

CCWRO Welfare News

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Edmund Gerald "Jerry" Brown Jr. - Jerry Brown 2.0



Edmund Gerald "Jerry" Brown Jr. is California's next Governor. According to the Sacramento Editorial Board, the new governor plans to:

(1) protect programs for children and families; (2) refuse to trim spending for the most vulnerable because doing so would create more poverty, crime and other costly problems; (3) contain Medi-Cal costs by changing from fee for service to managed care.

Unlike most previous Governors, Jerry Brown is not running for President as he starts his governorship in California. This is a major difference between Jerry Brown and his predecessors.

In 1973, David Swoap, Director of DSS left when Jerry Brown took office. Jerry Prod, Deputy Director of Legal Affairs was Acting Director for about six months. In July 1974 Jerry Brown hired Marion J. Woods as State Welfare Director, the first African-American state welfare director in the history of California. His marching orders from Brown were to "make sure welfare is not a problem for me."

In the first months of 1974, Jerry Brown interviewed CRLA lawyer, Ralph Santiago Abascal, one of the most prominent welfare attorneys of the time, for the position of State welfare director. Abascal told Jerry Brown that he wanted to improve the lives of the poor in California by getting as much federal dollars to achieve this purpose and did not want the

CHART 1 - California AFDC COLA HISTORY

BUDGET YEAR	BENEFITS FOR FAMILY OF THREE	THE COLA AMOUNT	THE CALIFORNIA GOVERNOR
1971-1972	\$235	0.9%	Ronald Wilson Reagan
1972-1973	\$237	2.5%	Ronald Wilson Reagan
1973-1974	\$243	7.8%	Ronald Wilson Reagan
1974-1975	\$262	11.8%	Ronald Wilson Reagan
1975	\$293	8.9%	Edmund Gerald "Jerry" Brown Jr.
1976	\$319	6.0%	Edmund Gerald "Jerry" Brown Jr.
1976-1977	\$338	6.3%	Edmund Gerald "Jerry" Brown Jr.
1977-1978	\$356	0.0%	Edmund Gerald "Jerry" Brown Jr.
1978-1979	\$356	15.2%	Edmund Gerald "Jerry" Brown Jr.
1979-1980	\$410	15.4%	Edmund Gerald "Jerry" Brown Jr.
1980-1981	\$473	-2.1%	Edmund Gerald "Jerry" Brown Jr.
1981-1982	\$463	9.3%	Edmund Gerald "Jerry" Brown Jr.
1982-1983	\$506	0.0%	Edmund Gerald "Jerry" Brown Jr.
1983-1984	\$526	4.0%	Courken George Deukmejian Jr.
1984-1985	\$555	5.5%	Courken George Deukmejian Jr.
1985-1986	\$587	5.8%	Courken George Deukmejian Jr.
1986-1987	\$617	5.1%	Courken George Deukmejian Jr.

Department of Finance to micromanage what he could lawfully do as Director with the federal money that had no impact on the State General Fund. He was not hired.



Attorney, Ralph Abascal

Jerry Brown was the first Governor to launch an attack on the AFDC COLA that Ronald Reagan signed into law in 1971. As Chart #1 reveals, AFDC recipients received COLAs every year until Jerry Brown got the Legislature to stop the COLA for 1977-1978. The next year, Senator Bill Greene introduced Senate Bill 1 (SB 1) that would have restored the COLA retroactive. SB 1 did not become law, but AFDC recipients received a 15.2% COLA in the 1978-1979 state budget. Jerry Brown 1.0 cut AFDC benefits by 2.1% in the 1980-1981 state budget. The next Governor, Republican George Deukmejian Jr., like Reagan, allowed a COLA for each year of his governorship.

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In fairness to Jerry Brown, when DSS's 17th floor (this is the floor occupied by the DSS hierarchy) started talking about workfare, Jerry Brown crushed the idea of poor recipients performing uncompensated labor or doing senseless job search.

