience programs. As this plan is implemented, he shall designate specific geographic areas within which community work experience programs shall be established. Such geographic areas shall consist of a county or portion of a county, as the director may designate.

The Director of the Department of Human Resources Development shall develop community work experience programs through contracts with any public entity or nonprofit agency or organization, subject to the conditions and standards set forth below.

All public entities shall cooperate in the development and implementation of community work experience programs for welfare applicants and recipients in accordance with criteria and standards established by the Department of Social Welfare and Department of Human Resources Development, provided that any program undertaken by a public agency shall be done with the consent of that agency.

For the purpose of this article, a "community work experience program" is a program to provide work experience and training for individuals who are not otherwise able to obtain employment or who are not actively participating in training or education programs, in order that such participants may move into regular employment.

Community work experience programs shall provide for development of employability through actual work experience

and training; and shall be designed to enable individuals employed under community work experience programs to move promptly into regular public or private employment or into training or public service employment programs to improve their employability in regular public or private employment. The facilities of the Department of Human Resources Development shall be utilized to find employment opportunities for recipients under this program.

Community work experience programs under this article shall be confined to projects which serve a useful public purpose such as in the fields of health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, and public safety. To the extent possible, the prior training, experience and skills of a recipient shall be utilized in making appropriate work experience assignments.

The Director of the Department of Human Resources Development shall designate the procedures for inclusion of recipients of public assistance within community work experience programs, to include the geographic area within which such programs shall be established. To the extent permitted by federal law, recipients of public assistance referred by the Department of Human Resources Development to a community work experience program shall, as a condition of receiving public assistance, participate in such program, except where good cause exists for failure to accept and continue to participate in such program.

No person, who is a recipient of aid under this chapter under the age of seventeen (17) years, or is the mother of a child the age of six (6) years or under in the home, or who is otherwise employed or actively participating in training programs, education programs, or public service employment programs, or is incapacitated, shall be required to participate in community work experience programs. No mother of a child over the age of six (6) years in the home shall be required to participate in such community work experience programs unless suitable child care is available.

A community work experience program established under this section shall provide:

(1) Appropriate standards for health, safety, and other conditions applicable to the performance of work, including workmen's compensation insurance.

(2) That the program does not result in displacement of persons currently employed, or the filling of established unfilled position vacancies.

(3) That the program does not apply to jobs covered by a collective bargaining agreement.

(4) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(5) That participants will not be required, without their consent, to travel an unreasonable distance from their homes or remain away from their homes overnight.

(6) That participants will not be required to work in excess of 80 hours in any calendar month, nor in excess of eight hours during any calendar day in order to provide time to seek regular employment, provided, however, that in no case will any participant be required to participate in work experience programs for a period of time which would result in a total number of hours per month, which, if compared to the amount of the grant, in relation to the state or federal minimum wage, whichever is higher, would result in a ratio that would be less than such minimum wage. Nothing in this section shall be construed as requiring or permitting the payment of aid in exchange, or as compensation, for work performed.

(7) That participation shall not result in any cost to a participant, provision shall be made for transportation and all other costs reasonably necessary to and directly related to participation in the program. Nothing contained herein shall entitle any participant to a salary or to any other work or training expense provided under any other provision of law by reason of his or her participation.

(8) A recipient shall not be placed in a community work experience program under this section unless all available positions within the geographic area served by a community work experience program have been filled under work incentive programs established pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code or under any other job development program established pursuant to state law. To the extent feasible, work incentive program positions shall be administered to maximize utilization of that program prior to placement of recipients in community work experience programs.

No individual shall be required to participate in a community work experience program if:

(1) The position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) As a condition of accepting the work or continuing in the work, the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization

(3) Acceptance would be an unreasonable act because of hardship imposed on the person or his family due to illness or remoteness.

11326. To the extent permitted by federal law, aid shall be terminated with respect to a recipient of public assistance covered by this demonstration program, who without good cause refuses to participate in a community work experience program; provided, however, that aid for the support of the child or children of such recipient of public assistance shall not be reduced or terminated as a result of such refusal to participate. Any recipient of public assistance who refuses

without good cause to participate, shall not be considered a needy relative or caretaker of a recipient child and shall not be entitled to receive or use any part of an aid grant paid pursuant to this chapter.

11327. The Director of the Department of Human Resources Development shall report annually to the Legislature concerning the community work experience programs, including the number of persons placed in a community work experience program, the number of persons placed from this program into regular employment, and the costs to state and local agencies for implementing this demonstration program.

