AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER SHIRLEY N. WEBER, PH.D., CHAIR

WEDNESDAY, APRIL 9, 2014
3:00 P.M. - STATE CAPITOL ROOM 437

ITEMS TO BE HEARD

ITEMS TO BE HEARD

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 1: CHILD WELFARE SERVICES AND FOSTER CARE – BUDGET AND PROGRAM REVIEW

PROGRAM DESCRIPTION

Program Description. The Children and Family Services Division (CFSD) provides leadership and oversight of Local County and community agencies in the implementation of an array of services designed to protect children from abuse and neglect, and to strengthen and preserve families. Toward this end, the CFSD meets federal and state requirements and attempts to promote best practices in child welfare services (CWS) through promulgation of regulations, and the delivery of training, technical assistance, fiscal resources, incentives, and program evaluations.

Realignment of 2011. The 2011 Budget included a major realignment of public safety, and other programs from the state to local governments. The 2011 realignment moved program and fiscal responsibility to counties, providing a dedicated source of funding while eliminating duplication of effort, generating savings, and increasing flexibility. Realigned programs include local public safety programs, mental health, substance abuse, foster care, child welfare services, and adult protective services. The funding sources for realignment include the dedication of 1.0625 cents of a state special fund sales tax and the dedication of a portion of vehicle license fee revenues. This issue as it relates to the funding of CWS is discussed further in the second issue of this agenda.

Overview of CWS's Major Areas

- ***Emergency Response*** – 24/7 assessment and/or investigation of reports of abuse, neglect, or exploitation of children.

- ***Foster Care*** – 24-hour board and care provided to minors under the jurisdiction of the county court and under the supervision of a local or tribal child welfare agency. Minors are typically removed from their family homes and placed into some form of out-of-home care as a result of known or suspected abuse or neglect (child welfare), or known or suspected commission of a crime (probation). Monthly maintenance payments are distributed to caretakers for board and care of eligible children.

- ***Family Maintenance*** – Time-limited protective services provided to families in crisis to prevent or remedy abuse or neglect, with the intent of preserving families and keeping children safely in their own homes, when possible.

- ***Family Reunification*** – Time-limited services to children in foster care and their families, with the goal of safely reuniting children with their families.

- ***Permanent Placement (PP)/Adoption*** – Alternative family structures and supports for children who cannot remain safely at home and/or who are unlikely to ever to return home. PP includes adoption, legal guardianship and independent living.

PROPOSALS IN GOVERNOR'S BUDGET FOR CWS

- **Continuum of Care Reform (CCR).** The Governor's budget requests a total of 5.0 permanent positions and $.5 million ($.4 million GF) to reestablish the fiscal audits function to monitor the fiscal and operational aspects of group homes and foster family agencies in accordance with federal requirements. These resources will support the Department's CCR efforts as well as fulfill the important function of auditing the appropriateness and effectiveness of federal fund expenditures within the changing landscape of rate reform. These activities include the development and implementation of an improved system for fiscal monitoring and oversight of programs, policies, and fiscal procedures related to the provision of care and services to children and youth placed in out-of-home care and to support the continuous quality improvement process and adherence to provider performance standards through adherence to fiscal audit standards. The BCP for this proposal outlines the expanded audit oversight mandates and three additional types of audits that these resources are intended to support.

  The CCR process has been ongoing and a final report is due in the Fall of 2014. Of note, the California Youth Connection has stated as part of the CCR process that it supports increasing the qualifications for group home staff by raising the minimum age to 21. Many of CYC's members are currently placed in or have previously spent time in a group home or other congregate care facility. The age qualification requirements for group home staff are currently set at age 18, with minimal education level. CYC states that group home staff who are close to the age of the youth they serve are not equipped with the vital maturity and skills to handle the unique needs of foster youth and that a standard establishing minimum qualifications requirements for group home staff is the most effective way of ensuring higher functional overall system.

