

State Urged to Adopt County's Approach to Welfare Cheats

By KENNETH F. BUNTING,
Times Staff Writer

SACRAMENTO—Orange County's program to catch welfare cheats would save taxpayers \$68.6 million a year if implemented statewide, the state Legislative Analyst's office says in a new report.

The report, issued by Legislative Analyst William Hamm late last month, recommended that the Legislature begin steps to require every county to follow Orange County's lead. Since 1980, the county has required that welfare workers who suspect inaccuracies in welfare applications turn them over to the district attorney's office.

Three years ago, Gov. George Deukmejian tried to pattern a statewide program after Orange County's, and he estimated the savings at \$50 million a year. But the Legislative Analyst's office at that time said the governor's estimate was exaggerated. The program was made voluntary for California's 53 other counties.

Nevertheless, 19 counties have adopted it and realized substantial savings, Hamm said, and four others plan to.

From its inception, Orange County's program has had its critics. Some say it is improper to mingle the criminal justice system with a social service program. Welfare rights advocates have assailed it as harassment.

Intimidation Denied

But in his 1,700-page analysis of Deukmejian's proposed 1986-87 budget, Hamm said there is no evidence that welfare workers or fraud investigators have intimidated welfare applicants.

Orange County Supervisor Roger Stanton, the program's biggest local booster, said Hamm's report may finally silence those critics.

Hamm's recommendation surprised the Deukmejian administration, which had not planned a major effort to launch a statewide program this year. And the governor sees little change in the attitude of the Democrat-controlled Legislature, which blocked the effort in 1983, said Kevin Brett, Deukmejian's deputy press secretary.

"We continue to support it," Brett said. "However, considering the philosophical persuasion of both houses of the Legislature, we will not be actively pursuing statewide expansion."

But Democratic leaders said cautiously that they will study Hamm's recommendation and discuss it in detail during budget hearings between now and summer.

'Move Bill Through'

And Assembly Speaker Willie Brown (D-San Francisco) said that the "real reason" for Deukmejian's reluctance is the cost of implementing the program, "and he knows what bad shape his budget is in."

But, Brown said, "were I governor, I would not hesitate to move the bill through the Legislature, and I'd let the chips fall where they may."

Hamm's report said the state, which pays 75% of the operating costs, would spend about \$8.3 million to implement welfare fraud detection statewide.

For every dollar spent to set up the programs and investigate suspected cheaters in the 19 counties, an average of \$18 has been saved, the budget analysis said. In Orange County, the savings is about \$22 per \$1 spent.

Last year, a study financed by the federal government estimated that Orange County's program had saved more than \$26 million.

And, although 19,000 investigations were launched and 7,457 people turned down as a result of them in 1984, only 11 complaints were filed statewide.

"Based on the relative dearth of complaints," Hamm said, "the program is working."

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plaints and the counties' success in hearings, we conclude that the program has protected the rights of clients," Hamm said in the report.

But Kevin Aslanian, legislative advocate for the Coalition of California Welfare Rights Organizations, said he continues to hear complaints from around the state. Aslanian said Hamm's conclusion—that the few complaints mean that the program is administered fairly—is illogical.

It is understandable, he said, that poor people would drop their applications for welfare after they and their neighbors had been questioned by criminal prosecutors.

"The reality is that welfare fraud investigators intimidate applicants and in many cases never give the person a complaint form or inform them that they have a right to a fair hearing," Aslanian said.

"Of course, the program saves money," he said. "But it is blood money."

But Stanton said that, in Orange County, at least, such criticism is "baloney."

"If you can prevent fraud, the chief beneficiary is that person who really needs the help," Stanton said. Cheaters "take money away from people who really need this program."

Stanton said he will use Hamm's report and last year's study to further promote the program when he goes to Washington.