SEC. 25.4. Section 11350 of the Welfare and Institutions Code is repealed.

SEC. 25.5. Section 11350 is added to the Welfare and Institutions Code, to read:

11350. In any case of separation or desertion of a parent or parents from their spouse and child or children which results in aid being granted under this chapter to such spouse and child or children, such parent or parents shall be obligated to the county for an amount equal to: (a) the value of the aid received by such family during such period of separation or desertion with respect to such spouse and child or children, reduced by (b) any amount actually paid by such parent or parents for the support and maintenance of such spouse and child or children during such period, if and to the extent that such amount reduces the aid received; except that in any case where an order for the support and maintenance of such spouse and child or children has been issued by a court of competent jurisdiction, the obligation under this section shall not exceed the amount specified in such order less any amount actually paid by such parent or parents during such period. In the absence of such an order, the district attorney shall bring suit for enforcement of support pursuant to this section. Any payments required pursuant to this section shall be reasonably based on ability to pay.

The court may order the defendant to pay the county reasonable attorney fees and court costs in any proceeding brought by the county pursuant to this section.

SEC 26.1 Section 11351 of the Welfare and Institutions Code is repealed.

SEC 27. Section 11353 of the Welfare and Institutions Code is amended to read:

11353. Any parent whose absence is the basis upon which an application is filed for aid in behalf of a child shall complete and return to the county within 15 days after service pursuant to Section 11476 a written statement of his current monthly income, his total income over the past 12 months, a description of all real and personal property owned by him, together with an estimate of its value, the number of dependents for whom he is providing support, the amount he is contributing regularly, toward the support of all children for whom application for aid is made under this chapter, his social

security number, his current monthly living expenses and such other information as is pertinent to determining his ability to support his children.

A violation of this section constitutes a misdemeanor.

Sec. 28. Section 11450 of the Welfare and Institutions Code is amended to read:

11450. (a) For each needy family which includes one or more needy children qualified for aid under this chapter, except as provided in Section 11403, there shall be paid, notwithstanding minimum basic standards of adequate care established by the department under Section 11452, an amount of aid each month which when added to his income, exclusive of any amounts considered exempt as income or paid pursuant to subdivision (d) of this section or Section 11453.1, is equal to the sums specified in the following table, as adjusted for cost-of-living increases or decreases pursuant to Section 11453:

Number of eligible needy persons in the same home	Maximum aid
1	\$115
2	190
3	235
4	280
5	320
6	360
7	395
8	430
9	465
10 or more	500

If, when and during such times as the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to such increase or decrease by the United States government, provided that no such increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(b) For children receiving foster care who are qualified for aid under the provisions of this chapter, except as provided in Section 11403, there shall be paid the sum necessary for the adequate care of each child, but not to exceed in any month the product of eighty dollars (\$80) multiplied by the number of children in each county receiving foster care. The state shall pay 67.5 percent and the county shall pay 32.5 percent of the aid furnished for the adequate care of such children.

The maximum amount of aid payable under the previous paragraph shall be increased up to one hundred dollars (\$100) per month in assistance in those cases and during such times as the United States government contributes.

(c) As used in this chapter, "foster care" means care in a boarding home or institution.

(d) (1) In addition to the amounts payable under subdivision (a) of this section and Section 11453.1, a family shall be entitled to receive an allowance for recurring special needs not common to a majority of recipients. The county shall pay the full cost of the additional aid furnished needy families pursuant to this subdivision after first deducting therefrom any funds received from the federal government. Such recurring special needs shall include but not be limited to special diets upon the recommendation of a physician, and unusual costs of transportation, laundry, housekeeping service, telephone, and utilities not to exceed the minimum basic standards of adequate care.

(2) A family shall also be entitled to receive an allowance, at county expense after first deducting therefrom any funds received from the federal government, for nonrecurring special needs caused by sudden and unusual circumstances beyond the control of the needy family; provided, however, that such needs shall not be taken into consideration in determining the eligibility of the family for aid.

(3) The department shall establish rules and regulations assuring the uniform application statewide of the provisions of this subdivision.

(e) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a) of this section.

The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

SEC. 28.1. Section 11451.6 is added to the Welfare and Institutions Code, to read:

11451.6. Notwithstanding Section 11008, any exemptions from earned income for work-related expenses authorized under other provisions of this chapter shall be limited to a standard allowance of fifty dollars (\$50) per month plus reasonable and necessary costs of child care. For purposes of this section, reasonable costs of child care are defined as actual costs, not to exceed the costs of securing child care available in the community which meets the minimum standards of the Federal Inter-agency Day Care Agreement of Section 107 of Public Law 90-222 (Economic Opportunity Act amendments of 1967).