- **Title IV-E Tribal Share of Cost.** The administration has proposed trailer bill language to change the state and tribal sharing ratios for the nonfederal share of the funding for tribal child welfare services due to the availability of enhanced tribal Federal Medical Assistance Percentage (FMAP). The Federal Title IV-E of the Social Security Act provides that tribal governments may operate their own tribal child welfare systems. The state and the "agreement" tribes share in the nonfederal costs for assistance payments and administrative services. Those tribes choosing to administer their own tribal child welfare system are eligible for an enhanced FMAP.

Currently, agreement tribes in California have reported that they are unable to cover their share of the nonfederal costs. In fact, the existing appropriation has been unexpended since Fiscal Year (FY) 2007-08 because neither tribe has had the means to meet its share of cost requirement. This proposal would provide that, so long as the tribal FMAP is above a certain percentage, the state will cover the tribal share of cost for AFDC-FC assistance payments only. This ultimately ensures the culture and traditions of Native American children are maintained by increasing the capacity of tribal child welfare systems.

Given the low child welfare caseloads expected to be managed by the tribes, the cost to the state is minimal. In fact, due to the enhanced FMAP rate, the share of costs currently borne by the state under the existing agreements is higher than the cost to the state resulting from this proposal. Thus, the enhanced FMAP will result in a state savings, compared to the traditional, pre-realignment cost sharing formulas employed by the state, counties and tribes until FY 2011-12.

PANEL

- Will Lightbourne, Director, and Greg Rose, Deputy Director of the Children and Family Services Division, California Department of Social Services
  - DSS will present an Overview and Current Program Update for Child Welfare Services and Foster Care.
    - Please provide an update on California's performance by federal standards in the Child Family Services Review.
    - Please provide an update on the IV-E waiver application and the potential expansion to counties beyond Los Angeles and Alameda. What are the implications of this possibility for counties given the context of realignment?
    - Please provide an update and outlook for the CCR process and report.
  - DSS is asked to also briefly present the Budget Change Proposal related to fiscal audits and the proposed trailer bill regarding Title IV-E Tribal Share of Cost.
  - DSS is asked to also present the Budget Change Proposal related to staffing for the CCR effort and the trailer bill proposed regarding Title IV-E Tribal Share of Cost.

- Legislative Analyst's Office
- Department of Finance
- Public Comment only on the issues in this section. All other public comment for other issues otherwise covered in this agenda will be taken at the designated "Issue."

ISSUE 2: CWS REALIGNMENT – IMPACTS AND ISSUES

Budget Context. The 2011-12 Budget realigned $1.6 billion in state funding for the CWS, foster care, and adoptions programs, to the counties. Among other provisions, the 2012-13 budget included the following related programmatic changes, which largely impacted uses of 2011 realignment funding (as well as federal and county funds), and not the state General Fund:

- **Flexibility for Counties.** Revised or created more flexibility within the requirements of specified programs that had already offered some degree of county option.

- **Accountability and Oversight Provisions.** Required reporting related to the 2011 realignment of CWS programs, including an annual report, due April 15 of each year, that summarizes outcome and expenditure data to allow for tracking of program changes and performance on defined outcome measures over time. Further, required the Department and counties to develop agreed upon performance targets for improvements and clarified that the existing California Child & Family Services Review workgroup can reconvene as needed. Additionally, required a transparent, local, public process before a county can significantly change expenditures for specified optional programs.

- **Continuum of Care and Needs Assessment-Related Reforms.** Required DSS to establish workgroups, as specified, to develop and submit recommended revisions to the foster care rate setting system, as well as performance standards and outcome measures for providers of out-of home care. Additionally, revised selection criteria for foster care placements and increased, on an interim basis, the monthly rates paid for Intensive Treatment Foster Care (ITFC), which is intended to offer lower-cost, family based care to children and youth who would otherwise be served in more expensive and restrictive settings.

- **Other Changes.** Improved transitional services for 18 through 20-year olds exiting the foster care system by allowing specified non-minor dependents to receive assistance during a window of time in which they might otherwise have a gap in eligibility and by ensuring continued support of non-minor dependents who are 20-years-old, effective January 1, 2014.

