AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

WEDNESDAY, APRIL 4, 2018
2:30 P.M. - STATE CAPITOL, ROOM 447

ITEMS TO BE HEARD

LIST OF PANELISTS IN ORDER OF PRESENTATION

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 1: CALWORKS - PROGRAM AND BUDGET REVIEW

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in CalWORKs not otherwise listed please as a separate "Issue" in this agenda)

ISSUE 2: CALWORKS GRANT LEVELS, DEEP POVERTY, AND RELATED ADVOCACY PROPOSALS

- Kristin Schumacher, Senior Policy Analyst, California Budget and Policy Center
- Frank Mecca, Executive Director, County Welfare Directors Association of California
- Rochella Mendoza, Parent Voices, Contra Costa Chapter
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 3: CALWORKS SINGLE ALLOCATION AND RELATED ADVOCACY PROPOSALS

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Frank Mecca, Executive Director, County Welfare Directors Association of California
- Representative, Service Employees International Union
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 4: CALWORKS HOME VISITING GOVERNOR'S PROPOSAL AND RELATED ADVOCACY PROPOSAL

- Assemblymember Dr. Joaquin Arambula
- Faraha Nia, Nurse Family Partnership Parent Alumna, Solano County
- Angela Rothermel, Senior Policy Associate, Early Childhood, Children Now

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 5: CALWORKS HOMELESS ASSISTANCE AND HOUSING SUPPORT PROGRAMS AND RELATED ADVOCACY PROPOSALS

- Assemblymember Miguel Santiago
- Will Lightbourne, Director, Ali Sutton, Housing, Homelessness and Civil Rights Branch Chief, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 6: CALWORKS SUPPORTIVE SERVICES ADVOCACY PROPOSALS

- Kevin Aslanian, Coalition of California Welfare Rights Organizations
- Mike Herald, Western Center on Law and Poverty
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 7: CALWORKS SFIS REPEAL AND NEXT STEPS

- Will Lightbourne, Director, and Todd Bland, Deputy Director - Family Engagement and Empowerment Division, Department of Social Services
- Mike Herald, Western Center on Law and Poverty
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 8: CALWORKS DIAPER BENEFIT PROPOSAL

- Assemblymember Lorena Gonzalez Fletcher
- Jessica Bartholow, Western Center on Law and Poverty

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 9: CALFRESH - PROGRAM AND BUDGET REVIEW

- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in CalFresh not otherwise listed please as a separate "Issue" in this agenda)

ISSUE 10: CALFRESH BENEFIT INCREASE ADVOCACY PROPOSAL

- Assemblymember Dr. Joaquin Arambula
- Shanti Prasad, Senior Policy Advocate, Alameda County Community Food Bank and Policy Co-Chair of the California Hunger Action Coalition
- Ella Jones, CalFresh Recipient, San Pablo, California
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 11: CALFRESH SUPPLEMENTAL FRUIT AND VEGETABLE EBT PILOT

- Assemblymember Dr. Joaquin Arambula
- Tracey Patterson, Director of Legislation, California Food Policy Advocates
- Eli Zigas, Food and Agriculture Policy Director, San Francisco Bay Area Planning and Urban Research Association (SPUR)
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 12: CAL FOOD FUNDING AND RELATED ADVOCACY PROPOSAL

- Assemblymember Dr. Joaquin Arambula
- Andrew Cheyne, Director of Government Affairs, California Association of Food Banks
- Carly Finkle, Advocacy Manager, Food Bank of Contra Costa and Solano Counties
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 13: FOOD BANK INFRASTRUCTURE FUNDING REQUEST

- Assemblymember Dr. Joaquin Arambula
- Andrew Cheyne, Director of Government Affairs, California Association of Food Banks
- Carly Finkle, Advocacy Manager, Food Bank of Contra Costa and Solano Counties
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 14: FOOD FOR ALL ADVOCACY REQUEST

- Tracey Patterson, Director of Legislation, California Food Policy Advocates
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 15: IMMIGRATION SERVICES FUNDING - PROGRAM AND BUDGET REVIEW

- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in Immigration Services not otherwise listed please as a separate "Issue" in this agenda)

ISSUE 16: ADVOCACY PROPOSAL REGARDING TEMPORARY PROTECTED STATUS

- Assemblymember Miguel Santiago
- Assemblymember Wendy Carrillo
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 17: ADVOCACY PROPOSAL REGARDING IMMIGRATION SERVICES CAPACITY BUILDING

- Jesus Martinez, Ph.D., Member, Fresno County Legal Defense Fund Steering Committee and Chair, Central Valley Immigrant Integration Collaborative (CVIIC)
- Sally Kinoshita, Deputy Director, Immigrant Legal Resource Center (ILRC)
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 18: ADVOCACY PROPOSAL REGARDING AN IMMIGRATION LOAN REVOLVING BOND FUND

- Assemblymember Rob Bonta
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ISSUE 19: ADVOCACY PROPOSAL REGARDING YOUTH AND FAMILY CIVIC ENGAGEMENT INITIATIVE

- Dr. Karen Bohlke, Director Government and External Relations, Martin Luther King Jr. Freedom Center
- Camila Chavez, Executive Director, Dolores Huerta Foundation
- Will Lightbourne, Director, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ITEMS TO BE HEARD

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 1: CALWORKS - PROGRAM AND BUDGET REVIEW

PANEL

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in CalWORKs not otherwise listed please as a separate "Issue" in this agenda)

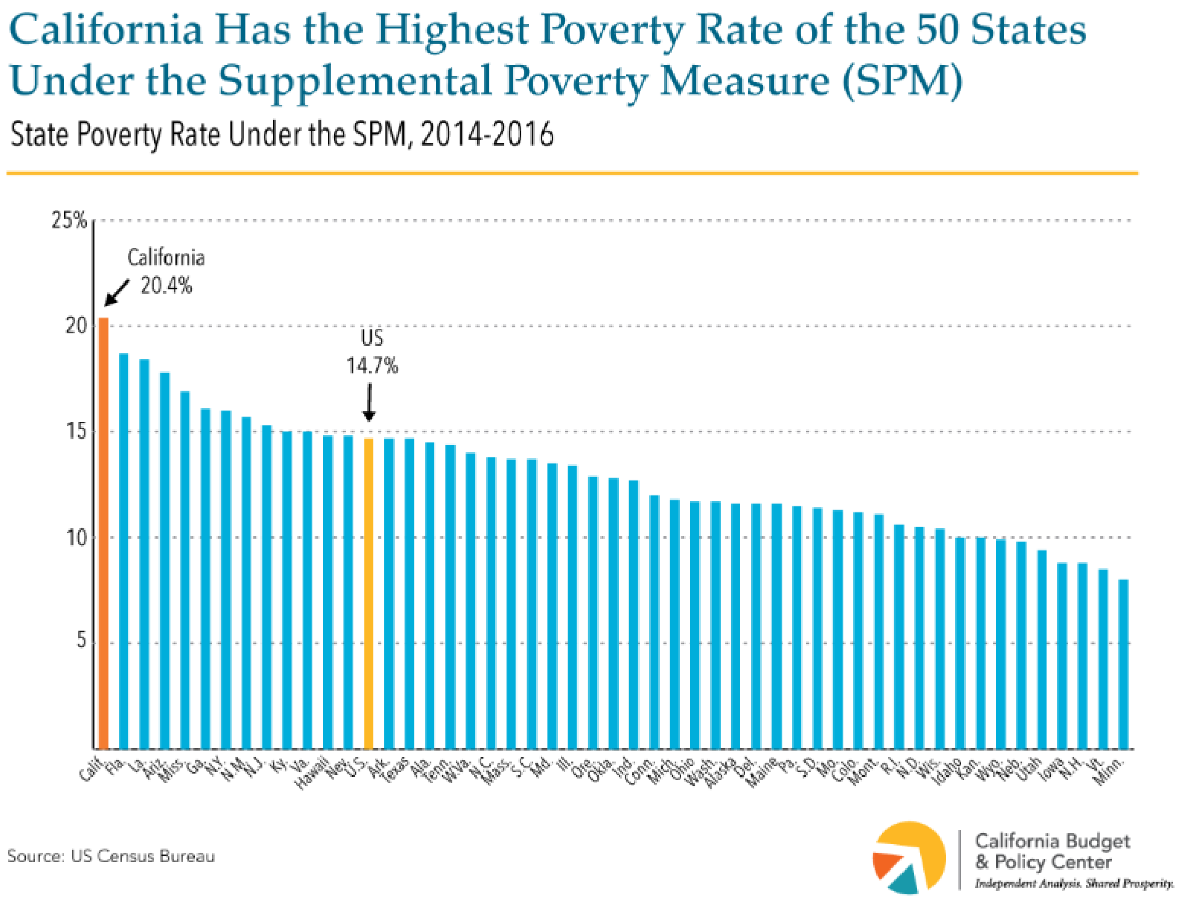
BACKGROUND ON ANTI-POVERTY PROGRAMS

This agenda will cover issues and proposals for California's two primary anti-poverty programs:

- **California Work Opportunity and Responsibility to Kids (CalWORKs),** which is California's version of the federal Temporary Assistance for Needy Families program, intended to provide assistance to meet basic needs, such as shelter, food, and clothing for low-income families with minor children.

- **CalFresh,** formerly known as the Food Stamp Program and federally referred to as the Supplemental Nutrition Assistance Program (SNAP), which provides a benefit amount to eligible low-income households, posted to a debit card, for the purpose of purchasing food.

Poverty in California. California remains challenged by the highest rates of poverty (including senior and child poverty) in the nation, vast income inequality, limited economic mobility, and alarming trends of homelessness and hunger. According to the California Budget and Policy Center in September 2017, around 8 million Californians — roughly 1 in 5 state residents (20.4 percent) — cannot adequately support themselves and their families, based on the Supplemental Poverty Measure (SPM). Nearly one-quarter of children (23.8%) live in families struggling to get by, a larger share than for adults. One-third of Latino children (33.2%) live in poverty. Over one-quarter of black children (25.7%) live in poverty. Latino and black children are more than twice as likely as white children to live in families that are struggling to get by. Seniors are nearly twice as likely to lack adequate resources and seniors of color are more likely than white seniors to live in poverty. Nearly one-third of Latino seniors (32.4%) and nearly one-quarter of other seniors of color (23.7%) struggle financially.



Hunger in California. California faces a hunger crisis affecting 1 in 8 people statewide, including 1 in 4 children. Two of America's hungriest cities are Bakersfield (#1) and Fresno (#5).