SEC. 28.5. Section 11452 of the Welfare and Institutions Code is amended to read:

11452. Minimum basic standards of adequate care shall be distributed to the counties and shall be binding upon them. Such standards are hereby determined on the basis of the schedule set forth in this section, as adjusted for cost-of-living increases or decreases pursuant to Section 11453, which schedule is designed to insure:

- (1) Safe, healthful housing.
- (2) Minimum clothing for health and decency.
- (3) Low-cost adequate food budget meeting recommended dietary allowances of the National Research Council.
- (4) Utilities
- (5) Other items including household operation, education and incidentals, recreation, personal needs, and insurance.
- (6) Allowance for essential medical, dental, or other remedial care to the extent not otherwise provided at public expense.
- (7) Other recurring special needs.

The schedule of minimum basic standards of adequate care is as follows:

Number of needy persons in the same family	Minimum basic standards of adequate care
1	\$125
2	210
3	255
4	314
5	362
6	408
7	449
8	496
9	543
10	590

plus five dollars (\$5) for each additional needy person.

The department shall establish rules and regulations assuring the uniform application statewide of the provisions of this section.

SEC. 29. Section 11453 of the Welfare and Institutions Code is repealed.

SEC. 29.1. Section 11453 is added to the Welfare and Institution Code, to read:

11453. The amounts set forth in Section 11452 and subdivision (a) of Section 11450 shall be adjusted annually by the department to reflect any increases or decreases in the cost of living occurring after April 1, 1972, so that the first such adjustment becomes effective July 1, 1973. The average of the separate indices of the cost of living for Los Angeles and San Francisco, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living.

In giving effect to the cost-of-living provisions of this section, the department shall select a comparison month for computation of the percentage change in the cost of living after April 1, 1972. The same month shall be used annually thereafter. The determination of whether an adjustment is to be made, and the amount of such adjustment, shall be made by comparing the average index for the comparison month with the average index for April 1, 1972. The product of any

percentage increase or decrease in the average index and the amounts to which each needy family is entitled shall be adjusted by the dollar amount of any cost-of-living change currently in effect pursuant to the provisions of this section. If the resultant amount, when adjusted to the nearer dollar, is one dollar (\$1) or more, it shall be added to or subtracted from the schedule set forth in subdivision (a) of Section 11450 and the schedule set forth in Section 11452, the resultant sum shall constitute the new schedules under subdivision (a) of Section 11450 and Section 11452 and shall be filed with the Secretary of State.

SEC. 29.2. Section 11453.1 is added to the Welfare and Institutions Code, to read:

11453.1. (a) It is the intent of this section to assure that the food purchasing power provided by benefits available from food stamps under the Federal Food Stamp Act of 1964, as amended, shall continue to be available to recipients of aid under this chapter, if, when and during such times as federal law is amended to preclude food stamp benefits to such recipients, but does expressly permit the equivalent of such benefits to be provided as cash benefits to such recipients.

(b) It is the further intent of this section to protect the financial interest of the state and counties by accomplishing the conversion of food stamp benefits in such a manner that the conversion does not result in state and county costs of aid exceeding the costs in the base year, as hereinafter defined in this section.

(c) If federal law is amended to preclude the provision of food stamp benefits pursuant to the Federal Food Stamp Act of 1964, as amended, to applicants or recipients of aid under this chapter, when such federal law becomes operative, such of the following provisions for converting food stamp benefits to cash benefits as is consistent with the intent of this section shall become operative immediately:

(1) The bonus value of food stamps shall be paid in addition to the amounts payable pursuant to subdivision (a) of Section 11450, provided that aggregate state and county expenditures pursuant to that section and this section do not thereby exceed the base-year costs.

(2) If aggregate state and county expenditures pursuant to subdivision (a) of Section 11450 and this section in any fiscal year would, by virtue of the operation of subsection (1) of subdivision (c) of this section, result in an increase over the aggregate of such expenditures in the base year, the bonus value of food stamps paid pursuant to this section shall be reduced, on a pro rata basis, by such amount as will reduce aggregate state and county expenditures under that section and this section to an amount equal to the aggregate state and county expenditures in the base year.

(d) For the purposes of this section, "base year" means that year designated by federal law as the year fixing the limit on nonfederal expenditures for programs established to imple-

ment programs under Part A of Title 4 of the Social Security Act.