  Further, revised licensing or certification standards for transitional housing and increased basic care and supervision rates paid to foster families certified by foster family agencies.

The CWS programmatic realignment accomplished the following:

- **Moratorium on Group Home Rate-Setting.** Permanently extended a moratorium on licensure of new group homes or approvals of specified changes to existing providers' licenses, with some exceptions. New provisions further limit, for one year, exceptions for any programs with rate classification levels below 10 to those associated with a program change.

- **Cost-of-Living Adjustment for Dual Agency Rates.** Required annual adjustment of rates payable for care and supervision of children who are dually eligible for the Child Welfare Services and Developmental Services systems. This change is consistent with changes made last year to foster family home and related rates in response to litigation.

- **DSS Staffing.** Reduced authorized staffing in the Child and Family Services Division of DSS by 42 positions in light of the transition from state to county-based administration of the Agency Adoptions program in a number of counties. Retained and repurposed an additional 11.5 positions to conduct specified oversight and monitoring, including oversight related to realignment, as well as policy and program development, including changes to the continuum of care and assessment of children's needs.

2011 Realignment Structure. The 2011 Realignment is funded through two sources: a state sales tax of 1.0625 percent and 0.5 percent in Vehicle License Fees (VLF). The 2011 Realignment implementing statutes contained program allocations and an account structure for the 2011-12 fiscal year only. The 2012-13 Budget adopted an ongoing funding structure for 2012-13 and beyond, for both base and growth revenues.

The ongoing funding structure included two main accounts, a Support Services Account and a Law Enforcement Services Account, with various subaccounts in each. In the Support Services Account, there is a Protective Services Subaccount including all of the CWS, foster care, adoptions and APS programs, and a Behavioral Health Subaccount including Drug Medi-Cal, Alcohol and Other Disorder (AOD) programs, mental health managed care, and the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. Community mental health programs previously funded by 1991 realignment are funded outside of the Support Services Account.

The base in each Subaccount should not experience a year-over-year decrease and a statutory mechanism is in place to deal with the possibility of a year's base being short due to significantly reduced revenues. The base for each Subaccount is a "rolling" base; that is, the base plus growth funding equals the subsequent year's base.

Program growth is distributed on roughly a proportional basis, first among subaccounts and then by subaccounts. Within each Subaccount, federally required programs continue to receive priority for funding as warranted by caseload and costs. Growth funding for CWS is a priority once base programs have been established, with CWS receiving $200 million of additional funding over time.

Counties have the ability to transfer a maximum of 10 percent of the lesser subaccount between the Subaccounts within the Support Services Account. Transfers would be for one-year only and would not affect the base of any program. Beginning in 2015-16, there is a local option to transfer a portion of the growth among the Subaccounts within the Law Enforcement Services Account.

2011 Realignment Funding for CWS[a, b]
(In Millions)

	2012–13	2013–14	2014–15
Base funding	$1,640.4	$1,837	$1,950.8
Growth revenue	176.2	98.5	191.8
Totals	**$1,816.6**	**$1,935.5**	**$2,142.6**

[a] As estimated in the *2014–15 Governor's Budget*.
[b] Includes approximately $50 million in funding for Adult Protective Services (elder/dependent adult abuse investigations). 2011 Realignment funding for CWS/Adult Protective Services is made as a single allocation for both programs.

Issues in Realignment for the Legislature to Consider. Now in the second year of realigned funding and county flexibility for the use of funds for child welfare, the state faces predictable questions on how the counties and caseload are faring. These questions raise issues largely of accountability, transparency, and understanding. Here are some questions for the Legislature to consider as it examines the implementation of realignment in CWS (and APS):

1. Does the expenditure and outcome annual report required by the programmatic legislation in SB 1013 (Chapter 35, Statutes of 2012) provide the analysis of realigned fund use that the Legislature was and is seeking? Do we know which programs operated prior to realignment that might now be seeing a reduction in spending in which counties? Can we discern if deviations are explained by caseload or other dynamics, or, alternatively, by changes in local decision-making and county policy direction?

