

Capitol Report

Ballot Measures May Renew Old War

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For 13 years, since former Gov. Ronald Reagan's reforms of 1971, welfare controversies have simmered but never boiled over in California.

Now the welfare war may be about to break out once again.

The preliminary skirmishes took place a year ago when Gov. Deukmejian issued his welfare "Plan for Improvement."

With 10 percent of the nation's population, California had more than 13 percent of the nation's AFDC caseload and paid more than 20 percent of the benefits, Deukmejian said.

A family of three on welfare was getting cash and non-cash assistance worth as much as \$16,941, tax free, Deukmejian declared.

A non-welfare family would have to earn \$24,000 before taxes to do as well, he said.

The governor's comparison was widely challenged, but a year later his words seem to have moved some Republican legislators to independent action. Two measures are in circulation to win places on the November statewide ballot.

One, by Assemblyman Ross Johnson, R-Anaheim, seems to be winning enough backing to qualify. A statutory initiative, the proposal would reduce AFDC grants, cut Medi-Cal expenses and save the state about \$1.5 billion.

He said he has gathered about half of the necessary 393,835 valid signatures from registered voters to make the ballot. Two high-powered political action firms are helping, and contributions are coming in, usually in amounts of \$5 or \$10, he said.

Sen. John Garamendi, D-Walnut Grove, predicts the initiative may kick off the roughest battle over welfare rights and benefits since the Reagan administration.

Johnson's proposal would limit Aid to Families with Dependent Children payments to the average paid in the other 49 states, plus 10 percent to allow for California's higher cost of living. That would reduce annual AFDC outlays by \$1.3 billion and Medi-Cal costs by \$500 million, the legislative analyst and Department of Finance report, but there would be a \$275 million increase in food-stamp costs.

The savings could better be spent on schools or on streets and roads, Johnson said.

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Over Welfare

In an interview, Johnson said a worker not on welfare who was earning the federal minimum wage would make \$6,968 a year, from which taxes and living expenses would be deducted.

A mother and two children on welfare in California get \$6,312 a year, Johnson said.

To that, add benefits instead of deductions, he said. The welfare family's income soon totals the equivalent of \$16,941, exactly the figure Deukmejian cited.

The working family would have to earn \$25,000 a year to do as well, Johnson said. "The wonder is — if you can live (on welfare) like you make \$25,000 — that the work ethic is alive and well."

Johnson didn't say where he got his figures, but Deukmejian did. They came from a 1982 legislative analysts' table on monthly benefits "available" to welfare mothers and their children, the governor's material said. Neither the Department of Finance nor the Department of Social Services

cites the \$16,941 figure today, although Dave Willis, health and welfare specialist at Finance, said the number might be "mathematically" supported.

Willis produced a table that showed a family of three might get the equivalent of \$12,206 a year, and more if the family qualified for a high enough rent subsidy and a \$248-a-month child care benefit.

There is such a legislative analysts' table of AFDC benefits, but the highest take-home pay for

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recipients last year totaled \$9,173, not \$16,941. This year, the highest figure is \$9,251.

To get even that much, the AFDC family would have to be getting the maximum cash grant, food stamps and every other benefit from rent subsidies and rarely granted child care benefits to school lunches.

They'd also have to be sick enough to be using Medi-Cal benefits, the analyst's study shows.

The governor should issue an "all-points bulletin to find such a family," said Assemblyman Tom Bates, D-Oakland, chairman of the Human Services Committee.

Garamendi called Johnson's initiative "ferrible," adding that it is "harsh and cruel," especially the effect of the expenditure limitations on the aged, blind and disabled. They would suffer from Medi-Cal cutbacks, he said.

"Nobody gets (the equivalent of) \$25,000," said Kevin Aslanian, a leader in the Coalition of Welfare Rights Organizations.

"In California, most children starve the last week of the month," Aslanian said. "In other states, they starve the last two weeks."

As an example, Aslanian said a welfare mother of three in Johnson's Orange County district would get \$526 a month plus \$80 worth of food stamps.

Out of that, she must pay about \$400 for a "one or two-bedroom shack." Utilities cost \$70. The remainder goes to feed the children, he said.

"Welfare recipients would rather work any time," Aslanian maintained.

The comments are a taste of the battle to come if Johnson's proposal makes the ballot. Aslanian's backers already are registering voters.

"We'll fight it with recipients," he said. "We'll try to show the true story."

Deukmejian has taken no position so far on the Johnson initiative, but he has never proposed such a radical reduction in welfare payments.

Instead, the governor has sought reductions in the annual cost-of-living increase, hoping to bring California payments for poor children slow-

ly in line with those of the 10 highest paying welfare states.

In his first year in office, he bud geted a zero cost-of-living increase for Aid to Families with Dependent Children.

Existing state law would have given recipients a 5.7 percent increase, based on the state index of the cost of necessities, and the Legislature compromised at a 4 percent raise.

In his new budget proposal, Deukmejian has offered welfare recipients a 2 percent cost-of-living increase, against a 5.5 percent increase dictated by the necessities index.

The governor has been hammering for other welfare reforms.

He wanted to crack down on absentee fathers, making them pay more child support.

He planned to put computers to work tracing welfare fraud.

And he wanted "workfare," under which welfare recipients would earn their grants where possible.

Some of those proposals were adopted. Some were even carried through the Legislature by Demo crats.

Bates sent a workfare plan to the governor's desk, but he vetoed it.

Garamendi couldn't get another workfare proposal through the Legislature, even though Deukmejian might have liked it better.

Just as Johnson was frustrated with efforts to cut welfare grants, other legislators are frustrated with the failure of workfare.

Republican Assemblymen Pat Nolan of Glendale and Ernest Konnyu of Saratoga and Sen. Ed Royce of Anaheim, like Johnson, are taking their concerns to the public. They are circulating petitions for a workfare constitutional initiative that also would reduce the level of AFDC grants.

Because their measure would amend the constitution, not merely enact a statute, they must gather 630,136 valid signatures, a requirement substantially higher than Johnson faces.

Nolan said the effort is going well. Some 15 legislators have sponsored mailings to their constituents.