(e) For purposes of this section, "bonus value of food stamps" means the dollar amount that federal law permits to be paid to a child or a family of given size as a cash benefit in lieu of benefits under the Federal Food Stamp Act of 1964, as amended.

(f) For purposes of this section, "aggregate state and county expenditure" is defined as expenditure made under subdivision (a) of Section 11450 and this section, after deducting any federal reimbursements or credits, and excluding any cost-of-living increment paid pursuant to Section 11453.

SEC. 29.3. Section 11453.2 is added to the Welfare and Institutions Code, to read:

11453.2. To the extent permitted by federal law, counties may allow vendor payments for nonrecurring special needs as provided in subsection (2) of subdivision (d) of Section 11450.

SEC. 29.5 Section 11454 of the Welfare and Institutions Code is amended to read:

11454. Aid under this chapter shall be paid in kind or by vendor payments, wholly or in part, in any case where it is determined by the county director of the county in which the case is pending that there is mismanagement of aid payments in cash by the person in receipt thereof. The department shall make rules and regulations for the payment of aid under this section so that such aid will be paid only in cases wherein it is shown to be necessary. Aid under this section shall be paid in accordance with minimum basic standards of adequate care as prescribed by Section 11452 of this code. The cost of aid shall be borne by the state and county in the same proportion and up to the same maximums as are specified for state-county participation in aid in Sections 11450 and 11207 of this code. Nothing in this section shall be construed as requiring a county to provide aid in an amount in excess of that which it is required to provide under Section 11450 of this code. Aid granted under provisions of this section shall be paid without federal participation in the cost thereof whenever such federal participation is not provided by the laws of the United States or rules and regulations promulgated thereunder.

SEC. 30. Section 11476 of the Welfare and Institutions Code is amended to read:

11476. In all cases in which the whereabouts of the parent is unknown, the county department shall refer the applicant to the district attorney at the time the application for assistance is signed.

In all cases in which the whereabouts of the absent parent is known, the county department, immediately upon receipt of the application for assistance, shall notify the absent parent of the filing of the application and of his responsibility to complete and return the written statement required by Section 11353. Such notification shall be by registered mail, return re-

ceipt requested, and an appropriate form and a stamped envelope shall be provided for its return. If the notice is not delivered within seven days, the county department shall cause prompt personal service to be made. If the written statement is not completed and returned within 15 days after service, the county department shall refer the matter to the district attorney for prosecution for violation of Section 11353.

When the county department has obtained sufficient information concerning the absent parent it shall immediately determine his ability to support his children, make contractual arrangements for his complying with his obligation to support, discuss his parental responsibilities, and explore the possibility of a reconciliation and the resumption of a parental relationship with his children. If the county department has not obtained a satisfactory support agreement with the absent parent within 30 days after the application for assistance is signed, the county department shall refer the case to the district attorney unless it has definitely determined that the parent is financially incapable of supporting the child. The department shall develop and furnish to the counties guidelines and forms for support agreements; such agreements shall provide every safeguard available under the law for effective enforcement of support and collection through enforcement of a legal judgment, including the imposition of liens upon real and personal property where appropriate. If the absent parent is residing out of the county and his whereabouts is known, the county department may arrange for the personal contacts and interviews with the absent parent to be conducted by the county department of the county where the parent is located. The department shall provide by regulation for a plan of cooperation between the respective counties, and it shall be the duty of each county upon receiving a request from another county to cooperate and assist promptly in contacting, interviewing, and obtaining support agreements where appropriate from absent parents located within its boundaries.

Anything in this section to the contrary notwithstanding, it shall be the duty of the county department to refer to the district attorney immediately any case in which one or more of the following factors appear:

1. The absent parent refuses to be interviewed, to provide necessary information, or to discuss his parental responsibilities.
2. The absent parent refuses to make a contribution in accordance with his financial ability.
3. There is reason to believe that the parent may flee or hide if contacted by the county department.
4. The absent parent's previous history indicates that although he is capable of a support contribution, efforts by the county department to obtain support would be fruitless.
5. Legal action is necessary to establish paternity.

6. The absent parent has entered into an agreement with the county department to support his child and has defaulted upon that agreement without showing good cause for such default.

7. The district attorney has requested that all cases involving parents absent from the home be referred to him immediately upon receipt of the application for assistance.

The county department shall cooperate with the district attorney and shall report to him all information contained in the case record which concerns the question of nonsupport and the suitability of prosecution as a method of obtaining support for the child in each case.

