

CCWRO Welfare News

Coalition of California Welfare Rights Organizations, Inc.
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2010 CalWORKs Realignment Proposed in Legislature

On June 21, 2010, Senate President Pro Tem Darrell Steinberg (D-Sacramento) and Senator Denise Moreno Ducheny (D-San Diego), Chair of the Senate Budget and Fiscal Review Committee, released a detailed outline of the Senate Democratic Restructuring Budget proposal that is a key piece to solving the budget deficit this year and in future years.

The proposal increases the county share of costs associated with Public Safety, CalWORKs/Child Care and Adult Protective Services.

HOW IS IT PAID FOR?

“Give counties additional revenues to pay for the restructured services. This should take the form of both new revenue streams and authority for counties to raise additional revenues on their own to deliver the services and meet the needs of the community”-Senate Democrats Multi-year Government Restructuring Proposal

Total New Local Revenues Needed: About \$3.2 billion in 2010-11 increasing to about \$4.3 billion by 2013-14.

- Oil severance tax (ongoing, beginning in 2010-11) and, transfer VLF funds from DMV to counties (ongoing, beginning in 2010-11) - Raises \$1.2 billion

- Continue existing VLF rate that is set to expire in 2011, dedicated to public safety programs (ongoing, beginning in 2011-12). - Raises \$1.5 billion

- Dedicate county savings from federal healthcare reform to restructuring services (ongoing, beginning in 2013-14). - Raises \$.5 billion

- Provide “bridge” funding from delay of corporate tax breaks (in 2010-11 and 2011-12 only). - Raises \$1.7 billion

- Provide a portion of state’s sale tax rate (less than ¼ cent) to counties for realigned services as secondary “bridge” (in 2012-13 only). Raises -\$1.2 billion

WHAT WILL THIS CHANGE FOR WELFARE RECIPIENTS & SAVINGS TO THE STATE GENERAL FUND ?

1. Increase county share of CalWORKs grants from 2.5 percent to 25 percent. - State savings for 2010-2011 - \$788 million

2. Increase county share of CalWORKs services and administration from 0% to 25 percent. - State savings for 2010-2011 - \$401 million

3. Increase county share of county welfare automation from 0% to 25 percent. - State savings for 2010-2011 - \$44 million

4. Shift CalWORKs childcare to counties. - State savings for 2010-2011 - \$1,141 million

During 2009-2010 counties receive \$2.3 billion for services and administration of CalWORKs and Child Care and is required to contribute \$0.

CALWORKS RECIPIENT IMPACT ANALYSIS

Since the enactment of the CalWORKs program in 1998 welfare recipients have suffered immensely. Today CalWORKs recipients are living on a grant level that is the same as in 1989. To date these same welfare recipients have contributed over \$15 billion to the General Fund by using CalWORKs block grant money for other purposes. Last year the Legislature last year eliminated the automatic cost-of-living increase for CalWORKs.

This proposal tries to shift a share of the CalWORKs, WtW services and Child Care costs to the county while leaving welfare recipients unprotected from unequal treatment that can result if counties are given additional flexibility that the proposal asserts.

CURRENT CALWORKS UNEQUAL OUTCOMES

The next four (4) tables reveal the current level of unequal treatment that impoverished families of California receiving CalWORKs have to endure.

TABLE #1 CalWORKs Applications Procedural Denials During February of 2010

Statewide	39%
Kern	59%
Stanislaus	58%
Del Norte	57%
Riverside	55%

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San Bern.	45%
Contra Costa	44%
Sacramento	35%
Los Angeles	33%
San Diego	27%
Ventura	27%
Alameda	25%
San Francisco	25%
Santa Clara	24%
Solano	22%
Fresno	22%
Orange	18%
Tulare	15%

(Source: CDSS CA255CW reports)

<http://www.dss.cahwnet.gov/research/PG286.htm>

Table #1 represents applications that are denied not because they were not eligible, but because the applicants failed to meet one of the county burdensome procedural requirements, like missing one of the three four appointments.

This table reveals that while 59% of the CalWORKs applicants in Kern County had their applications denied based solely based on procedural requirements, while at the same time in Tulare County only 15% were denied for procedural requirements. Based on the above data, CalWORKs applicants Kern, Stanislaus and Riverside Counties have a 300 to 400 percentage greater chance of having their applications denied than if they had applied in Tulare, Orange or Fresno County.

TABLE #2
CalWORKs Application Withdrawals During February of 2010

Riverside	14%
Los Angeles	16%
San Bernard.	18%
Fresno	20%
Stanislaus	22%
Yolo	22%
Sacramento	23%
Santa Cruz	24%
Contra Costa	25%
San Diego	25%
San Joaquin	28%
Kern	28%

San Francisco	28%
Monterey	29%
Tulare	29%
Santa Clara	39%
Orange	41%

(Source: CDSS CA255CW reports)

<http://www.dss.cahwnet.gov/research/PG286.htm>

Table #2 is the percentage of applicants who are asked by counties to withdraw their applications. Withdrawing their applications means they do not receive a notice of action denying their application and affording them due process of law

This table reveals that while in Riverside County 14% of the applicants withdrew their applications, 40% of applicants withdrew their applications in Orange County and Santa Clara County. Why would there be a 150% difference in application withdrawals between counties if all things were equal?

