



# CCWRO Welfare News

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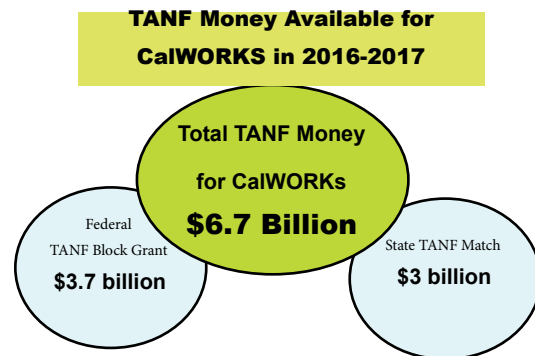
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## 2016-2017 CalWORKs State Budget HIGHLIGHT- \$2 billion taken from CalWORKs to be used for the State rainy day fund

On January 8, 2016, Governor Jerry Brown revealed his 2016-2017 state budget for CalWORKs. The Governor's budget proposes to transfer over \$2 billion from the CalWORKs program to the General Fund. The Governor also proposed to put an additional \$2 billion into the state rainy day fund. What a coincidence!

Governor Pete Wilson, with full support of the Democratic Legislature, began this annual transfer of funds from the mouths of CalWORKs babies and children, living in deep poverty, to the state general fund back in 1998. The annual "State raid on CalWORKs" money has ranged from 1 billion to \$1.5 billion a year. This year, Jerry Brown has proposed to cross the \$2 billion dollar mark, which is about 30% of all funds that should be used for CalWORKs' eligible families with babies and children. See the CalWORKs Budget below:



**CalWORKs Average Grant Reduced by 3%** - Meanwhile the 2016-2017 budget proposes a 3% reduction in the average CalWORKs grant for CalWORKs families with babies and children leading the United State of America in "child poverty". See Chart #1.

**CHART #1**

CalWORKs Family of Three (3)			
Year	Average Grant	Percent of the Federal Poverty Level	Percent of the Supplemental Poverty Level
2015-2016	\$514	31%	21%
2016-2017	\$497	30%	20%

## In Brief

- On November 17, 2015, DSS approved Santa Cruz County's application for a CalFresh Restaurant Meals Program" (RMP) in Santa Cruz County. The RPM program is available for homeless and elderly to use their food stamps to get hot meals at food stamp certified restaurants. Santa Cruz brings the number of counties with a RMP to nine. The other counties are Alameda, Los Angeles, Sacramento, San Diego, San Francisco, Santa Clara, San Mateo and San Luis Obispo. Lainie Gray is in charge of the Santa Cruz RMP program. Kudos to Santa Cruz County. A list of county RMP contact can be found at [ccwro.org](http://ccwro.org).

- CalWIN has been broken up to four (4) regions: Region One - Alameda, San Luis Obispo, Tulare and Ventura; Region Two - Contra Costa, Orange, Sonoma and Yolo; Region Three Fresno, San Francisco, San Mateo, Santa Cruz and Solano; Region Four - Placer, Sacramento, San Diego and Santa Barbara.

- DSS asked counties to correct their CAPI cases reporting. DSS states "Counties are either reporting fewer paid recipients in Item 10 than Item 6 or reporting greater number of paid recipients than Items 6 and 7 combined."

- Santa Clara County asked DSS "Why does the STAT 47 require the number of ABAWDs when there are no ABAWDs? Who are the ABAWDs that counties should capture?" A DSS analyst responded that FNS has clarified that persons who do not qualify for one of the exemptions at MPP §63-410.31 or .32 are considered ABAWDs and must be reported even if they live in a waiver county or receive the 15% exemption. Are counties tracking ABAWDs? **Chart # 2** reveals how the three consortia responded.

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**CHART #2**

**ABAWDs Tracking Codes Used by California's**

CalWIN		C-IV	LEADER		LRS
The following tracking codes were used in the CalWIN system for ABAWD work requirements		Logic was removed in 2010 when waivers went into effect	Used these codes when there was no waiver. Not being used today		No information. Not tracking ABAWD
Code	Description	Description	Code	Description	
CO	Consecutive	They used to populate the element in the FX 20 and send a code "1" in DE 1359 (ABAWD Indicator) ONLY when the person was ABAWD.	9	Inactive/ Ineligible FS aid program	
EX	Exemption		A	Beneficiary appealed negative action (APP)	
MC	Moved to CFAP		C	Non-Compliant 2 <sup>nd</sup> consecutive set of months	
MF	Moved to Federal		E	ABAWD Exempt	
NW	Not meeting work requirement		G	Good cause	
TK	Ticking		M	Moved from non-exempt to exempt county	
			N	ABAWD non-compliant	
			W	ABAWD Compliant	

SOURCE: DSS

**How Many ABAWDs in California today? Mystery**

STAT 47 is the only state reporting instrument for ABAWDs and it does not track the number of California ABAWDs.

The DFA 296 tracks the CalFresh caseload. For the quarter of July-August-September, 2015, the DFA reveals that there were an estimated 150,000 non-assistance CalFresh cases added to the CalFresh caseload each month. The report also reveals that a higher number of cases were terminated each month.