GOVERNOR'S BUDGET PROPOSAL

Major provisions for the CalWORKs program in the Governor's Budget include:

- **Caseload Changes.** The 2017-18 Revised Budget includes $5.0 billion in total funding for the core CalWORKs programs in 2017-18, a net decrease of $157.5 million ($152.8 million in Temporary Assistance for Needy Families [TANF] and GF) from the 2017 enacted Budget. The expenditure decrease is primarily due to a continued decline in the CalWORKs caseload projections. In 2017-18, the CalWORKs caseload is projected to decline by 5.9 percent from the previous year to 425,855 average monthly cases. This represents a 5.6 percent decrease from the caseload projections in the 2017 enacted Budget.

CalWORKs Budget Summary

All Funds (Dollars in Millions)

	2017-18 Revised	2018-19 Proposed	Change From 2017-18 Amount	Change From 2017-18 Percent
Cash Grants	$2,898	$2,724	-$174	-6%
Single Allocation				
Employment services	$828	$813	-$14	-2%
Cal-Learn case management	20	19	-1	-4
Eligibility determination and administration	380	351	-29	-8
Stage 1 child care	318	324	6	2
Single Allocation augmentation	180	187	7	4
Subtotals	**($1,726)**	**($1,694)**	**(-$32)**	**(-2%)**
Other County Allocations				
Mental health/substance abuse services	$129	$129	—	—
Expanded subsidized employment	134	134	—	—
Housing Support Program	47	47	—	—
Family Stabilization Program	47	47	—	—
Subtotals	**($356)**	**($356)**	**(—)**	**(—)**
Home Visiting Initiative	—	$27	$27	—
Other[a]	$21	$17	-$4	-19%
Totals	**$5,002**	**$4,819**	**-$183**	**-4%**

[a]Primarily includes various state-level contracts.

The 2018-19 Governor's Budget includes $4.8 billion in total funding for the core CalWORKs programs, a net decrease of $183.4 million ($179.3 million decrease in TANF and GF) from the revised budget for 2017-18. The CalWORKs caseload is projected to decline by another 5.9 percent to 400,777 average monthly cases in 2018-19. Arguably, the types of cases that remain on the caseload face the most difficult barriers to employment. As a counter-cyclical program, the caseloads fall in better economic times and are anticipated to rise if and when the economy experiences a downturn.

CalWORKs Funding Sources

(Dollars in Millions)

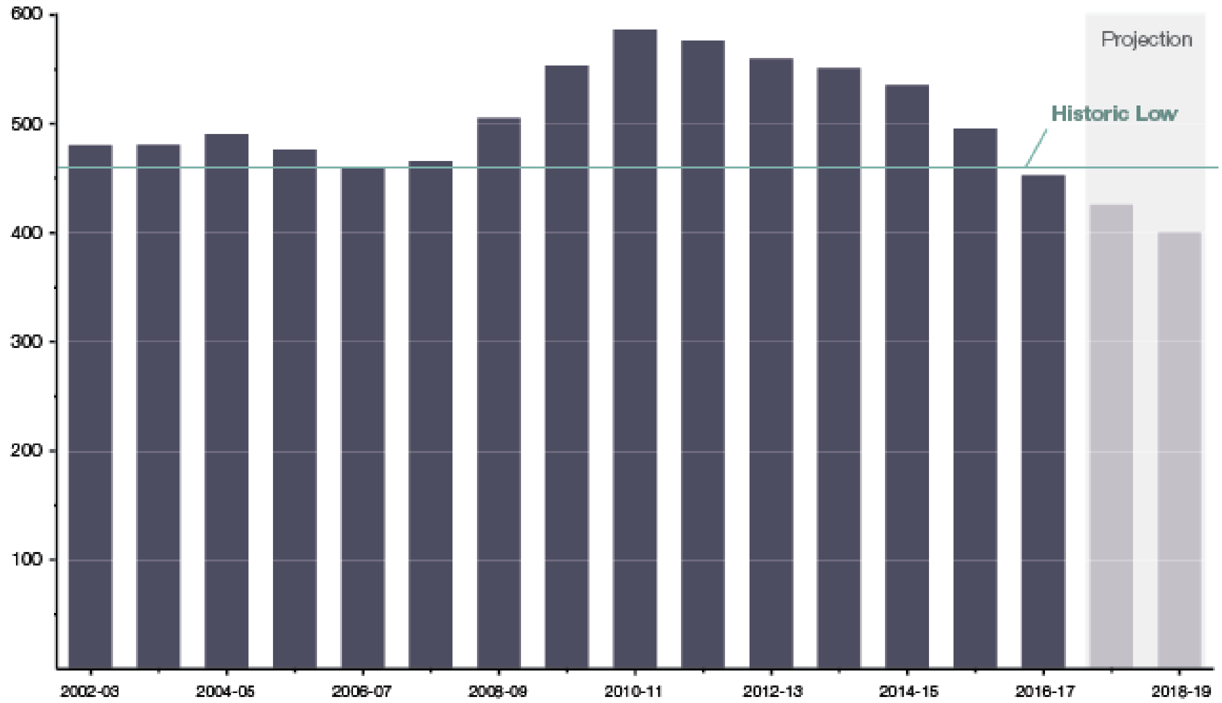
	2017-18 Revised	2018-19 Proposed	Change From 2017-18 Amount	Change From 2017-18 Percent
Federal TANF block grant funds	$2,127	$1,938	-$189	-9%
State General Fund	455	552	97	21
Realignment and other county funds[a]	2,420	2,328	-92	-4
Totals	**$5,002**	**$4,819**	**-$183**	**-4%**

[a]Primarily various realignment funds, but also includes county share of grant payments, about $60 million.

TANF = Temporary Assistance for Needy Families.

CalWORKs Caseload Now at Historic Low

Average Monthly Caseload (In Thousands)



Note: 2017-18 and 2018-19 data reflect the administration's caseload forecast prepared as part of the *2018-19 Governor's Budget*.

LAO

- **Single Allocation Reduction.** The CalWORKs Single Allocation -- also referred to as the CalWORKs program administration block grant to counties -- reflects the cost to provide eligibility administration, employment services, Stage One Child Care to individuals in the CalWORKs Welfare to Work (WTW) program, and Cal-Learn Intensive Case Management. The Single Allocation total reflects a net $31.8 million decrease for 2018-19. This decrease reflects the projected caseload declines combined with increases for newly enacted legislation, including Diaper Assistance, Domestic Abuse Homeless Assistance, and Child Support. According to the Administration, absent the increases for legislation, the Single Allocation would have decreased by $54.5 million.

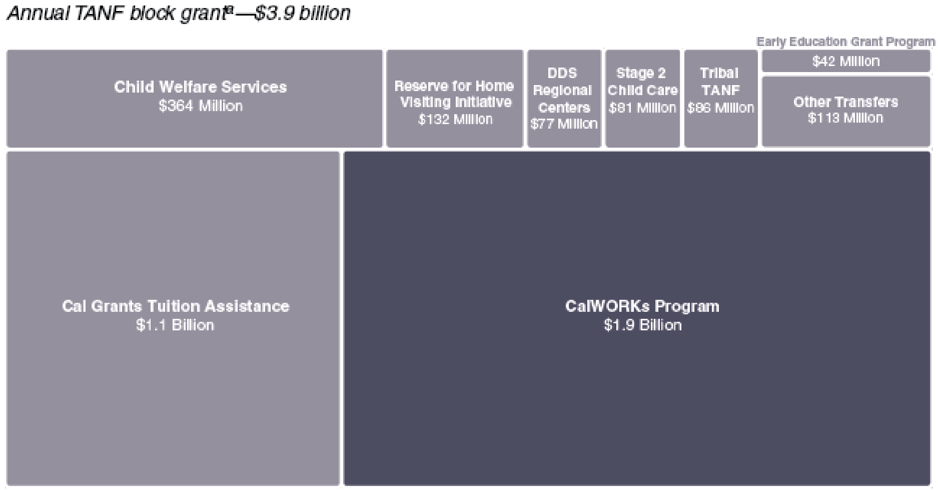
This was the subject of considerable legislative attention last year and the 2017 Budget required the Department to work with representatives of county human services agencies, the County Welfare Directors Association (CWDA), and other stakeholders to develop recommendations for initial changes to the budgeting methodology for the CalWORKs Single Allocation. This will be discussed further under Issue 3 of this agenda.

- **Home Visiting Initiative.** The Governor's Budget proposes a new Home Visiting Initiative for CalWORKs families to begin January 2019. DSS states that this is an evidence-based, voluntary program model that pairs new, first-time parents, under the age of 25 who are pregnant or parenting a child under two years of age, with a nurse or trained professional who makes regular visits in the participant’s home to provide guidance, coaching, and access to prenatal and postnatal care and other health and social services. The goals of the CalWORKs Home Visiting Initiative are to: (1) help young families reach self-sufficiency by improving family engagement practices; (2) support healthy development of young children living in poverty; and (3) prepare parents for employment. This will be discussed further under Issue 4 of this agenda.

- **TANF Transfers.** The DSS budget continues to transfer $1.0 billion in TANF to the California Student Aid Commission (CSAC) for Cal Grants and $136.3 million to California Department of Education (CDE) through Title XX in 2017-18. In 2018-19, the DSS budget transfers $1.1 billion to CSAC and $80.6 million to CDE through Title XX, in addition to a $42.2 million TANF transfer to CDE for Early Education Expansion.

How Does the State Spend Its TANF Block Grant Funds?

Annual TANF block grant[a]—$3.9 billion



[a] 2018-19 proposed amount. Includes $207 million in TANF carry-in from prior years.

TANF = Temporary Assistance for Needy Families and DDS = Department of Developmental Services.

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State and Federal Goals for CalWORKs

State Statutory Goals of CalWORKs

- ✓ Reduce child poverty in the state.
- ✓ Achieve the goals of TANF.
- ✓ Meet the requirements of federal law.

Federal TANF Goals

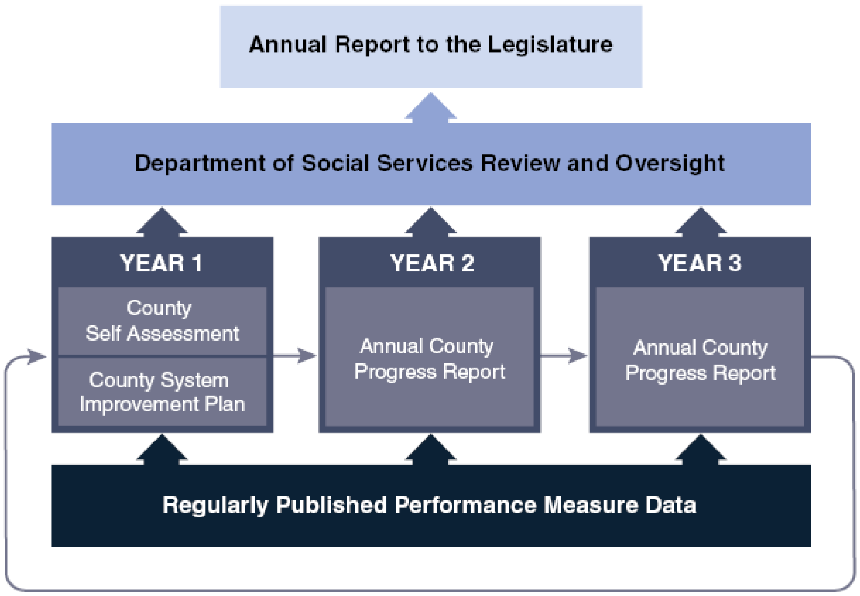
- ✓ Provide assistance to needy families so that children can be cared for in their own homes.
- ✓ Reduce the dependence of needy parents by promoting job preparation, work, and marriage.
- ✓ Prevent and reduce the incidence of out-of-wedlock pregnancies.
- ✓ Encourage the formation and maintenance of two-parent families.