Upon referral, the district attorney shall immediately investigate the question of nonsupport and shall take all steps necessary to obtain support for the needy child. However, upon the advice of the county department that a child is being considered for adoption, the district attorney shall delay his investigation and other actions with respect to the case until advised that the adoption is no longer under consideration.

The granting of aid to the applicant shall not be delayed or contingent upon investigation by the district attorney.

In every case which has not been referred to the district attorney, it shall be the duty of the county department to contact the absent parent and to carry out the provisions of this section at the earliest possible date, and to refer the case to the district attorney at once in the event of a refusal to cooperate or an unexplained default as provided above. Upon referral, it shall be the duty of the district attorney to take all appropriate action, civil and criminal, to promptly and effectively enforce the obligation of parents to support their children.

SEC. 31. Section 11487 of the Welfare and Institutions Code is amended to read:

11487. Except as provided in Section 11457, whenever any aid under this chapter is repaid to a county or recovered by a county pursuant to Section 11350, the state shall be entitled to a share of the amount received or recovered, proportionate to the amount of state funds paid, and, if funds advanced by the federal government were paid, the federal government shall be entitled to a share of the amount received or recovered, proportionate to the amount of federal funds paid.

Repayments to the state and to the federal government made pursuant to this section shall be computed after deducting the costs reasonably and necessarily incurred by the district attorney's office in locating and recovering from the parents of the children receiving aid under this chapter. The county shall establish a recordkeeping system, in accordance with standards prescribed by the department, to support the deductions provided for in this section.

The second paragraph of this section shall take effect if and when amendments to the federal statutes or rules and regulations of the United States Department of Health, Education,

and Welfare take effect permitting the use of federal funds to reimburse local law enforcement agencies for the costs incurred by them in enforcing the support liability of parents of children receiving aid under this chapter.

SEC. 31.5. Section 11489 is added to the Welfare and Institutions Code, to read:

11489. After judgment in any court action brought to enforce the support obligation of an absent parent pursuant to the provisions of this chapter, a writ of execution may be issued against one-half of the earnings of the absent parent due or owing for his personal services and no claim for exemption shall be effective against the enforcement of such writ of execution.

SEC. 32.5. Section 12050 of the Welfare and Institutions Code is amended to read:

12050. Aid shall be granted under this chapter to any person who comes within all of the following descriptions:

(a) Who has attained the age of 65 years; provided, that if, when and during such time as the federal government shall provide or make available to this state grants-in-aid to persons who have attained the age of 60 years, the age contained in this subdivision shall be reduced to 60 years and persons who have attained the age of 60 years and who come within all of the descriptions hereinafter contained shall be eligible for aid under this chapter;

(b) Who is not cared for under a contract for a period of time exceeding one month; provided, however, that during such times as the federal statutes or rules and regulations provide for federal sharing, all persons cared for under such a contract may be granted assistance for their personal and incidental expenses not to exceed ten dollars (\$10) per month if the contract does not specifically provide for this need; provided further, that during such time as the additional federal funds made available for that purpose by federal legislation enacted in 1952 remain available, all persons cared for under a contract mentioned in the last preceding clause of this subdivision may be granted assistance for their personal and incidental expenses not to exceed fifteen dollars (\$15) per month in lieu of the ten-dollar (\$10) grant authorized by the last preceding clause, if the contract does not specifically provide for this need.

(c) Who is not receiving adequate support from a husband or wife, or child able and responsible under the laws of this state to furnish such support; free board and lodging supplied to an applicant, because of his necessity, by a friend or relative who is not responsible for his support, shall not be grounds for refusing aid;

(d) Who has not made any voluntary assignment or transfer of property for the purpose of qualifying for such aid.

(e) Who is not a patient in a public institution for tuberculosis or mental disease, except to the extent permitted by federal law.

(f) Who is not a patient in a public medical institution as the result of a diagnosis as having tuberculosis or psychosis, except to the extent permitted by federal law.

(g) Who is not an inmate of a public institution of a custodial (nonmedical), penal or correctional character.

(h) Who is not an inmate in a federal medical institution.

SEC. 32 9. Section 12052 of the Welfare and Institutions Code is repealed.

SEC. 33. Section 12101 of the Welfare and Institutions Code is amended to read:

12101 The ability of an adult child to contribute to the support of a parent shall be determined in accordance with this section.