2. What additional information should the annual report gather from counties?

3. Should the date of the annual report be moved to facilitate a more thoughtful discussion of what it provides for the annual spring Subcommittee review process?

4. What information on growth dollars, base, and transfers would be helpful as the state reviews how realigned funds were utilized? How does this inform requests from advocates being made to fund investments in child welfare as new state mandates atop realigned funds?

5. How are state and federal performance evaluations tied to the view of realigned funds?

These and other questions can be raised with the administration as the April 15, 2014 annual report is delivered and reviewed by the Legislature in the coming weeks.

PANEL

- Greg Rose, Deputy Director, Children and Family Services Division, California Department of Social Services
- Lawrence Golan, Supervising Children Social Worker, Department of Child and Family Services, Los Angeles County
- Representative, Department of Child and Family Services, Los Angeles County
- Cecilia Espinola, Human Services Department Director, Santa Cruz County
- Legislative Analyst's Office
- Department of Finance

Staff Recommendation:

Staff recommends holding all issues in CWS open pending further discussion and consideration of advocates' proposals.

ISSUE 3: PROPOSALS IN CWS AND FOSTER CARE

The Subcommittee is in receipt of the following proposals in the Child Welfare Services and Foster Care areas. These are:

1. **Foster Family Agencies Social Worker Rates and Ratios - $25 M General Fund.** The California Alliance of Child and Family Services is requesting funding to adjust the minimum payment to the social worker component in the Foster Family Agency (FFA) rate to reflect the California Necessities Index (CNI) adjustments back to July 1, 2001, increasing the funding for the average hourly wage to $23.91 for the FFA social worker. Also, the proposal would restore the ration for social work supervisors to social workers to 1:6 from 1:8.

   The sponsor states that FFAs are increasingly unable to provide the level of supports and services needed by foster children and youth because the social work component of the FFA rate has been frozen since 2001 and was cut by ten percent in 2009. Resources necessary to hire and retain critical social work staff have been severely undermined and economic pressure has increased for FFAs to reduce services and increase the number of foster youth in FFA certified homes, turning some certified homes into mini-group homes.

   The current FFA rate provides funding for an average hourly wage of $15.13 for a FFA social worker with a Master's degree. This compares to funding for an average hourly wage of $23.37 for a group home social worker with a Master's degree, and actual wages of $30.07 an hour for a DSS adoption social worker with a Master's degree, according to the sponsor.

2. **Foster and Kinship Care Recruitment, Retention, and Support - $6.75 M General Fund ($13.5 M Total Funds).** The County Welfare Directors Association of California (CWDA) requests funding to provide direct support to foster children placed with kin caregivers and foster parents, which it states will increase child well-being through participation in normalizing activities for youth in care. CWDA contends that the proposal would also reduce reliance on shelter and other institutional care settings through increased availability of emergency foster home beds.

   CWDA states that only $3.1 million (total funds) is available statewide for kin caregiver and county licensed foster parent support. Research and experience have shown that lack of caregiver support significantly contributes to caregiver turnover. With turnover, foster children are more likely to experience placement disruptions and are less likely to achieve desired outcomes of adoption or guardianship with a permanent family.

CWDA asserts that many promising and effective strategies exist to recruit and retain relatives and foster caregivers and these need to be strengthened. Some examples include targeted recruitment in communities so that foster children have continuity with their schools and communities, having foster parents and relatives serve as ambassadors for recruitment and peer support, offering coaching and mentoring to foster parents, supporting foster parent participation in team decision-making meetings, and providing respite care.

3. **Equalizing Foster Care Payments for Foster Children Placed with Relative Caregivers - $30-36 M General Fund.** A coalition of California organizations entitled "Step Up: Supporting Kin, Protecting Children," including the Alliance for Children's Rights, the John Burton Foundation of Children Without Homes, and Children Now, are requesting funding to support a new policy that would equalize benefit payments for children placed with relative providers.