TANF = Temporary Assistance for Needy Families.

- **Work Participation Rate (WPR) Update.** The improvements in California's WPR have eliminated several years of penalties through the federal corrective compliance process and lowered projected penalties from $1.8 billion to a projected $40.2 million. While California continues to exceed the all-families WPR requirement of 50 percent, the state continues to fail the two-parent WPR requirement of 90 percent. Recently, the Administration for Children and Families (ACF) notified DSS that California is subject to a reduced penalty of $8.8 million for Federal Fiscal Year 2016 for failing the two-parent WPR. Subsequent letters from ACF will detail the results of the corrective compliance plans for FFY 2012 and 2013, for which FFY 2016 was the compliance year.

- **Implementation of the CalWORKs Oversight and Accountability Review (Cal-OAR).** In recent budget legislation, the Legislature established a framework for a new performance measurement system for CalWORKs, to be known as the CalWORKs Outcomes and Accountability Review, or Cal-OAR. Under Cal-OAR, data on various performance indicators will be collected and published, and counties will regularly undergo self-assessment and develop system improvement plans with targets for the performance indicators. Budget legislation directed DSS to convene a workgroup, and that process began in the fall of 2017, to develop plans for how Cal-OAR will operate. The graphic on the next page from the LAO illustrates at a high level the Cal-OAR process.

Major Features of Cal-OAR



Cal-OAR = CalWORKs Outcomes and Accountability Review.

- **Continued Review of SB 1041 Changes and Scrutiny of the RAND Evaluation.** In 2011 and 2012, the Governor and Legislature enacted significant changes to the state rules that govern allowable welfare-to-work activities and that reduced the lifetime time limit. These vast changes are being reviewed in a multi-year evaluation effort, funded with $8.9 million in state funds over several years, by the RAND Corporation in partnership with the American Institutes for Research (AIR). Advocates requests included later in this agenda speak to these changes, in particular the 24-month welfare-to-work services clock, reduced from an original 60-month clock, but with additional flexibility on work activities.

  Once 24 months of assistance under the more flexible state rules are exhausted, adult recipients may continue to receive assistance but are required to participate under the federal welfare-to-work rules, which are relatively less flexible and generally have a heavier emphasis on employment, as opposed to education, training, and other activities intended to remove barriers to employment. Understanding the complex rules instituted under SB 1041, the clocks, and when they tick and don't have been revealed in the RAND interim reports to be a major challenge for both CalWORKs clients and county workers.

FEEDBACK FROM ADVOCATES

The Western Center on Law and Poverty and the Coalition of California Welfare Rights Organizations (CCWRO) urged the committee to agendize the condition of the CalWORKs program. These advocates state that despite multi-billion surpluses forecast for the 2018-19 budget, the Administration's CalWORKs budget proposal still contains recessionary diversions of TANF funds that should have long ago been eliminated.

In particular, they are concerned about the use of federal TANF funds for programs that do not benefit CalWORKs families. The Governor's proposed budget reveals that there is $7.4 billion available for CalWORKs, but only $5.1 billion is directed to families living on an maximum CalWORKs grant equal to 42% of the federal poverty level. The proposed budget shifts $1.155 billion in TANF outside of the program. This represents a $94 million increase in use of TANF including $42 million being directed to the K-12 budget to fund Early Education Expansion. By far the largest outside expenditure is for CalGrants at more than $1 billion annually. The budget also includes a $364 million transfer of TANF funds to Title XX programs.

Additionally, in the past several state budgets there has been a dramatic reduction in the CalWORKs caseload. If the economy remains the same in the 2018-19 budget the CalWORKs caseload will fall below 400,000 cases, the lowest level since the program began in 1998. The baseline CalWORKs budget is being reduced from $6.375 billion to $6.139 billion and virtually all of that decline is due to a $331 million reduction in grant funding. In sum, more than $1.5 billion is being diverted away from CalWORKs that could be used to significantly reduce the poverty that families experience.

STAFF COMMENT

CalWORKs has undergone vast changes over the past several years, some of which contracted the program's limits (i.e. restricting the number of months a case can receive supportive services to address employment barriers) and others that attempted to address those same stability issues for families, such as the creation of the Family Stabilization, Housing Support, and expanded Subsidized Employment components. Last year, in the 2017 Budget, the state adopted the CalWORKs Oversight and Accountability Review effort, which is proceeding to promote best practices in service delivery. The Governor's Budget introduces a long-sought effort to create a Home Visiting program for certain CalWORKs parents. Continued attention on how to improve the long-term outcomes for CalWORKs recipients and their children – with the goal of advancing the chances of a child being able to break the cycle of poverty that they might have been born into – is ongoing in the current budget cycle.

Staff Recommendation:

All issues in CalWORKs are recommended to be held open, pending the May Revision and decisions to be made in the Subcommittee's close-out hearings toward the final 2018 Budget.

ISSUE 2: CALWORKS GRANT LEVELS, DEEP POVERTY, AND RELATED ADVOCACY PROPOSALS

PANEL

- Kristin Schumacher, Senior Policy Analyst, California Budget and Policy Center
- Frank Mecca, Executive Director, County Welfare Directors Association of California
- Rochella Mendoza, Parent Voices, Contra Costa Chapter
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

The California Work Opportunity and Responsibility to Kids (CalWORKs) program is a critical component of California's safety net for families with low incomes. The following background on CalWORKs grants has been provided by the California Budget and Policy Center.

CalWORKs supports about 860,000 children throughout the state by providing families with modest monthly cash grants, while helping parents overcome barriers to employment and find work. The state made a number of cuts to CalWORKs during and after the Great Recession, including reducing grant levels and eliminating the annual state cost-of-living adjustment (COLA). Recent years' budgets have incrementally increased CalWORKs grant levels, but this has not been adequate to restore cuts made in prior years.

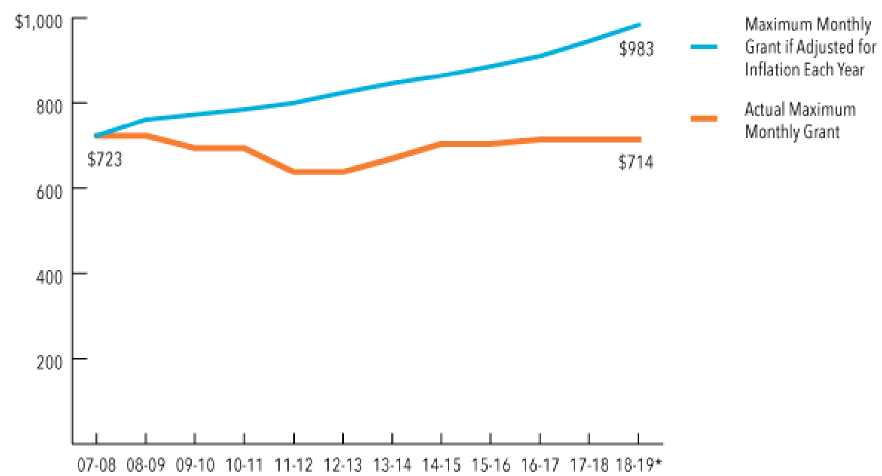
If grant levels had been adjusted for inflation each year beginning in 2007-08, the maximum grant in 2018-19 would be $983, which is $269 higher than the proposed value of $714. Because the state has not restored the value of CalWORKs grants, the purchasing power of the maximum grant will be 27% lower than in 2007-08. Advocates contend that this severely reduces the resources that parents could use to provide food for their family, keep their homes warm, or avoid an eviction.

For a decade following the implementation of welfare reform in 1998, the annualized maximum grant for a family of three hovered just above the deep-poverty line, defined as 50% of the federal poverty line. In 2008, however, the value of this grant dropped below the deep-poverty line. Absent a significant grant increase in the 2018-19 fiscal year, this grant will equal just 41.2% of the poverty line, leaving it below the deep-poverty line for the eleventh straight calendar year.

The Governor's proposed budget for 2018-19 does not increase CalWORKs grants or reinstate the COLA. If grant levels remain frozen, the proposed maximum monthly grant for a family of three in a high cost county would be $9 lower than in 2007-08, without adjusting for inflation.

The CalWORKs Grant Has Lost More Than One-Quarter of Its Purchasing Power Since 2007-08

Maximum Monthly CalWORKs Grant for a Family of Three in a High-Cost County

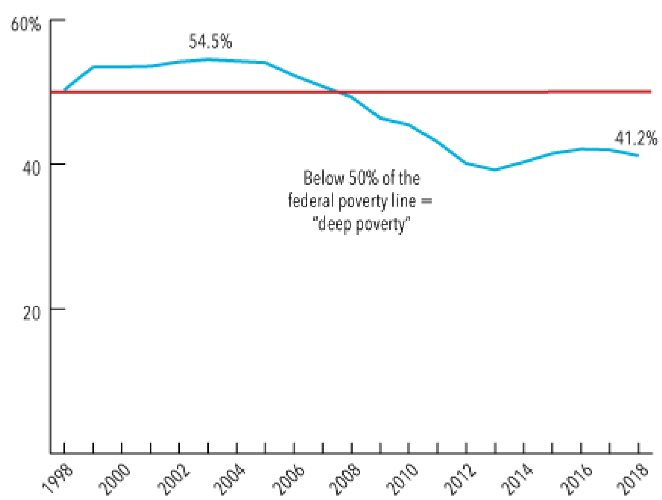


* 2018-19 proposed.
Note: The Governor's proposed budget does not provide a grant increase in 2018-19. Inflation adjustment is based on the California Necessities Index.
Source: Budget Center analysis of Department of Social Services data

California Budget & Policy Center
Independent Analysis. Shared Prosperity.