The director may establish a relatives' contribution scale setting forth the amount an adult child shall be required to contribute toward the support of a parent in receipt of aid under this chapter provided that the schedule established shall not exceed the amounts in the schedule specified in this section. Regulations of the department shall prescribe the criteria, methods of investigation and test check procedures relating to the determination of the maximum amount any adult child may be held liable to contribute toward the support of a parent to the end that the required contribution does not impose an undue hardship upon the adult child and administrative time and effort are not expended on nonproductive investigative activities.

For purposes of this chapter, income of an adult child is defined as the sum of the income constituting the separate property of the adult child, the income (excluding earnings) which is community property subject to the direction and control of the adult child, and the earnings of the adult child but not of his or her spouse.

In computing net income, a flat 25-percent allowance shall be permitted for the cost of personal income taxes, disability insurance taxes and social security taxes, expenses necessary to produce the income, including the cost of transportation to and from work, meals eaten at work, and union dues, and the cost of tools, equipment and uniforms.

A responsible relative who is self-employed shall also be allowed to deduct the expenses necessary for obtaining the income.

The department, in establishing criteria and regulations for the administration of this section, shall provide for consideration of contributions made in kind.

Relatives' Contribution Scale

A. Net monthly income	B. Number of persons dependent upon income					
	1	2	3	4	5	6 or more
C. Maximum required monthly contributions						
\$350 or under --	\$0	\$0	\$0	\$0	\$0	\$0
351- 375 -----	20	0	0	0	0	0
376- 400 -----	25	0	0	0	0	0
401- 425 -----	30	20	0	0	0	0
426- 450 -----	35	25	0	0	0	0
451- 475 -----	40	30	20	0	0	0
476- 500 -----	45	35	25	0	0	0
501- 525 -----	50	40	30	20	0	0
526- 550 -----	55	45	35	25	0	0
551- 575 -----	60	50	40	30	20	0
576- 600 -----	65	55	45	35	25	0
601- 625 -----	70	60	50	40	30	20
626- 650 -----	75	65	55	45	35	25
651- 675 -----	80	70	60	50	40	30
676- 700 -----	85	75	65	55	45	35
701- 725 -----	90	80	70	60	50	40
726- 750 -----	95	85	75	65	55	45
751- 775 -----	100	90	80	70	60	50
776- 800 -----	105	95	85	75	65	55
801- 825 -----	110	100	90	80	70	60
826- 850 -----	115	105	95	85	75	65
851- 875 -----	120	110	100	90	80	70
876- 900 -----	125	115	105	95	85	75
901- 925 -----	130	120	110	100	90	80
926- 950 -----	135	125	115	105	95	85
951- 975 -----	140	130	120	110	100	90
976-1,000 -----	145	135	125	115	105	95
1,001-1,025 -----	150	140	130	120	110	100
1,026-1,050 -----	155	145	135	125	115	105
1,051-1,075 -----	160	150	140	130	120	110
1,076-1,100 -----	165	155	145	135	125	115
1,101-1,125 -----	170	160	150	140	130	120
1,126-1,150 -----	175	165	155	145	135	125

The maximum required monthly contribution of responsible relatives in one family where the net monthly income is over one thousand one hundred fifty dollars (\$1,150) shall be the amount computed by entering the column of maximum required monthly contribution appropriate to number of persons dependent upon income as shown in the relatives' contribution scale for a net monthly income of one thousand one hundred twenty-six dollars (\$1,126) to one thousand one hundred fifty dollars (\$1,150) and then adding to the required monthly contribution thus ascertained an additional sum of five dollars (\$5) contribution for each and every bracket of twenty-five

dollars (\$25) net income over and above one thousand one hundred fifty dollars (\$1,150), the same as if the relatives' contribution scale were extended by brackets of twenty-five dollars (\$25) net income in column A with corresponding step-by-step increases of five dollars (\$5) monthly contribution in each column under B and C.

Notwithstanding any other provision of this code to the contrary, the provisions of this section and the regulations of the department adopted pursuant thereto shall be the basis for determining the extent of liability of an adult child to contribute to the support of, or defray the cost of any medical care or hospital care and other services rendered to a recipient pursuant to any provision of this code if he is a recipient of aid under this chapter at the time such medical care or hospital care or other services are rendered.

SEC. 34. Section 12101.1 is added to the Welfare and Institutions Code, to read:

12101.1. Relatives' contributions under Section 12101 shall be paid to the county department and be treated by the county as recoveries on aid granted.

SEC. 34.1. Section 12107 is added to the Welfare and Institutions Code, to read:

12107. This article shall be operative at the discretion of the director.

SEC. 34.2. Section 12657 of the Welfare and Institutions Code is repealed.