   Advocates contend that at the root of the inequity is California's refusal to provide state-only foster care benefits to those relative caring for children who do not meet federal eligibility standards. "Federal eligibility" is based on an antiquated federal rule that reimburses states for foster care costs only if the child was removed from a household that met the 1996 eligibility rules for the now defunct Aid to Families with Dependent Children (AFDC) program. Over time, fewer and fewer children meet this criterion and currently, the sponsor states, 56% of all California foster children are not federally eligible.

   For a non-federally eligible child, California has chosen to provide state-only foster care benefits only if the child is placed in a non-relative foster home or group home. Relates caring for a non-federally eligible child do not receive foster care benefits at all, unless the child is in foster care and the payment is made through the Kin-GAP Program. Instead, the relative foster parent can receive CalWORKs benefits, which provides less than half of what the state has determined to be the minimum amount necessary to provide for a foster child's needs. The sponsor asserts that the CalWORKs grant for a single child is equal to just 37% of poverty and is even less than that amount as additional children are added to the household.

4. **Services to Child Victims of Commercial Sexual Exploitation - $20.3 M General Fund ($40.6 M Total Funds) in 2014-15, $14.3 M General Fund ($28.5 M Total Funds) in 2015-16 and ongoing.** CWDA and other children's advocacy organizations request funding to build capacity in local child welfare agencies to serve child victims of commercial sexual exploitation. Commercial sexual exploitation of children (CSEC) is an emerging national and statewide epidemic and a complex problem that deserves the highest attention. CWDA states that three of the nation's top thirteen high intensity child prostitution areas are located in California – San Francisco, Los Angeles, and San Diego.

The majority of CSEC victims have suffered extensive abuse and trauma, and many have been in contact with the child welfare system. Sponsors contend that responding to CSEC requires a multi-pronged response that includes prevention, intervention, and after care. California's child welfare agencies currently lack the tools and the resources to adequately serve and protect victims of this heinous crime. These resources include (1) prevention, which includes training for all child welfare workers, foster caregivers, and youth themselves, (2) intervention, including additional child welfare worker training, additional social worker staffing, cultivating partnerships with survivors, and systems coordination for rapid response activities, and (3) services, which includes meeting immediate needs for care for victims and specialized foster care rates to meet specific needs and promote recovery.

5. **Improving Permanency Outcomes for Youth in Foster Care - $750,000 General Fund in 2014-15, $1.15 M in 2015-16 and ongoing.** Mission Focused Solutions, a foster care advocacy organization, requests funding to provide start-up capital for two counties to create or expand specialized youth permanency programs, requiring that the county track and reinvest savings to sustain the programs long term, replicating a successful model pioneered by Sacramento County. The sponsor states that both San Diego and Sacramento County have expressed strong interest in applying for the funding.

   The program would target youth age 9 and older and in care at least 18 months, with a strong emphasis on placing them into relative care settings. The fiscal breakout provided by the sponsor indicates that funds would be used for staffing support, contract consulting, travel, and recruitment materials. The sponsor states that following start-up investments, youth permanency programs can be sustained at no net cost to the county.

6. **Homelessness Assistance and Prevention - $3 M General Fund.** The Center for Supportive Housing requests $3 million General Fund to promote county programs that offer housing solutions to families who are homeless and involved in the child welfare system. The sponsor states that the funding would match county investment, either in Title IV-E waive funds a county controls or in local resources directed to housing homeless child-welfare involved families and that this incentive program could assist 700-800 families.

   The sponsor states that counties could use grants provided by the funding to assess a homeless family's housing needs and develop a plan to meet those needs, provide rapid rehousing solutions, such as short or medium-term housing assistance or security deposits with limited-term case management, and offering resources toward "supportive housing" or longer-term housing assistance with wrap-around services that link families to appropriate services in the community.