Without an Increase in 2018-19, CalWORKs Grants Will Be Below the Deep-Poverty Line for the Eleventh Straight Year

Annualized Maximum Grant for a Family of Three as a Percentage of the Federal Poverty Line



Note: Grants are for high-cost counties. The proposed 2018-19 budget does not increase grant levels.
Source: Budget Center analysis of Department of Social Services, US Department of Health and Human Services, and US Social Security Administration data

California Budget & Policy Center
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ADVOCACY PROPOSAL

Advocates have requested support for an effort to end childhood deep poverty in the CalWORKs program. They state that CalWORKs grants are simply too low to support the healthy growth and development of our state's poorest children. The current average CalWORKs grant of $556 for a family of three is 33 percent of the federal poverty level (FPL). When children live in deep poverty (defined as below 50 percent of the FPL), they endure hardships that impair their ability to thrive and impact their capacity to learn, develop and thrive as children and throughout their lifetime.

They state that childhood deep poverty has a short-term impact on educational success and classroom environments at schools with a high-density of very poor children. Over the long term, it also reduces the strength and capacity of our future workforce. Thus, deep poverty increases the likelihood that childhood impairments will result in adult dependency on safety net services. Deep poverty is so dangerous for children because they live in households where basic needs go chronically unmet. Children living in these conditions not only experience the depravity of not having their needs met, but are also deeply impacted by the toxic stress that results from chronically unmet needs. One study found that growing up in deep poverty more negatively impacts a child's life chances than neonatal exposure to cocaine.

Growing up with unmet basic needs not only impacts the physical health of a child, but also their mental health and future potential. This is, in part, because parents who are unable to adequately care for their children are more likely to experience maternal and/or parental depression, a condition associated with reduced maternal-child interaction known to undermine school readiness among poor children. Deep poverty also harms children's brain development and early functioning, disrupting their ability to succeed in school and in life. These challenges have been documented to reduce the ability of children to cope during difficult situations, the very skill they will need most as a child living in poverty or a young adult trying to exit it.

Ultimately, deep poverty damages a child's chance to escape poverty and fuels an intergenerational cycle of poverty. Children who are born in deep poverty are three times as likely to be deeply poor at age 40 than children not born in deep poverty. Simply giving families more money, and ensuring grant levels help families rise above the harmful impact of deep poverty will produce positive results for the most impoverished in our state. Even if we end deep poverty among CalWORKs families, many of our recipients will still live in poverty and be unable to afford basic necessities at times; however, the impact of toxic stress on the health and well-being of impoverished children will be markedly reduced when we ensure they have a basic level of subsistence that they will not drop below.

The advocates supporting this proposal include:

- Alameda County Community Food Bank
- Black Women for Wellness
- California Welfare Directors Association

- California Hunger Action Coalition
- California Latinas for Reproductive Justice
- California Church Impact
- California Pan-Ethnic Health Network (CPEHN)
- Californians for Disability Rights Inc
- California Partnership
- Children's Defense Fund - California
- Coalition of California Welfare Rights Organizations
- Friends Committee on Legislation of California
- Jewish Family Service of Los Angeles
- Jewish Council for Public Affairs (JCPA)
- Lutheran Office of Public Policy - California
- National Association of Social Workers – California Chapter
- National Council of Jewish Women-California
- Parent Voices California
- PolicyLink
- ST. Anthony's Foundation
- Western Center on Law and Poverty

In addition, the Western Center on Law and Poverty and the Coalition of California Welfare Rights Organizations are calling on the budget committees to reinstate the Cost of Living Adjustment (COLA) for CalWORKs. They urge the Subcommittee to take early actions supporting COLA restoration to demonstrate the Legislature's intent to make CalWORKs grant increases a priority in the 2018-19 budget.

"One of the reasons the CalWORKs grant has declined so precipitously is that the Legislature and the Governor did not provide cost of living increases for most of the 1990s and the 2000's. By the time the CalWORKs COLA was repealed in 2009, CalWORKs grant levels were also being cut and the combination of the two left the CalWORKs grant in its current state of deep poverty.

CalWORKs families are among the least able to absorb losses of income or price increases because they have few savings or assets to fall back on. When the cost of living increases and grants don't go up, bills stop getting paid, meals are eaten less often or are less nutritious and utilities get turned off. When grants don't increase and housing prices rise families become homeless. According to Los Angeles County the percent of CalWORKs families experiencing homelessness has more than tripled in the last decade. Homelessness is worse now than at any time during the recession."

Homelessness Among LA County CalWORKs Families Has Tripled

	Number of CalWORKs Cases	Homeless CalWORKs Families	Percent of Homeless CalWORKs Families
July 2006	**152,722**	**5,487**	**3.5 percent**
December 2017	**134,285**	**15,213**	**11.3 percent**

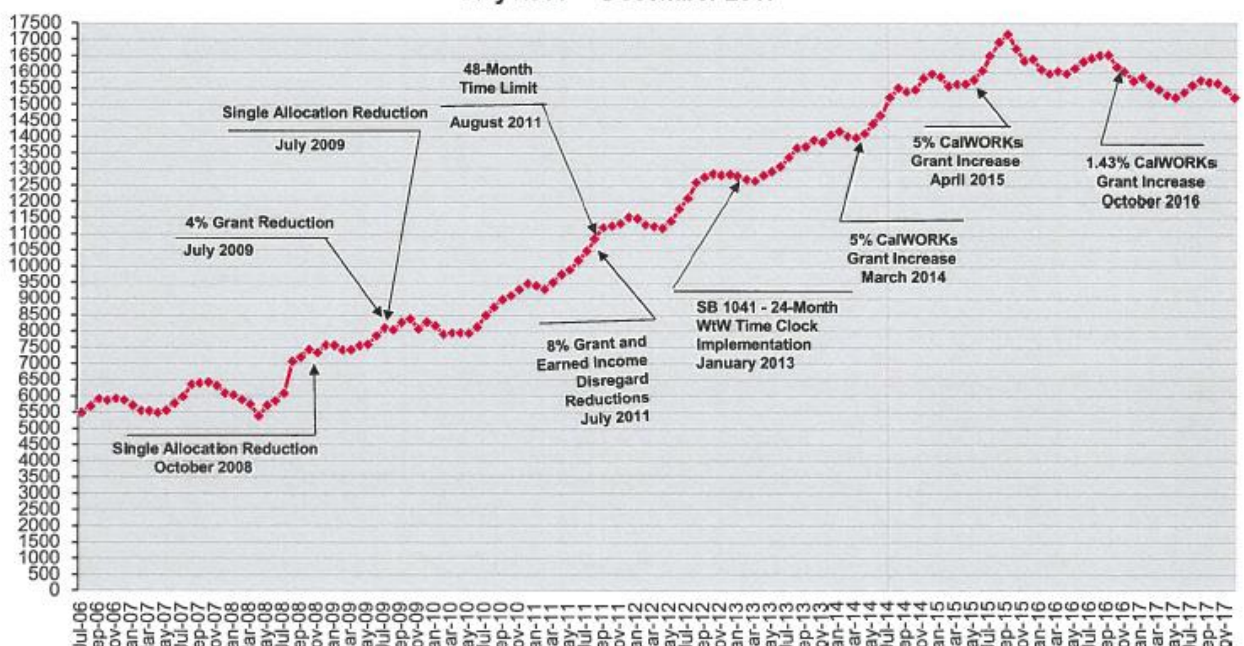
CalWORKs Caseload and CalWORKs Homeless Families Comparison Chart

Los Angeles County
July 2006 – December 2017

	CalWORKs Families	CalWORKs Homeless Families
Jul-06	152,722	5,487
December-17	134,285	15,213
% Decrease/Increase	(12%)	177%

CalWORKs Homeless Families

Los Angeles County
July 2006 – December 2017

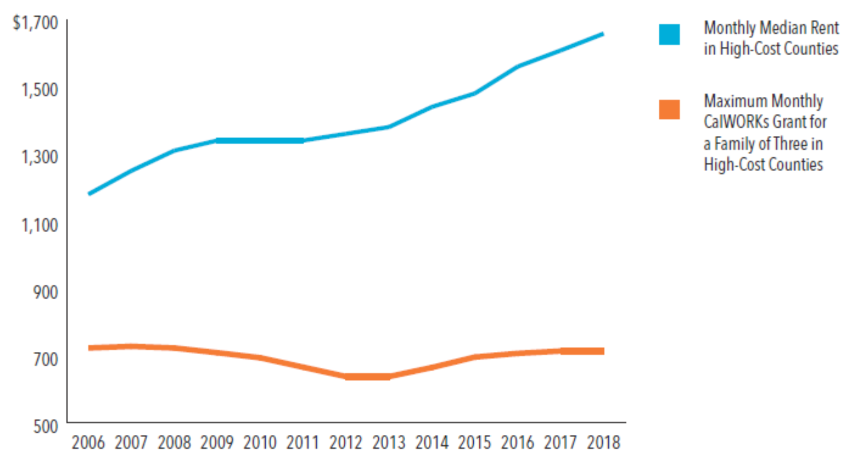


The California Budget and Policy Center compared the maximum CalWORKs grant for a family of three to the median rent for a two-bedroom apartment from 2006 to 2018 for both high-cost counties and low-cost counties. The Center finds, not surprisingly, that rents have far outpaced grants in recent years. For example, the maximum monthly grant for a family of three in a high-cost county in 2018 ($714) covers just 43% of the median monthly rent for a two-bedroom unit ($1,658). This is down from covering 61%

of the cost of rent in 2006, when the maximum monthly grant was $723 and the median rent was $1,180. Viewed another way, the maximum monthly CalWORKs grant for a parent with two children now falls $944 short of covering the monthly cost of a two-bedroom rental, more than double the gap of $457 in 2006. Even in low-cost counties, median rents have exceeded maximum grant levels in recent years, although the gap between rents and grants is somewhat narrower than in high-cost counties.