SEC. 38. Section 13550 of the Welfare and Institutions Code is amended to read:

13550. Aid shall be granted under this chapter to any needy disabled person who comes within all of the following descriptions:

- (a) Who has attained the age of 18 years.
- (b) Who has not made any voluntary assignment or transfer of property for the purpose of qualifying for aid.
- (c) Who is not at the time of receiving such aid, a patient in an institution for tuberculosis or mental disease, or a patient in a medical institution as the result of a diagnosis of tuberculosis or psychosis except to the extent permitted by federal law, an inmate of a public institution of a custodial (non-medical), penal, or correctional character, or an inmate in a federal medical institution. Any such inmate or patient, however, may make an application for aid under this chapter and have his application investigated and acted upon without delay, in the same manner as applications of other persons are acted upon, while he is such an inmate or patient, and, if he is otherwise qualified under the terms of this chapter, such application shall be approved. The aid shall be granted to him from the first day of the month in which the determination is made that he is eligible, but in no event shall the aid commence prior to the date of the application. The applicant may remain an inmate or patient until he receives his first monthly

payment, whereupon he shall cease to be such inmate or patient.

(d) Who is not receiving adequate support from a husband or wife, or parent, or child.

SEC. 39.01. Section 14010 is added to the Welfare and Institutions Code, to read:

14010. Notwithstanding any other provision of law, the parent or parents of a child under 21 years of age shall not be held financially responsible, nor shall financial contribution be requested or required of such parent or parents for health care or related services to which the child may consent without the need for parental consent under any express provision of law.

SEC. 39.02. Section 15200.1 is added to the Welfare and Institutions Code, to read:

15200.1. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, to a fund to be known as the Support Enforcement Incentive Fund, from which the department shall make payments to each county to be deposited in the county general fund to offset county welfare costs which shall be equivalent to 21.25 percent of that portion of the amounts received from or collected from absent parents which is applied to support for the calendar month following receipt by the county department as provided in Section 11457. The sum to be paid to a county pursuant to this section shall not exceed 21.25 percent of the public funds which would have been paid for support for the calendar month following receipt by the county department but for the receipt or collection from absent parents. The provisions of this section shall in no way affect reimbursement for past support due the county as otherwise provided in Section 11457.

SEC. 39.1. Section 15201 of the Welfare and Institutions Code is amended to read:

15201. There is hereby appropriated, out of any moneys in the State Treasury not otherwise appropriated, to every county within this state for maintaining or supporting aged persons who come within the provisions of Chapter 3 of this part, aid in an amount equal to the amount of any grant made by the county pursuant to that chapter to every such aged person, after deducting therefrom the amount of any sum received from the United States government as old age assistance in respect to such aged persons, each month for each such aged person maintained or supported by such county.

Payments of aid shall be made in the manner provided in Article 4 of this chapter.

SEC. 39.2. Section 15202 of the Welfare and Institutions Code is amended to read:

15202. There is hereby appropriated, out of any money in the State Treasury not otherwise appropriated, to every county in the state for maintaining, supporting, or caring for blind persons who come within the provisions of Chapter 4 of this part, aid in an amount equal to the amount of any

grant made by the county pursuant to that chapter to every such blind person, after deducting therefrom the amount of any sum received from the United States government for aid to the blind in respect to such blind person, each month for each such blind person maintained, supported and cared for by such county.

Payments of aid shall be made in the manner provided in Article 4 of this chapter.

SEC. 39.3. Section 15203 of the Welfare and Institutions Code is amended to read:

15203. There is hereby appropriated, out of any money in the State Treasury not otherwise appropriated, to every county in the state for maintaining, supporting, or caring for blind persons who come within the provisions of Chapter 5 of this part, aid in an amount equal to the amount of any grant made by the county pursuant to that chapter to every such blind person, each month for each such blind person so maintained, supported and cared for, by such county.

SEC. 39.4. Section 15204 of the Welfare and Institutions Code is amended to read:

15204. There is hereby appropriated, out of any money in the State Treasury not otherwise appropriated, to every county within this state for maintaining or supporting needy disabled persons who come within the provisions of Chapter 6 of this part, aid in an amount equal to 50 percent of the amount of any grant made by the county pursuant to Section 13700 to every such needy disabled person, after deducting therefrom the amount of any sum received from the United States government as aid to the permanently and totally disabled in respect to such needy disabled person, each month for each such needy disabled person maintained or supported by such county.

SEC. 39.5. Section 17104 of the Welfare and Institutions Code is repealed.