PANEL

1. **Foster Family Agencies Social Worker Rates and Ratios** – Carroll Schroeder, Executive Director, California Alliance for Child and Family Services

2. **Foster and Kinship Care Recruitment, Retention, and Support** – Frank Mecca, Executive Director, County Welfare Directors Association of California

3. **Equalizing Foster Care Payments for Foster Children Placed with Relative Caregivers** – Brian Blalock, Bay Area Legal Aid

4. **Services to Child Victims of Commercial Sexual Exploitation** - Frank Mecca, Executive Director, County Welfare Directors Association of California

5. **Improving Permanency Outcomes for Youth in Foster Care** – Gail Johnson Vaughan, Executive Director, Mission Focused Solutions

6. **Homelessness Assistance and Prevention** – Sharon Rapport, Associated Director of California Policy, Center for Supportive Housing

- Department of Social Services
- Legislative Analyst's Office
- Department of Finance
- Public Comment

Staff Recommendation:

Staff recommends holding all of the investment proposals open.

ISSUE 4: CALFRESH – PROGRAM AND BUDGET REVIEW AND PROGRAM INTEGRATION

Program Description and Background. The CalFresh Program, formerly known as the Food Stamp Program and federally referred to as the Supplemental Nutrition Assistance Program (SNAP), provides for nutrition among eligible low-income households by offering them a benefit amount, posted to a debit card, for the purpose of purchasing food.

The benefits are 100 percent federally funded. The funding for CalFresh administration costs are 50 percent federal funds, 35 percent General Fund, and 15 percent county funds, except for state-mandated program changes, which are 50 percent federal funds and 50 percent General Fund. The Governor's Budget proposes $1.98 million for CalFresh administration ($691.6 million State General Fund).

The CalFresh Employment and Training Program require certain non-assistance CalFresh recipients to participate in employment and training activities. The Department also administers the state-only California Food Assistance Program (CFAP) to provide food benefits to legal immigrants who meet federal SNAP eligibility criteria except for their immigration status. CFAP serves legal noncitizens over the age of 18 and under the age of 65, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria (except for their immigration status). The program also serves legal noncitizens who entered the country on or after August 22, 1996, who are otherwise eligible.

Caseload. The CalFresh caseload is 1.8 million households and the estimated amount of benefits issued in 2013 was approximately $7.1 billion. According to a December 2012 U.S. Department of Agriculture, Food, and Nutrition Service (FNS) report on SNAP participation rates, California ranks among the states with the lowest participation rates. It is estimated that only half of the people eligible to receive CalFresh are enrolled in the program.

***Emergency Food Assistance Program*.** The Emergency Food Assistance Program provides USDA commodities to local food banks for distribution to the working poor, low-income, unemployed, and homeless persons. This program is supplemented with food purchased by food banks using private donations and taxpayer contributions to the Emergency Food Assistance Program Fund made through a state income tax checkoff, as well as surplus fresh fruits and vegetables donated by farmers and businesses.

Major Provisions in CalFresh in the Governor's 2014-15 Budget:

- **Work Incentive Nutritional Supplement (WINS).** The WINS program will provide an additional $10 per month in food assistance to eligible CalFresh households meeting federal TANF work participation requirements. Statute requires implementation no later than July 1, 2014. $16.7 million General Fund is budgeted for this purpose in 2014-15. Oversight on implementation of this benefit will be reviewed as part of the Assembly's budget review process.

- **ACA Caseload Impact.** Approximately 114,000 new CalFresh households are anticipated due to the ACA by June 2014, with an additional 31,000 households enrolling by June 2015. These families are expected to come into CalFresh as a result of being connected to health insurance and offered the CalFresh benefit as part of the overall application process, an effect that is also called "horizontal integration," or reaching as many qualifying families for multiple programs through whichever program door they enter into the health and social services system. This premise includes households with gross income at or below 130 percent of the federal poverty level. $56 million General Fund is budgeted for this caseload increase in 2014-15.

- **Categorical Eligibility.** This provides categorical eligibility for CalFresh to any household that includes a member who is eligible for Medi-Cal to the extent permitted by federal law, as established by AB 191 (Chapter 669, Statutes of 2013). This change allows gross income limits above 130 percent of the federal poverty level for those households, providing the household meet all other applicable CalFresh eligibility requirements. This policy would allow some recipients who otherwise would have been denied eligibility based on their gross income to be eligible for CalFresh. This will increase the CalFresh caseload by 21,000 households by June 2014, with an additional 5,000 households enrolling by June 2015. $3.1 million General Fund is budgeted for this caseload increase in 2014-15.