The Median Rent in High-Cost Counties Has Far Outpaced Maximum CalWORKs Grants in Recent Years

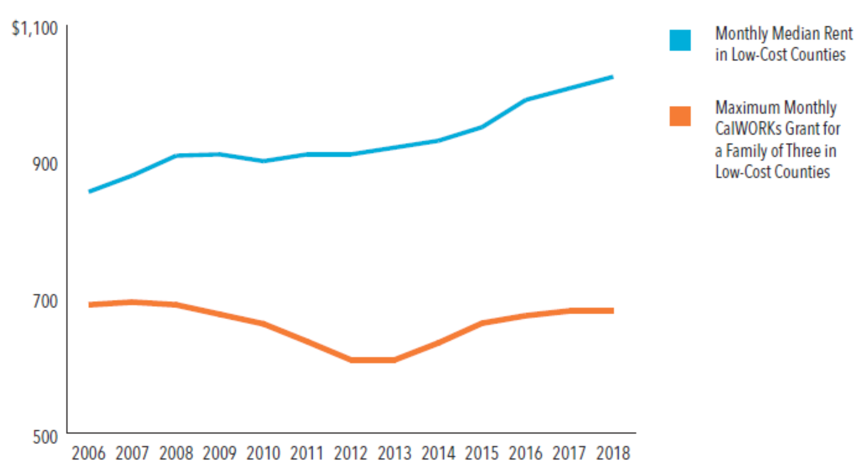
Maximum Monthly CalWORKs Grant Compared to Median Monthly Rent for a Two-Bedroom



Note: Rent reflects gross rent, which includes utilities and fuels. For 2017 and 2018, rent is estimated based on the compound annual growth rate between 2011 and 2016. The Governor's proposed budget assumes no increase to CalWORKs grants in the 2018-19 fiscal year.
Source: Department of Social Services; Budget Center analysis of US Census Bureau, American Community Survey data

The Median Rent in Low-Cost Counties Has Far Outpaced Maximum CalWORKs Grants in Recent Years

Maximum Monthly CalWORKs Grant Compared to Median Monthly Rent for a Two-Bedroom



Note: Rent reflects gross rent, which includes utilities and fuels. For 2017 and 2018, rent is estimated based on the compound annual growth rate between 2011 and 2016. The Governor's proposed budget assumes no increase to CalWORKs grants in the 2018-19 fiscal year.
Source: Department of Social Services; Budget Center analysis of US Census Bureau, American Community Survey data

STAFF COMMENT

Poverty among California's children and seniors remain critical issues for the vitality of the state's current and future condition for people. Grants for those most marginalized reliant on safety net programs remain at historic lows, providing insufficient means for families to meet the demands of daily life, most notably high housing costs. While there have been milestone investments in recent years, homelessness is increasing in California and our state continues to hold the distinction of having the highest poverty rate among all 50 states. Raising grants remains a core advocacy request among anti-poverty partners. Cost of living adjustments (COLAs), allowing for grants to retain their basic purchasing power and keep pace with inflation, for both CalWORKs and SSI/SSP remain absent since their statutory removal during the Great Recession.

Grant levels, in spite of the modest increases in recent years and the repeal of the Maximum Family Grant (MFG) policy, remain at historically low levels and don't keep pace with inflationary trends. For many families, this grant is below 50 percent of the federal poverty level, meaning that the family is by definition living in "deep poverty." Given the evidence on the long-term effects and brain damage caused by poverty for children, and the multiple barriers that many families face in poverty, the level of the grants becomes an important tool to assist with the possibility that a family can effectively break the cycle of poverty.

A COLA in the program to allow the grants to keep pace with inflation and a paced, phased-in approach to grant increases, akin to the method adopted for the minimum wage, may be a concept for the state to consider. A California Necessities Index (CNI) COLA of 4.04% in 2018-19 would result in a grant increase of $29 (from $714 to $743 per month for an assistance of unit of 3 in a high-cost county for non-exempt maximum aid payments). The half-year cost for this, assuming an effective date of January 1, 2019, would be roughly $65 million, and the full-year cost for 2019-20 would be $130 million.

In addition, Assembly Bill 1520 (Chapter 415, Statutes of 2016) directed DSS to convene The Lifting Children and Families Out of Poverty Task Force, the purpose of which is to develop recommendations to reduce child poverty rates, especially for children living in deep poverty. The Task Force will issue its final report by November 1, 2018 and is intended to be a high-level policy document to inform the next Administration and the Legislature.

Staff Recommendation:

Hold open.

ISSUE 3: CALWORKS SINGLE ALLOCATION AND RELATED ADVOCACY PROPOSALS

PANEL

- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Frank Mecca, Executive Director, County Welfare Directors Association of California
- Representative, Service Employees International Union
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

The Governor's budget provides nearly $1.7 billion in funding for the county single allocation in 2018-19. The single allocation encompasses three main categories of funding that are used to run the CalWORKs program: (1) employment training and other services intended to help participants obtain employment, (2) eligibility determination and administration of the program, and (3) Stage 1 subsidized child care available to parents who are working or participating in employment training.

As part of the annual budget process, the administration proposes statewide funding amounts for each category in the single allocation separately, based on established methodologies that adjust funding from prior years based on caseload projections, assumed costs per case, and adjustments for policy changes. After the statewide amounts are determined through the budget process, funds for each category are allocated to individual counties. Single allocation funds generally must be spent by counties within the fiscal year and unspent funds are carried forward to the following year as part of that year's overall TANF block grant funds.

Although single allocation categories are budgeted and allocated to counties separately, counties can, and do, spend their total single allocation funds flexibly across the categories. As a result, actual spending on the individual single allocation categories often differs from the amounts allocated to counties in the state budget. This flexibility allows counties to adapt to local factors that may not be well reflected in the process used to determine and allocate the statewide single allocation amount.

On the one hand, counties tend to spend less than their budgeted allocation to operate CalWORKs. On average, since 2001-02, counties have spent about $100 million (roughly 5 percent) less each year than was allocated. In some years, this amount has been higher—above $200 million—as it was in 2012-13 and 2013-14, or lower, as it was in the years before the recent recession and as it was in 2016-17, the most recent year of data. Lower spending than was allocated may result from challenges counties face in administering the program, such as difficulty ramping up staffing, services, and facilities at the pace that additional funding is provided. Counties also budget the CalWORKs program with some caution because county general fund money must be used in the event that counties spend more than their allocation.

At the same time that counties spend less than their overall budgeted allocation, counties spend beyond the amount budgeted for the eligibility administration component of the single allocation while spending less than the amount budgeted for employment services. These budget trends indicate that the single allocation may not correspond well with actual county spending on CalWORKs. Recognition of these issues led the Legislature to request, as part of the 2017-18 Budget Act, that the administration and county officials update the budgeting methodology for the single allocation.

GOVERNOR'S BUDGET PROPOSAL

The CalWORKs Single Allocation -- also referred to as the CalWORKs program administration block grant to counties -- reflects the cost to provide eligibility administration, employment services, Stage One Child Care to individuals in the CalWORKs Welfare to Work (WTW) program, and Cal-Learn Intensive Case Management. The Single Allocation total reflects a net $31.8 million decrease for 2018-19. This decrease reflects the projected caseload declines combined with increases for newly enacted legislation, including Diaper Assistance, Domestic Abuse Homeless Assistance, and Child Support. Absent the increases for legislation, the Administration states that the Single Allocation would have decreased by $54.5 million.

If enacted, this reduction would follow a $160 million reduction that happened in the 2016 Budget and a near $140 million reduction that was included, in spite of the partial restoration, in the 2017 Budget for CalWORKs local programs.

ADVOCACY PROPOSAL

The County Welfare Directors Association of California (CWDA) requests support of the CalWORKs program by restoring the $56.5 million that is proposed to be cut from the Single Allocation in 2018-19. (Staff is requesting clarification between the $54.5 million and the $56.5 million figures at the time of this writing.) CWDA states that the Administration has provided a $187 million increase for 2018-19 to the Eligibility component of the Single Allocation, which includes continuation of the $108 million augmentation provided by the Legislature in the current year plus another $79 million to fully fund current county expenditure levels for CalWORKs eligibility activities. However, this increase is more than offset by funding reductions to the Employment Services and Child Care components of the Single Allocation due to continued caseload declines.

CWDA contends that, as of the May Revision last year, the CalWORKs Single Allocation was facing the prospect of a $248 million (13.3 percent) reduction in 2017-18 compared to the prior year, due to caseload declines. A reduction of that magnitude would have had devastating effects on the CalWORKs services and administrative infrastructure. To mitigate these impacts, the Legislature restored $108 million of the proposed $248 million reduction, and directed DSS to work with CWDA to develop a new budgeting methodology for the Single Allocation. The goal was to stabilize the current service levels while a new budgeting methodology could be developed to address the dramatic funding swings that can occur each year with a caseload-driven budgeting methodology.

CWDA states that good progress has been made on the new budgeting methodology since enactment of the 2017 Budget last summer. DSS and CWDA developed an ambitious timeline for development that will have the bulk of the work done on a new methodology for the Eligibility component of the Single Allocation by this year's May Revision, with work on the Employment Services and Child Care components to immediately follow. This timeline has a logic. CalWORKs eligibility work is more easily defined and quantified, and the Eligibility component of the Single Allocation has been clearly underfunded for most of the past two decades because of the lack of any cost adjustments. In contrast, employment services are more complicated to budget. In addition to the type and amount of employment services varying by case, employment services overall are evolving with implementation of the CalWORKs Outcomes and Accountability Review (CalOAR) and CalWORKs 2.0, a CWDA-led initiative to transform CalWORKs client engagement. Completing development of the new budgeting methodology for the Eligibility component first provides the time to see what performance measures will be incorporated through the CalOAR process and for CalWORKs 2.0 practice changes to be implemented in more counties so that we can ensure the budgeting methodology appropriately incorporates those measures and practices.

The proposed $56.5 million reduction, if adopted, would be on top of the $140 million reduction to the Single Allocation that counties have already experienced in the current year and another $156 million reduction taken the year prior, resulting in a 17.4 percent reduction over the three-year period. Counties have already enacted service reductions, and have stopped hiring both welfare-to-work and eligibility staff and eliminated positions. This has led to reductions in subsidized employment programs, employment services, family stabilization services, support for the Housing Support Program, availability of supportive services, like child care, and to lengthening application processing times. With another $56.5 million reduction, counties are planning for further service and staffing reductions and are expressing serious concerns about maintaining participant engagement and their Work Participation Rates.

CWDA contends that another $56.5 million reduction to the Single Allocation in 2018-19 will leave counties woefully unprepared for the inevitable next recession. It is imprudent to erode the basic minimal infrastructure necessary to deal with what we know will be a spike in demand for CalWORKs. The Legislature and the Governor are prudently planning for that recession with the state's reserves but would almost guarantee significant disruption and delay in the core anti-child poverty safety net program when that next recession occurs. In addition to the further programmatic destabilization that a

$56.5 million cut would yield, it will also hinder counties' ability to implement the profound service reforms that are currently underway. This cut will further degrade services at the same time that the Legislature adopted CalOAR to establish and improve outcomes in the CalWORKs program.

The Service Employees International Union, Western Center on Law and Poverty and the Coalition of California Welfare Rights Organizations all write in support of the proposed restoration of the CalWORKs Single Allocation by $56 million. Consistent with earlier concerns about the declining level of state support for the CalWORKs program, continued reductions to the Single Allocation threaten to reduce the availability of services that clients need to succeed in welfare to work.