TABLE #3
Food Stamp Expedited Services Denied During First Quarter of 2010

Placer	90%
Santa Clara	77%
Sacramento	73%
Santa Cruz	68%
Riverside	66%
Monterey	61%
Stanislaus	61%
Orange	61%
San Bernard.	60%
Alameda	20%
Shasta	17%
Del Norte	17%
Humboldt	17%
Lake	16%
Butte	15%
Colusa	12%
Trinity	6%
Lassen	4%
Kern	2%

(Source: CDSS DFA296X reports)

<http://www.dss.cahwnet.gov/research/PG354.htm>

Table #3 represents households seeking emergency food stamp benefits.

This table reveals that 90% of the Food Stamp applicants in Placer County were denied expedited service while in Butte County only 15% were denied. Why? Placer and Butte counties are in the same region and have similar demographics. The vast differences in the outcomes seems solely due to the differing county policies and procedures.

TABLE #4

WtW Sanctions of WtW Enrollees During May, 2010

Statewide	24%
Kern	63%
Tehama	57%
San Bernard,	51%
Trinity	51%
Plumas	48%
Riverside	42%
San Joaquin	41%
Kings	38%
Monterey	32%
Imperial	32%
Fresno	32%
Merced	30%
Santa Cruz	27%
Tuolumne	27%
Sutter	25%
Los Angeles	25%
San Diego	9%
Lassen	8%
Santa Barbara	7%
Solano	7%
Sierra	5%
Calaveras	5%
Sacramento	4%
Del Norte	3%
Tulare	3%
San Diego	9%
Lassen	8%

(Source: CDSS WtW 25 & WtW25A reports)

WtW-25- <http://www.dss.cahwnet.gov/research/PG291.htm>

WtW-25A- <http://www.dss.cahwnet.gov/research/PG292.htm>

Table #4 reveals the percentage of enrollees who were subject a WtW sanction during May of 2010. A family being sanctioned means that their fixed monthly income is re-

duced by another 25-40% a month.

This table shows the percentage persons enrolled in Welfare-to-Work sanctioned during May of 2010. Kern County – 63%; San Bernardino – 51%; Riverside 42%. On the other side of the ledger Sacramento – 4%, Solano – 7% and San Diego 9%. Riverside and San Diego are neighboring counties. Again, the vast differences in the outcomes seems solely due to differing county policies and procedures.

RECIPIENT CONCERNS ABOUT PROPOSED REALIGNMENT

Currently, counties have wide discretion in how they administer CalWORKs and WtW services. Enhancing that discretion means more unequal treatment to children who are similarly

situated, but live in a different county.

Increasing the county share of grants and services means more unequal treatment across the State. Legislation mandating statewide standards to assure that there is statewide uniformity to reduce inappropriate service level variations, such as those revealed above, must be enacted.

Increasing county flexibility coupled with increasing county fiscal share would give counties incentives to implement policies that negatively impact poor families and increase the unequal treatment of impoverished California families.

If the Legislature decides to revise the funding ratios, it should enact legislation to protect impoverished families to make sure that they are not harmed by this change.

CCWRO RECOMMENDATIONS TO PREVENT UNEQUAL TREATMENT OF IMPOVERISHED FAMILIES OF CALIFORNIA IF REALIGNMENT IS ENACTED:

1. All county policies, procedures and forms shall be approved by the statewide agency responsible for the program and shall be reviewed by state and local stakeholder groups.
2. All county policies shall be subject to the approval of the Office of Administrative Law.
3. All county policies, procedures and forms shall be posted on the internet to make sure the rules are transparent and accessible to the public.
4. Supportive services shall be issued to all persons entitled thereto.
5. Actual childcare services shall be verified before a participant is referred to participation in a WtW component. This would assure that children are not neglected as a result of mandatory participation in WtW activities. Failure to participate in WtW activities can result in a 25-40% reduction of their fixed income, still at the same level as it was in 1989. Often parents are forced to leave their children home alone to avoid the economically devastating WtW sanctions.
6. Comprehensive monitoring of county actions by the SSA and all monitoring reports and statistical analysis be transparent and accessible on the internet to the public.
7. There be monthly outcome reports that shall include, but shall not be limited to, actions on applications, delays on applications and actions on CalWORKs Immediate Need requests. These reporting requirements shall be done through state regulations developed with legislative staff, advocate and county groups with submitting annual reports to the Legislature.