Jerry Brown 2.0 has already stated that he is going to be slow when appointing new Secretaries to the five (5) state agencies. Jerry Brown 1.0 appointed several legal services lawyers to various departments. For example, he appointed James D. Lorenz Jr., founder of California Rural Legal Assistance (CRLA) in 1966, to be the Director of EDD. He was fired within a year and another former CRLA lawyer, Marty Click was appointed as Director of EDD. Daniel Brunner, a welfare lawyer of then Long Beach Legal Aid was appointed as Deputy Director for legal affairs. He also appointed Ruben Lopez of CRLA to be Chief Hearing Officer at DSS.

In summary, Jerry Brown is a politician, but not in the mold of Bill Clinton. Clinton destroyed the AFDC program by agreeing to the TANF program which provides only 30% of the money to payments for families while its predecessor, AFDC, provided 70% of the money to payments for families. Currently, TANF sanctions 85,000 families a month at a time when there are five people looking for one job. Since the enactment of TANF in California, welfare families who are living on fixed incomes at 1989 levels have contributed \$15 billion to California's general fund. Welfare families living in deep poverty contributed over \$1.2 billion to the State General Fund in the recently enacted 2010-2011 State Budget.

Source: CDSS WtW 25 reports
Sanctions estimated \$120 a month
Transportation Estimated \$100 a month

IHSS FRAUD - DSS ASSUMES IT WOULD GET \$6 FOR \$1 SPENT FOR IHSS FRAUD ENFORCEMENT

DSS published CFL NO.09/10-54 announcing that counties would have \$26.4 million to spend on alleged IHSS fraud. (http://www.dss.cahwnet.gov/lettersnotices/entres/getinfo/cfl/2009-10/09-10_54.pdf) Some of this money given to district attorneys' offices will be used for non-IHSS fraud costs through "creative accounting". The 2009-2010 state budget assumed that the \$26.4 gifted to the county law enforcement bureaucracies would save over \$156.4 million in 2009-2010. There is no verification of this estimate - just wishful thinking.

Recently, the Sacramento County IHSS fraud bureaucrats made an appearance before the Sacramento County Board of Supervisors and revealed that during 2009-2010 they received over \$4 million to run their IHSS Fraud bureaucratic operation. They also reported that this operation discovered about \$1.5 million in recipient and provider overpayments.

Half of the \$1.5 million in overpayments are due to what is called "provider overpayments" which means that the money will continue to be spent for services, except that it would be paid to a different provider thus, there are no real savings.

While the Schwarzenegger administration assumed that they would save about \$6 for every \$1 spent, the facts show that they are spending \$4 to save \$1.50.

Analysis

During September of 2010 18% of participants were sanctioned by the Welfare-to-Work Program. 9% of participants found employment.

Thus, 9% more participants were sanctioned compared to the percentage of participants who found employment. This difference provides significant statistical evidence that the program is slanted toward sanctioning participants rather than making participants self-sufficient.

Sanctions resulted in the loss of \$5.8 million dollars each month for California's impoverished families.

During September of 2010, 51% of unduplicated participants who are entitled to transportation did not receive these benefits.

During September of 2010 CalWORKs recipients were denied \$7.1 million in transportation services by county welfare departments with the cooperation of the State Department of Social Services.

California Welfare-to-Work Program Update

How Much Do We Spend and What Do We Get?

2010-2011 Welfare-to-Work Services Appropriation

\$878,783.000

2010-2011 Welfare-to-Work Child Appropriation

\$489,569.000

	Sept. 2010
Number of Unduplicated Participants	14,080
Gross Number of Participants Being Sanctioned	24,7171
Number of Participants Sanctioned THIS MONTH	48,664
Dollar Loss to Poor Families Being Sanctioned	\$5.8 m.
Number of Participants Who Entered Employment	8,647
Participants Getting Job that that Stops of CalWORKs	4,220
TOTAL JOBS	12,867
Total County Sanction Actions	73,381
How many more participants were sanctioned compared to those who found a job this month?	60,514
Number of Participants NOT Being Paid Transportation by the County	71,225
Estimated Dollar Amount Poor Families Defrauded by Counties Not Paying Transportation	\$7.1 m.