These advocates state that, in recent years, county human service departments have been required to add many service components that are putting increased demands on workers. The On-line Client Assessment Tool (OCAT), Family Stabilization, the Housing Support Program, increased eligibility for the Homeless Assistance Program, and subsidized employment have all added new work for counties. Each of these worthwhile efforts can only be successful if there is adequate staff to implement them. Increasing the funding will preserve the current level of service to clients while the Administration and the counties develop a new funding formula for the future.

STAFF COMMENT

The Administration has indicated that it will address the Single Allocation issue in the upcoming May Revision. The Subcommittee may wish to ask for a more explicit description of what this response could look like and if it will respond to the concerns raised by the counties, labor, and anti-poverty advocates.

Staff Recommendation:

Hold open.

ISSUE 4: CALWORKS HOME VISITING GOVERNOR'S PROPOSAL AND RELATED ADVOCACY PROPOSAL

PANEL

- Assemblymember Dr. Joaquin Arambula
- Faraha Nia, Nurse Family Partnership Parent Alumna, Solano County
- Angela Rothermel, Senior Policy Associate, Early Childhood, Children Now
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

The Governor's Budget proposes a new Home Visiting Initiative for CalWORKs families to begin January 2019. DSS states that this is an evidence-based, voluntary program model that pairs new, first-time parents, under the age of 25 who are pregnant or parenting a child under two years of age, with a nurse or trained professional who makes regular visits in the participant's home to provide guidance, coaching, and access to prenatal and postnatal care and other health and social services. The goals of the CalWORKs Home Visiting Initiative are to: (1) help young families reach self-sufficiency by improving family engagement practices; (2) support healthy development of young children living in poverty; and (3) prepare parents for employment. This will be discussed further under Issue 4 of this agenda.

In a full year of implementation, this initiative assumes that a monthly average of 6,522 families will be served and the families entering the program will engage for up to 24 months. The monthly cost for home visitation services is assumed to be $500 per participating case. The first-year cost in 2018-19 includes $19.6 million for conducting home visitations, $4.5 million for child care, $2.2 million for employment services, and $0.4 million for county administration. The total implementation costs for the initial year are estimated at $26.7 million and will be $52.5 million annually after the initial ramp up year.

The 2018-19 Governor's Budget also establishes a TANF reserve of $131.8 million to be used toward funding the Home Visiting Initiative through calendar year 2021. The cumulative cost of the Home Visiting Initiative is approximately $158.5 million through 2020-21. DSS will work with counties to establish outcome measures and evaluate the initiative to determine if it should be continued beyond December 31, 2021.

A display from the LAO showing the Governor's approach on the use of TANF funds and how it relates to the Home Visiting investment is included below.

Governor's Plan to Spend Freed-Up TANF Funds

TANF Funds Available Relative to Enacted 2017-18 Budget (In Millions)

New Augmentations	
Transfer to CDE for early education grants	$42
Home visiting initiative	27
Home visiting initiative reserve	132
Total	**$201**
Additional TANF Used to Offset General Fund[a]	$26
Total Freed-Up TANF Funds	**$226**

[a]Includes the net effect of the TANF transfer to California Student Aid Comission for tuition assistance, and other transfers.

Total does not add due to rounding.

TANF = Temporary Assistance for Needy Families; CDE = California Department of Education; and MOE = maintenance-of-effort.

ADVOCACY PROPOSAL

Anti-poverty and child development advocates have submitted a proposal to adopt the Governor's CalWORKs Home Visiting initiative and invest an additional $50 million per year to ensure greater availability of voluntary evidence-based home visiting services for CalWORKs families with a pregnant woman or young child. These advocates include:

- Western Center on Law and Poverty
- California Latinas for Reproductive Justice
- Black Women for Wellness and In Our Own Voice: The National Black Women's Reproductive Justice Agenda
- Center for Law and Social Policy (CLASP)
- County Welfare Directors Association of California
- Children's Defence Fund – California
- Children Now
- Nurse-Family Partnership National Service Office

They state, "Our organizations are leaders in the fight against child poverty in California. We are writing to urge you to adopt the Governor's proposal to establish a voluntary evidence-based early home visiting program for first-time, young pregnant women and parents served in the [CalWORKs] Program… [We] ask that you allocate an additional

$50 million to extend and enhance the reach of these services – proven to positively impact family well-being, health and economic self-sufficiency – to additional families in which parents are older than 25 and/or in which there is a child under age two, even if that child has older siblings.

We further request changes to the proposed process of enrolling families in the Home Visiting Initiative. The current proposal essentially only allows for one cohort of parents to join the Home Visiting Initiative by proposing a limited eligibility window that closes shortly after the program is initially implemented. We believe the initiative should have open and continuous enrollment for eligible parents or caregivers so that parents who find out too late or who become pregnant after the window closes will not unnecessarily miss out on this valuable support. As such, voluntary evidence-based home visiting should be a permanent feature of the CalWORKs program, and should not be limited to first-time moms or caregivers under the age of 25 or those who happen to be eligible during the enrollment window.

In order to build upon the Governor's Budget proposal, we believe that additional enhancements are needed to be incorporated into the program. Specifically, there should be an allowance for initial one-time costs related to the expansion of local, evidence-based home visiting programs. This includes resources for costs such as training new home visitor staff, program materials, and equipment. Another enhancement needed is a one-time allowance of $500 per participant in the form of "New Parent Support" for the purpose of assisting families with one-time costs such as cribs, car seats, and childproofing supplies for the home.

We would highlight that [DSS] should build in reasonable time for counties to ramp up their programs. In fact, DSS has successfully executed similar programs using this approach to implementation, such as family stabilization or the housing support program. Depending on the magnitude of the overall program expansion, this time period may need to be up to one year. However, to do this as expeditiously as possible, the Department should prioritize expansion of home visiting program models that meet U.S. Department of Health and Human Services evidence-based criteria under the Maternal, Infant, Early Childhood Home Visiting statute. Due to locally specific capacity variances, the Home Visiting Initiative should state preference for expansion of existing locally located evidence-based home visiting programs but also allow for initiation of new sites in counties where locally located evidence-based home visiting programs are not already in place or otherwise infeasible for expansion."

These advocates emphasize that voluntary, evidence-based home visiting program models, such as Early Head Start Home-Based Option, Healthy Families America, Nurse-Family Partnership, and Parents as Teachers, have a robust, proven evidence base. These models are backed by decades of research demonstrating effectiveness at promoting children's health and development and fostering positive parenting skills. Research also indicates that the success of home visiting programs relies on implementation support practices including: workforce development and training for home visiting staff, continuous quality assurance evaluation processes, partnerships with entities that can aid in problem solving, and strong leadership to guide each step of implementation. They contend that these components are necessary in the current proposal, and when implemented with fidelity to their model standards, these programs can prevent children's involvement with social welfare, mental health, and juvenile corrections systems, which in turn has the potential to result in considerable cost savings for states.

The advocates underscore that research shows that voluntary home visiting programs help us to support families with infants and toddlers to get the best start while also meeting the goals of the federal TANF block grant and the CalWORKs program. Below are the positive effects detailed by the Center for Law and Social Policy and the Center on Budget and Policy Priorities in a brief on the topic:

- Home visiting programs effectively support healthy child development, beginning in the prenatal period. Pregnant women who receive home visiting have better birth outcomes, and home visiting programs have a positive impact on breast feeding, immunization rates, infant hospitalizations, and maternal depression and stress.

- Home visiting programs increase children's school readiness. Studies of various home visiting programs have shown positive impacts on children's cognitive development and behavior, higher grade point averages and achievement scores at age nine, and higher high school graduation rates from high school.

- Home visiting programs enhance parenting skills. Research shows that home visiting programs help parents increase positive parenting actions and reduce negative ones, have more responsive interactions, create more developmentally stimulating home environments, engage in activities that promote early language and literacy, and know more about child development.

- Home visiting programs can improve family economic self-sufficiency. By helping parents enroll in educational and training programs and pursue employment, home visiting programs can help counteract the negative consequences of economic insecurity. Studies have found that compared with a control group, more parents participating in home visiting programs work, are enrolled in education or training, and have higher monthly incomes.

STAFF COMMENT

The adoption of a Home Visiting Initiative in the Governor's proposal is being hailed as a welcome program facet that is evidence-based and trauma-informed. The outcomes for similar programs have shown to have long-term, positive effects for young children and their parents. The Assembly may wish to consider how to expand on the Governor's approach per the recommendation of advocates, which could mean allowing more families to participate (e.g. those with multiple children, not limiting the benefit to the first-born child), providing additional supports for what a home visitor might see as an immediate need for the family (e.g. such as the purchase of a crib, car seat, or modest microwave), and making the program a permanent part of the CalWORKs program.

Staff Recommendation:

Hold open.

ISSUE 5: CALWORKS HOMELESS ASSISTANCE AND HOUSING SUPPORT PROGRAMS AND RELATED ADVOCACY PROPOSALS

PANEL

- Assemblymember Miguel Santiago
- Will Lightbourne, Director, Ali Sutton, Housing, Homelessness and Civil Rights Branch Chief, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

CalWORKs Homeless Assistance Program (HAP). The CalWORKs Homeless Assistance Program (HAP) was established to help CalWORKs families meet the reasonable costs of securing housing. Homeless Assistance (HA) includes temporary HA, which helps families pay the costs of temporary shelter, and permanent HA, which helps families secure housing or prevent eviction. Homeless CalWORKs families may receive either temporary or permanent HA, or both. As of January 1, 2017, HA is available once every 12 months; previously, HA was a once-in-a-lifetime benefit.

Temporary HA provides a payment of $65 per day for a family of four or fewer, and an additional $15 for each additional family member, not to exceed $125 per day. Temporary HA is provided for up to 16 consecutive calendar days. While receiving temporary HA, the family must provide proof that they are actively searching for permanent housing. Following the 16-day period, even if the family did not receive all 16 days, the temporary shelter benefit is considered exhausted. In 2016-17, the expenditure for these services was $36.8 million and aided 46,073 families.

Permanent HA helps families secure housing by providing security deposit costs, including last month's rent, or helps families maintain housing by providing up to two months of rent arrearages. A permanent HA payment may not exceed two times the total rent amount and the monthly rent cannot exceed 80 percent of the total monthly household income. In 2016-17, the expenditure for these services was $6.5 million and aided 4,445 families.

If the family meets the criteria for an exception, a family may receive a second HA payment within a 12-month period. Exceptions to HA include cases of domestic violence, medically verified physical or mental illness (excluding substance abuse), or a fire or other natural catastrophe beyond the family's control. Cases based on an exception are limited to one payment of temporary, permanent, or both in a 12-month period.

CalWORKs Housing Support Program (HSP). In 2014, SB 855 created the CalWORKs Housing Support Program (HSP) to assist homeless CalWORKs recipients secure permanent housing and reach self-sufficiency. In 2014-15, $20 million was allocated for the program; the allocation increased to $35 million in 2015-16 and to $47 million in 2016-17 and 2017-18. Since it began, the program has expanded to 49 counties and it has housed 8,364 families.