Month	Cases added	Cases Terminated
7/2015	154,806	137,498
8/2015	147,865	155,531
9/2015	158,430	167,137

All CalFresh applicants are automatically registered for work unless they are exempt.

The STAT 47 reveals that during the same quarter 222,853 CalFresh recipients were registered for work.

The STAT 47 also shows that 113,157 cases were new ABAWD cases. The report does not show how many old ABAWD cases there are. Also the report does not show if the 113,157 cases are in addition to the 222,853 or part of the 222,857 cases.

To get the answer to this case we traveled through the instructions of the STAT 47, which were not helpful.

It is just mind-boggling that after giving counties over \$2 billion a year the public has no idea of how many ABAWDs cases California has today.

## California's WtW Program is a Monumental Success in Imposing Sanctions A Total Failure in Making Families Self-Sufficient

The alleged purpose of the California Welfare-to-Work (WtW) program enacted in 1998 was to secure self-sufficiency for CalWORKs beneficiaries. In 2015-2016, the Legislature appropriated over \$3 billion for this failed program.

***Under WtW California welfare recipients are forced to participate in a segregated employment program. Unemployed non-welfare families can access many state and federal work and training programs that are operated by employment experts.***

These programs provide real assistance in finding employment. Welfare recipients cannot access these programs unless the WtW case manager approves the program. For the most part, welfare recipients are limited to the WtW program operated by welfare workers.

A CalWORKs sanction occurs whenever a WtW participant allegedly fails to participate in a WtW activity without good cause. Research has shown that most sanctions are a result of lack of supportive services.

CCWRO and other advocates have suggested to California's welfare officials that the actual availability of transportation and child care should be verified before requiring a CalWORKs recipient to participate in a WtW activity, just like welfare workers verify the recipient's income and resources before issuing any type of government benefits. However, California's officials have REFUSED to verify that the participant actually has transportation and child care before being asked to participate. We believe that their reasoning is that this will result in higher supportive services costs and reduction of the sanction rate.

Month/Year	WtW Enrollees	WtW Unduplicated Participation	WtW Participants Sanctions	Percentage of Sanctions
October 2006	195,246	111,589	38,645	20%
October 2007	189,592	132,396	39,990	21%
October 2008	192,645	134,881	39,415	29%
October 2009	215,467	149,361	46,941	31%
October 2010	196,307	139,558	46,961	34%
October 2011	167,528	124,958	45,626	37%
October 2012	157,116	119,946	49,852	42%
October 2013	170,400	117,793	51,442	44%
October 2014	188,631	126,298	59,372	47%
October 2015	172,274	114,040	57,145	50%

In 2006, the California State Legislature passed AB 1808, giving counties \$230 million annually to increase welfare to work engagement and reduce sanctions. Since getting the \$230 million a year counties have done what they do – more money means more sanctions. Sanctions have increased by a 150%. (See the TABLE on this page.)

To pay for it, the 2006-2007 state budget suspended the meager CalWORKs COLA that would have cost only \$143 million. In the 2007-2008 state

budget again suspended the CalWORKs COLA that would have only cost \$124 million. Today, impoverished families with children live on a fixed income at 1989 levels when milk cost \$1.44; a loaf of bread cost less than \$1 and a first class stamp cost 22¢. In 2015, families pay more than \$3 for a gallon of milk; over \$3-4 for a loaf of bread and 53¢ for a first class stamp; not to mention the cost of diapers, formula and other basic necessities of everyday life.

It is unfair to lay all of the blame on AB 1808. SB 1041, enacted as a part of the State Budget in 2012, also played a major role in the escalation of WtW sanctions in California as predicted in these publications when SB 1041 was enacted.

**Today, CalWORKs families live on a fixed income that equals to 31% of the federal poverty level (FPL) and 21% of the Supplemental Poverty Level.**

Today anti-hunger advocates and other advocates for the poor are working hard to raise SSI benefits to 100% of the federal poverty level. **But they do not talk about raising CalWORKs benefits to 100% of the FPL.** We wonder if poverty advocates consider CalWORKs families who receive means-tested benefits, less worthy than the elderly, disabled and blind who also receive means-tested benefits at 100% of the FPL?

Source: DSS WtW 25 Reports

California spends over \$3 billion each year on the WtW program. An estimated 50,000 persons find jobs that result in the termination of CalWORKs benefits, but do not lead to self-sufficiency. In fact, California's outdated earned income disregards result in termination of aid to families with earned income below 100% of the federal poverty level. The Department of Social Services does not collect monthly publicly available information about the level of earnings of the CalWORKs "leavers".

***So what is the real purpose of the WtW program?*** Sanctions. Many assert that the reason the TANF (formerly AFDC and in California called CalWORKs) caseload numbers went down was because folks went from welfare to work. According to research by Sanford Schram, (see "Do Welfare Sanctions Help or Hurt the Poor? Estimating the Causal Effect of Sanctioning on Client Earnings Richard C. Fording, Sanford F. Schram and Joe Soss - Social Service Review Vol. 87, No. 4 (December 2013), pp. 641-676") and many others sanctions have been the major contributing factor to the AFDC/TANF caseload decline, not folks getting jobs.