PANEL

- Linda Patterson, Branch Chief, CalFresh Program, Department of Social Services
    - DSS will provide an overview of the CalFresh program.
    - Please provide an update on participation rates in California for the CalFresh program. What is the state doing to improve participation among eligible households?

- Adam Dondro, Assistant Director, Horizontal Integration, Department of Social Services

    - DSS has been asked to present on its vision and plans for achieving increased horizontal integration across social services and health plans. What timeframe would this occur on? What metrics will measure success?

- Legislative Analyst's Office

    - The LAO has been asked to present on benefit levels in the CalFresh program, how these interact with CalWORKs benefits, recent changes in benefit levels in each, and how the benefit levels measure against the Federal Poverty Level and the Supplemental Poverty Measure.

- Department of Finance

- Public Comment

Staff Recommendation:

Staff recommends holding all issues in CalFresh open.

ISSUE 5: PROPOSALS IN CALFRESH

The Subcommittee is in receipt of the following proposals in the CalFresh and Emergency Food Assistance areas. These are:

1. **State Emergency Food Assistance - $5 M General Fund.** The California Association of Food Banks (CAFB) requests a $5 million General Fund appropriation for the State Emergency Food Assistance Program (SEFAP). Currently, there is no on-going General Fund dedicated for this use. In the 2013-14 fiscal year, the State Assembly donated $1 million of its own funds for this purpose for one-time use.

   The $5 million SEFAP request would be distributed to all counties based on the established formula for the distribution of EFAP, currently funded with federal dollars. The advocates state that there would not be prioritization for any particular region of the state, as there is unmet need in all areas. CAFB states that with respect to network capacity, food banks and EFAP distributors can effectively utilize all of the funds. The $5 million would be divided among all counties, based on the established allocation formula, to meet hunger needs among the general population. The SEFAP funds provide additional flexibility to food banks, as they can purchase the items that they need to complement the types of foods that are currently available to them.

   When asked about the interaction with recent funds made available for emergency food assistance through the drought package, advocates responded to say that the funds contained provided for drought are completely separate and are available only to those communities that can document increased need due to drought, and only to serve those people who are identified as drought impacted. Food banks are required to document drought impact and need so as not to utilize drought funds to serve the general population. Additionally, drought aid will not be distributed as flexible dollars, but rather food will be purchased centrally, and disaster boxes will be assembled in Sacramento and then distributed to qualifying food banks.

2. **Lifting the Lifetime Ban on Access to CalFresh (Estimate Pending).** A large coalition of health, human services, hunger, and social justice advocates have written to request a repeal of the law that currently bans access to CalFresh and CalWORKs for those formerly convicted of a drug felony who have served their time and now living in the community. Advocates state that there is overwhelming evidence that providing basic needs assistance such as food and income support to pay rent, employment training, and childcare decrease the likelihood of recidivism. The sponsors assert that research on reoffending patterns among women found that state-sponsored support programs, especially services related to short-term economic needs, reduce the odds of recidivism by 83 percent.

3. **CalFresh Administrative Match Waiver Phase-Out.** The California State Association of Counties (CSAC), the County Welfare Directors Association of California (CWDA), and the Urban Counties Caucus request consideration of a proposal to phase-out the CalFresh Administrative Match Waiver over five years. The Governor's budget proposes to immediately eliminate the Waiver at the conclusion of the current fiscal year.

   The Waiver was originally enacted for two years beginning in 2010-11 and allows counties to draw down a portion of the General Fund and federal fund CalFresh Administration allocation without a match of county funds, as long as the county fully meets its required CalWORKs/CalFresh maintenance of effort (MOE) in the CalFresh program. For 2012-13, advocates contend, the Waiver enabled 34 counties to spend $38 million General Fund ($76 million total funds) on the CalFresh program that they otherwise would not have been able to spend because they would not have been able to put up the county funds for the match.