Counties were given the flexibility to design their own program, based on the needs of the community. County HSP plans differ in eligibility requirements, services offered, and the duration of a family's eligibility. Housing subsidies may range from a month to several months, depending on the individual needs of the family. In following core components of a Rapid Re-Housing program, HSP offers financial assistance and several wrap-around supportive services, including:

- Financial assistance
- Rental assistance
- Security deposits
- Utility payments
- Moving costs
- Motel and hotel vouchers
- Housing stabilization and relocation
- Landlord recruitment
- Case management
- Housing outreach and placement
- Legal services
- Credit repair

Counties are required to use evidence-based models, such as Rapid Rehousing, to assist families in quickly obtaining permanent housing by offering financial assistance and wrap-around services to foster housing retention. As of July 2019 counties will be required to follow a Housing First model, in which people experiencing homelessness are connected to permanent housing swiftly and with few to no treatment preconditions, behavioral contingencies, or other barriers. DSS requires programs to collaborate with local homelessness Continuums of Care to meet the needs of the local community.

GOVERNOR'S BUDGET PROPOSAL

No changes are included as part of the Governor's proposal for the HAP or HSP programs.

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from Assemblymember Miguel Santiago and Assemblymember Brian Maienschein for the HAP program, to increase the voucher amount and eliminate the "consecutive day" requirement. The proposal is included on the following page.

We, Assemblymember Santiago and Assemblymember Maienschein, in a joint effort with the County Welfare Directors Association of California, the Coalition of California Welfare Rights Organizations, and Western Center on Law and Poverty, respectfully request an increase of the benefit pay for temporary shelter to $85 per day for a CalWORKs family of up to four and include an annual cost-of-living increase. For additional family members, we request the $15 per day remain the same as long as the total daily benefit does not exceed $145. We also request to eliminate the requirement that the benefit be used within 16 consecutive days.

The CalWORKs Homeless Assistance Program (HAP) provides temporary assistance to families who are eligible for CalWORKs. Specifically, HAP provides payments for a hotel/motel for homeless families for up to 16 consecutive days. California took a step forward in 2016 when it approved a change in CalWORKs HAP to lift the once-in-a-lifetime restriction on temporary housing benefits, making this assistance available once every twelve months. Although this was an improvement, there is still work to be done to ensure our state is adequately helping homeless families.

The current statutory benefit rate is $65 for a family of four, with an additional $15 per day for each additional family member up to a maximum of $125 daily. Increasing the benefit rate to $85 with a COLA would amount to a $5 increase per person. The daily rate was increased over ten years ago from $30 (1987) to $40 (1999) to $65 (2006). Because the average hotel/motel rate has increased every year, today $65 is not enough to meet the actual cost for staying at a safe, well-kept hotel/motel room. This is especially evident in metropolitan communities, such as those we represent in Los Angeles and San Diego. In fact, according to the Federal CPI Inflation Calculator, $65 dollars in 2006 has the same buying power as $78 in 2017.

We represent communities with high populations of homeless families and children and we are concerned that the current benefit rate is not sufficient. Thus, we are joining efforts across party lines to ensure California's CalWORKs families have dignified and affordable shelter.

Staff Recommendation:

Hold open.

ISSUE 6: CALWORKS SUPPORTIVE SERVICES ADVOCACY PROPOSALS

PANEL

- Kevin Aslanian, Coalition of California Welfare Rights Organizations
- Mike Herald, Western Center on Law and Poverty
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

Background information on the CalWORKs program and supportive services is included under Issue 1 of this agenda.

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposals regarding CalWORKs supportive services from the Western Center on Law and Poverty (WCLP) and the Coalition of California Welfare Rights Organizations (CCWRO).

1. Restore CalWORKs 60 Month Clock

In the 2012 Budget, the Legislature and the Governor reduced the maximum time on aid from 60 months to 48 months. WCLP and CCWRO state that California is now aligned with policies adopted by a minority of states that do not allow TANF recipients the federal maximum of 60 months on aid.

These advocates contend that at the time of change, the state was running a multi-billion deficit and the Governor was intent on showing that all aspects of state government were being reduced to manage the problem. As a policy matter this change was not grounded in research or evidence that recipients could successfully transition from assistance to self-sufficiency in fewer than 60 months. In practice, what it has meant, they argue, is that recipients in education programs in particular are being steered into programs that take less than 48 months to complete, even if this is not the first or second choice of the recipient, or their 48 month clocks are ending before they receive their degree.

WCLP and CCWRO are requesting that the Legislature restore the CalWORKs time limit to the full 60 months. With the caseload at a historically low point the budget impact will be minor, but the impact on families striving to get through their CalWORKs program will be enormous.

2. **Request for Trailer Bill Language for WtW Self-Initiated Program (SIP) Students and Counting of Study Time**

WCLP and CCWRO state that current DSS policy on counting of study time hours for students is inconsistent in that it precludes recipients in self-initiated programs (SIPs) from counting their hours. When students don't have enough hours to meet the 20 or 30 hour requirement they are compelled to do additional activities to avoid a sanction.

WCLP and CCWRO are proposing that the Legislature amend the Welfare and Institutions code as follows to clarify that all students can count their study time hours towards their work requirement:

> "11325.23 (a)(3)(C) If participation in educational or vocational training, as determined by the number of hours required for classroom, laboratory, ***study time provided for by educational or training institution,*** or internship activities, is not at least 30 hours, or if subparagraph (B) of paragraph (1) of subdivision (a) of Section 11322.8 applies, 20 hours, the county shall require concurrent participation in work activities pursuant to subdivisions (a) to (j), inclusive, of Section 11322.6 and Section 11325.22."

Staff Recommendation:

Hold open.

ISSUE 7: CALWORKS SFIS REPEAL AND NEXT STEPS

PANEL

- Will Lightbourne, Director, and Todd Bland, Deputy Director - Family Engagement and Empowerment Division, Department of Social Services
- Mike Herald, Western Center on Law and Poverty
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

As part of the 2017 Budget, the Governor and Legislature agreed to discontinue the use of the Statewide Fingerprint Imaging System (SFIS) for CalWORKs. The stated purpose of the system, which originally required that recipients in CalWORKs and CalFresh provide their fingerprints to receive benefits, had been to prevent duplicate aid in the programs. Multiple reports from the Bureau of State Audits (BSA) over the years disproved this purported purpose and emphasized that the cost of the system, over $12 million annually in total funds, far outweighed any benefit it might have provided to program integrity. This was evident particularly when contextualized by the program components that already are in place to verify identity and validate a client's information, compounded by personalized program rules that make it difficult to successfully commit duplicate aid in multiple counties. The repeal for CalFresh was executed previously, through signed legislation in 2011 (Asm. Fuentes, AB 6, Chapter 501, Statutes of 2011), and was adopted for CalWORKs in budget-related legislation last year.

As part of the repeal, it was agreed that a stakeholder process would be convened to consider possible automated, non-biometric identity verification methods that might take the place of SFIS, if these were to meet certain continuing conditions, outlined in Welfare and Institutions Code Section 10831. DSS was required to consider how any new methods of identify verification would impact applicant or recipient experiences and make application and eligibility practices more efficient.

DSS issued a report, meeting the statutory deadline of November 1, 2017, and recommended an option that included the use of "Knowledge Based Authentification (KBA)" to verify identify for applicants applying remotely, utilizing $8 million General Fund for these purposes. Recently, in mid-March 2018, the Administration withdrew its KBA option and instead has indicated that it wishes to pursue an approach that would require a CalWORKs applicant applying remotely to come into the office to verify identify before issuing benefits.

The ability to apply remotely has been enabled through the signing of SB 947 (Senator Pan, Chapter 798, Statutes of 2016), which allows for a county to allow applicants for CalWORKs and CalFresh to apply remotely and opt out of the requirement for an in-office visit, also called the “face to face interview.” Specifically, the new law authorizes the county human services agency to conduct this personal interview telephonically or through electronic means. There currently is no different or new requirement for CalWORKs implied in this new statute that would distinguish enrollment processes or requirements from those in the CalFresh program.

In addition, the Administration has embarked on a venture called the Application Hub, which Sub. 1 will hear about at its April 25, 2018 hearing. The Hub is a new topic for the Legislature, but has been underway within the Administration as a planning effort for over a year. DSS states that it is exploring electronic options to streamline and modernize the processes for obtaining required verifications for CalFresh and CalWORKs eligibility. "The goal is to make the verification process fast, accurate, and efficient for both clients and program staff." To this end, DSS has awarded a contract to Social Interest Solutions (SIS) to assist in analyzing the current environment of eligibility verifications for CalWORKs and CalFresh, engage stakeholders, perform an alternative analysis of electronic verification systems being used in California and other states, and outline recommendations for moving forward in the short and long term.

FEEDBACK FROM ADVOCATES

In the discussions and written feedback from several anti-poverty and immigrant rights advocates received after the Administration's November 2017 report was issued, it was clear that a CalFresh-like approach for CalWORKs identify verification was the preferred method, with as much simplicity and parity in program access fostered as possible to assure that those in need from vulnerable, underserved communities can access the benefits for themselves and their children.

In addition, the Subcommittee is in receipt of more recent feedback from the Western Center on Law and Poverty (WCLP) and the Coalition of California Welfare Rights Organizations (CCWRO). WCLP and CCWRO reiterate rejection of a KBA option, call for improvements in the eligibility and enrollment process, and encourage focus on the Application Hub Project as a method to bring multiple data sources and technologies together to make eligibility determination and access to benefits quicker and more accurate.

COUNTIES’ FILE CLEARANCE PROCESS

For background purposes, below is description of the current "file clearance process" that counties use to verify identify and validate information about clients and families. Counties currently conduct “file clearance” and check a variety of electronic verification sources.

What is a file clearance? A "file clearance" is performed whenever an application is received for a public assistance program including Medi-Cal, CalWORKs, and CalFresh, prior to that application being processed for an eligibility determination.

Why is a file clearance performed? The purpose of a file clearance is to ensure that none of the people on the application are already active in a case to avoid opening duplicate cases and/or identifying potentially fraudulent activity. The file clearance also allows the identification of past benefit receipt to check information being provided and avoid creating duplicate records for the same person.

What data are checked? County staff run the file clearance electronically against several databases:

- MEDS – The database maintained by the Department of Health Care Services (DHCS).
- CalHEERS – If an application is for Medi-Cal, it is also checked through the CalHEERS system operated by DHCS and Covered California.
- SCI – Statewide Client Index, the database that produces Client Identification Numbers.
- SAWS – Their SAWS system.

What pieces of information are matched? The file clearance process uses several pieces of data – it does not rely solely on the Social Security number.