SEC. 39.7. In order to achieve meaningful welfare reform, there is hereby appropriated without regard to fiscal years a sum not to exceed in the aggregate the total of the following schedule:

(a) The sum of one million dollars (\$1,000,000) to be made available by the Director of Finance to the Department of Public Health for the purposes of Sections 10053.2 and 10053.3 of the Welfare and Institutions Code.

(b) The sum of three million dollars (\$3,000,000) to the Department of Social Welfare, to be used for the purposes of Sections 10811 and 10811.5 of the Welfare and Institutions Code.

(c) The sum of two million dollars (\$2,000,000) to the Department of Human Resources Development and the Department of Social Welfare for expenditure for the work incentive program as specified in Division 2 (commencing with Section 5000) of the Unemployment Insurance Code and Article 3 (commencing with Section 11300) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code,

provided that the Director of Finance shall designate the amount to be expended by each department.

(1) Education and training supported by this appropriation for welfare recipients shall only be provided in courses which the Director of Human Resources Development certifies as being preparatory for occupations for which there is a strong present demand or for which there is expected to be a strong demand.

(2) Education and training shall be provided to only such welfare recipients as the Director of Human Resources Development certifies as being appropriate to receive such education and training in terms of their prior education, experience, aptitude, and employment interests.

(3) Notwithstanding the provisions of Item 231 of the Budget Act of 1971, funds from this appropriation augmentation may be used to provide education and training without benefit of federal cost sharing if and when education and training appropriate to an individual welfare recipient which will prepare him to compete for employment in an occupation of strong present or expected future demand cannot be provided within the constraints imposed by federal law or policy.

(4) Notwithstanding any other provision of law, the amounts appropriated to the Department of Human Resources Development pursuant to Item 231 of the Budget Act of 1971 shall not be reduced by any amount appropriated under this section.

(d) The sum of seven million dollars (\$7,000,000) to the State Personnel Board to implement the provisions of Division 4 (commencing with Section 12000) of the Unemployment Insurance Code; provided that not more than one million five hundred thousand dollars (\$1,500,000) may be expended for administration and developmental costs of the Career Opportunities Development Program and the provision of technical assistance and support to local jurisdictions.

(e) In order to avoid any resultant and inequitable increase in local property taxes, the Director of Finance shall approve expenditures for the state share of aid payments in those amounts made necessary by changes in either caseload or payments, or both, which are in excess of the amount contained in Item 255 of the Budget Act of 1971, and funds necessary to make such expenditures are hereby appropriated.

The Director of Finance may reallocate funds between subdivisions (c) and (d) of this section in order to maximize job creation and training in permanent jobs.

The Director of Human Resources Development shall once each quarter report on the experience using the amount allocated in subdivision (c) of this section to the Chairman of the Assembly Select Committee on Manpower Development and a committee of the Senate designated by the Senate Committee on Rules to provide legislative oversight of the education and training program carried out under subdivision (c).

(f) The sum of six hundred thousand dollars (\$600,000) is appropriated to the Office of Administrative Procedure for fair hearings under the provisions of the Welfare and Institutions Code.

SEC. 41. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 42. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to reform the welfare program, to meet the minimum needs of truly needy individuals on an equitable basis, and to assure an orderly transition from the existing program it is necessary that this act take effect immediately.

SEC 42.5 Effective July 1, 1972, the state shall pay 50 percent of the nonfederal administrative costs of administering the payment of aid grants under Part 3 (commencing with Section 11000) of Division 9 of the Welfare and Institutions Code.

SEC. 43 This act shall become operative on October 1, 1971, except for Sections 39.1, 39.2, 39.3, 39.4, and 42.5 which shall become operative on July 1, 1972, unless on or prior to the date the federal government assumes any additional responsibility for the administrative costs of public assistance aid programs enumerated in Part 3 of this division, in which case Sections 39.1, 39.2, 39.3, 39.4, and 42.5 are repealed.

CHAPTER 579

An act to add Section 3363.5 to the Labor Code, relating to workmen's compensation.

[Approved by Governor August 13, 1971. Filed with
Secretary of State August 13, 1971.]

The people of the State of California do enact as follows:

SECTION 1. Section 3363.5 is added to the Labor Code, to read:

3363.5. Notwithstanding Sections 3351 and 3352, a person who performs voluntary service without pay for a county, as designated and authorized by the county board of supervisors, shall be deemed to be an employee of the county for purposes of this division while performing such service.

This section shall not be operative in any county until such time as the board of supervisors, by resolution or ordinance, adopts the provisions hereof.