   Phase-out of the Waiver over five fiscal years beginning in 2014-15 would work by reducing by 20 percent per year the amount of a county's General Fund allocation that it could access without increasing its matching funds beyond the county's MOE. In the first year of the phase-out, 2014-15, a county could access 100 percent of its General Fund allocation as long as the county spent its full MOE in CalFresh Administration; in the second fiscal year, a count could access 80 percent of its General Fund allocation; in the third year, a county could access 60 percent of the allocation; and so forth. In any year of the phase-out, a county that is able to increase its spending, its MOE level would continue to be able to draw down General Fund up to the county's General Fund allocation. The sponsors state that this multi-year approach to eliminating the Match Waiver would give counties time to ramp up their CalFresh Administrative spending in a planned fashion, thereby avoiding the immediate and significant cuts that would occur in many counties in 2014 should the waiver be completely eliminated in one year.

PANEL

1. **State Emergency Food Assistance -** Sue Sigler, Executive Director, California Association of Food Banks

2. **Lifting the Lifetime Ban on Access to CalFresh –** Jessica Bartholow, Legislative Advocate, Western Center on Law and Poverty

3. **CalFresh Administrative Match Waiver Phase-Out –** Frank Mecca, Executive Director, County Welfare Directors Association of California

- Department of Social Services

- Legislative Analyst's Office

- Department of Finance
- Public Comment

Staff Recommendation:

Staff recommends holding these issues open.

ISSUE 6: ADULT PROTECTIVE SERVICES – PROGRAM AND BUDGET REVIEW AND PROPOSAL REGARDING STAFFING AND TRAINING

Each county has an APS agency to help elder adults (65 years and older) and dependent adults (18-64 who are disabled), when these adults are unable to meet their own needs, or are victims of abuse, neglect or exploitation. County APS agencies investigate reports of abuse of elders and dependent adults who live in private homes and hotels or hospitals and health clinics when the abuser is not a staff member. County APS staff evaluates abuse cases and arranges for services such as advocacy, counseling, money management, out-of-home placement, or conservatorship. Reports of abuse that occur in a nursing home, a board and care home, a residential facility for the elderly or at a long term care facility are the responsibility of the Ombudsman's office which is administered by the California Department of Aging.

This program was also realigned in 2011-12 and funding consolidated and allocated to counties through realignment. Total realigned funding was $136.3 million ($54.6 million GF), which incorporated the County Services Block Grant and continued to reflect the ten percent reduction of $13 million ($6.1 million GF) that was made to the program many years prior to realignment.

INVESTMENT PROPOSAL

APS Training and Program Support - $1.4 M GF. The County Welfare Directors Association of California, California Elder Justice Coalition, and California Commission on Aging request state funding support for statewide APS training ($1.25 M) to increase training days from five to 12 days per new APS worker, which the advocates state will ensure that new workers can complete their induction training. These funds will also support curriculum development and training for supervisors and advanced training for APS staff that reflects emerging issues and new policy. This level of funding would ensure access to mandated training for mandated reporters. Assemblymember Yamada has written in support for this request.

The balance of this request asks for $150,000 to fund a full-time dedicated APS positions (masters level) at DSS who would report to the Department Director and collaborate with county APS agencies and elder and dependent adult program stakeholders. This staff, among other responsibilities, would review and update state policies and procedures for county APS programs to ensure consistency with current laws, support local program operations, and promote best casework practices throughout the state.

Advocates contend that the current statewide training program is underfunded and woefully inadequate to meet the current and future needs of APS programs. Currently, they state, only $154,000 General Fund is allocated to DSS to support statewide training and that this funding has not been increased for the past nine years, despite the fact that APS cases statewide have risen by 35 percent between 2001 and 2013.

PANEL

- Eileen Carroll, Deputy Director, Adult Programs Division, Department of Social Services
- **APS Training and Program Support** – Lisa Nerenberg, California Elder Justice Coalition
- Legislative Analyst's Office
- Department of Finance
- Public Comment

Staff Recommendation:

Staff recommends holding this investment request open.