- MEDS – The data are on six different screens in the MEDS system and include case name, SSN, Client Identification Number, receipt of special programs such as categorical Medi-Cal through Foster Care or Adoption Assistance, and Case Serial Number. The county File Clearance procedures also include a specific review of any CalFresh information contained in MEDS.
- CalHEERS – Medi-Cal applications are checked through CalHEERS to determine if there's an existing active or prior record for MAGI Medi-Cal and/or Advanced Premium Tax Credits.
- SCI – Client Information Number and SSN are the two primary data elements used. The SCI clearance is done after the MEDS clearance.
- SAWS –The clearance in SAWS is the final step in the file clearance process. A case can contain only one cash program and one CalFresh program, cannot have more than one Assistance Unit of a specific program type, and cannot have more than one active program of the same type. These rules further assist in detecting and deterring duplicate aid fraud.

What electronic verifications are checked? Data for each applicant is also checked through various electronic matches, including Applicant Income and Eligibility Verification System (IEVS), which checks for data against Employment Development Department (wages and unemployment or disability benefits), Social Security (Social Security benefits and Supplement Security Income), Immigration and Naturalization Services (lawful status for non-citizens), and Franchise Tax Board (interest and dividends). For MAGI Medi-Cal, data is also verified against the federal hub, which validates income based on federal tax information, citizenship status, and Social Security Numbers.

How do CalWORKs, CalFresh, and Medi-Cal verify enrollees' identities?

	CalWORKs	CalFresh	Medi-Cal
Requirements for proof of applicant's identity	Acceptable documents include, but aren't limited to: a driver's license or identification card a government issued photo ID a passport USCIS (INS) documents (CW 2200)	Acceptable documents include but aren't limited to: a Social Security card or other document containing the Social Security number a driver's license, a work or school ID, an ID for health benefits or for another assistance program, a voter registration card, wage stubs, or a birth certificate (MPP 63-300.5(e)(3))	At the federal level, P.L. 109-171, the Deficit Reduction Act of 2005, instituted specific requirements for proof of identity and citizenship (listing attached)

How do the programs ensure that enrollees are properly enrolled? A variety of eligibility factors are considered for each program, as applicable to the applicants' circumstances. These are generally summarized on the relevant application forms.

	CalWORKs	CalFresh	Medi-Cal
Application Form(s)	SAWS 2 PLUS (note: allows for one application form for CalWORKs, CalFresh, and/or Medi-Cal)	CF 285 or SAWS 2 PLUS	Single Streamlined Application or SAWS 2 PLUS

While this is not an exhaustive list -- additional verifications may be required for unusual circumstances, such as someone who has a trust) -- in general, the following verifications are required, as indicated on the application forms.

Verification of:	CalWORKs	CalFresh	Medi-Cal
Identity	Identification (Driver's License, State ID card, passport)	Identification (Driver's License, State ID card, passport)	Proof of identity per DRA requirements and/or as verified by electronic sources
Relationship	Birth certificates for everyone applying for cash aid	CalFresh defines households as those people who purchase and prepare food together; individuals are not required to be related.	Self-attestation

Verification of:	CalWORKs	CalFresh	Medi-Cal
Residency	Proof of where you live (rental agreement, current bill with your address listed)	Where you live (a rental agreement, current bill with your address listed)	Self-attestation
Social Security Number	Social Security numbers for everyone applying for aid (see note below about certain noncitizens)	Social Security Numbers (see note below about certain noncitizens)	You must provide a Social Security number (SSN) if you have one and wish to apply for health insurance. We use Social Security numbers (SSNs) to check income and other information.
Resources	Money in the bank for all the people in your household (recent bank statements)	Money in the bank for all the people in your household (recent bank statements)	Not an eligibility factor for MAGI; proof is required for Non-MAGI programs
Earnings	Earned income of everyone in your household for the past 30 days (recent pay stubs, a work statement from an employer). NOTE: If self-employed, income and expenses or tax records.	Earned income of everyone in your household for the past 30 days (recent pay stubs, a work statement from an employer). NOTE: If self-employed, income and expense or tax records.	Proof of income, or as verified by electronic sources
Unearned Income	Unearned income (Unemployment benefits, SSI, Social Security, Veteran's benefits, child support, worker's compensation, school grants or loans, rental income, etc.)	Unearned income (Unemployment benefits, SSI, Social Security, Veteran's benefits, child support, worker's compensation, school grants or loans, rental income, etc.)	Proof of unearned income, or as verified by electronic sources

Verification of:	CalWORKs	CalFresh	Medi-Cal
Immigration Status	Lawful immigration status ONLY for legal noncitizens applying for benefits (an Alien Registration Card, visa) NOTE: Certain noncitizens applying for immigration status based on domestic violence, crime prosecution or trafficking may not need this proof. They also may not need a Social Security Number.	Lawful immigration status ONLY for noncitizens applying for benefits (an Alien Registration Card, visa) NOTE: Certain noncitizens applying for immigration status based on domestic violence, crime prosecution or trafficking may not need this proof. They also may not need a Social Security Number	Proof of Satisfactory Immigration Status per SIS requirements and/or as verified by electronic sources
Immunizations	Proof of immunizations for children six years of age or younger	Not required	Not required
Property	Vehicle registration for vehicles owned by you or someone you are applying for	Not required	Not an eligibility factor for MAGI; proof is required for Non-MAGI programs

STAFF COMMENT

The possible policy directive that the Administration is considering would redefine the parameters of SB 947, preempt work being contemplated in the Application Hub project, and create a new bifurcation that would distinguish enrollment between CalWORKs and CalFresh, the state's two primary poverty-fighting programs.

The Subcommittee may wish to respond to the current conversation about identify verification in two ways:

1. Require codification of the file clearance process for CalWORKs. Currently, the file clearance process and related documentation as outlined in this agenda are not captured in state law. Staff could be directed to draft language to be considered as part of the 2018 Budget that would do this and satisfy WIC 10831.

2. Request assistance from the LAO in drafting Supplemental Report Language that could be adopted related to the MEDS Modernization Project, asking for this project to consider a MEDS improvement that could further the real-time verification methods that would enhance eligibility and create more efficiencies across all major programs reliant on MEDS, including CalWORKs.

These two actions would negate the need for and replace the possible All County Letter directive regarding remote access for CalWORKs applicants that would be better contemplated in the ensuing Application Hub conversation.

Staff Recommendation:

Hold open.

ISSUE 8: CALWORKS DIAPER BENEFIT PROPOSAL

PANEL

- Assemblymember Lorena Gonzalez Fletcher
- Jessica Bartholow, Western Center on Law and Poverty
- Will Lightbourne, Director, and Kim Johnson, CalWORKs and Child Care Branch Chief, Family Engagement and Empowerment Division, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

Beginning April 1, 2018, diaper benefits will be included as a welfare to work (WTW) supportive service in accordance with AB 480 (Asm. Gonzalez Fletcher, Chapter 690, Statutes of 2017). Under the new law, any WTW participant who is participating in an approved WTW plan will be eligible. The benefit will be issued monthly, for $30, to assist with diaper costs for each child who is under 36 months of age.

Program components not covered in the chaptered bill, and what the proposal from Asm. Gonzalez Fletcher responds to be in part, are:

1. Distribution of diapers outside of the county offices (free distribution without a receipt and from a venue like a family resource center or other non-profit service providers).

2. Availability of diapers for those not in WTW, e.g. sanctioned and exempt participants, timed off adults with young children, and others in the child-only caseload. This is a significant portion of the caseload, though it is unclear how the distribution of parents with young children who might be eligible falls among these groups.

3. Provision of diapers for children over the age of 36 months. An expanded benefit could serve children older than 36 months without an upper age limit.

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from Assemblymember Lorena Gonzalez Fletcher:

I am writing to respectfully request the Assembly Budget Subcommittee on Health and Human Services to allocate $10 million to the Department of Social Services to contract with "diaper banks", or non-profit charitable organizations that collect and purchase diapers for the purpose of regularly distributing those diapers directly to low-income individuals free of charge, for the establishment of a Community Diaper Grant Program Fund. The Department would review proposals to issue grants for purposes such as: the direct collection and distribution of diapers; warehousing, shelving, and storage costs; collection bins; volunteer training; outreach programs such as mobile diaper banks, partnerships with centers serving low-income families; fundraising assistance; and the establishment of new diaper banks, pantries, or programs.

Insufficient supply of clean diapers, referred to as "diaper need," is experienced by one in three families nationwide. It is well documented that an insufficient supply of diapers puts parents in the position of changing diapers less often than needed. This can cause painful rashes and infections. Over 42,000 cases of diaper dermatitis, urinary tract infection, and the related bacterial infection candidiasis were seen throughout California in 2015. More than 75 percent of these medical visits took place in an emergency room. These preventable and stressful ailments cause additional expenses for families and the health care system, including Medi-Cal. Incidences of diaper rash decline 33 percent among children whose families received supplies of clean diapers and babies experienced 77 percent fewer days of diaper rash, while millions of dollars in medical costs are avoided.

Diaper need also creates a barrier between parents and gainful employment. Childcare providers often require a full day's supply of diapers from the parent. More than half (56%) of parents using child care to go to work have missed work because of an inadequate supply of diapers. Parents unable to access child care because of a lack of diapers missed work or school on average 4 days per month. To help families become financially self-sufficient, it is in our best interest to help parents avoid barriers to continued employment such as diaper need.

Community-based, not-for-profit organizations in California working to address diaper need provide a critical safety-net for low-income families. Assistance in accessing clean diapers allows parents to pursue and maintain employment and ensure the health and well-being of their children.

Other states across the nation have continued to make diaper assistance increasingly accessible to low-income families and found that their investment not only advanced families towards self-sufficiency, but also proved cost-efficient for the state. In Connecticut, every $10,000 of assistance from a diaper bank resulted in the total personal income of all diaper recipients in 2016 to have increased approximately by $114,000. Additionally, personal income taxes accruing to the State that year increased $3,700 in 2016 and state sales tax collected from 2016 diaper recipients combined increased by $2.7 million in 2016.

Ensuring that California's existing community-based organizations that currently collect and distribute diapers to low-income families have the appropriate funding necessary to maintain their program infrastructure and meet the need of their communities is a critical investment in our state's greater effort to alleviate poverty and advance families towards self-sufficiency.

For these reasons, we respectfully request the prioritization of this modest funding amount in the 2018-19 State Budget.

Staff Recommendation:

Hold open.

ISSUE 9: CALFRESH - PROGRAM AND BUDGET REVIEW

PANEL

- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in CalFresh not otherwise listed please as a separate "Issue" in this agenda)

BACKGROUND

The following background on CalFresh has been provided by the California Budget and Policy Center. The Supplemental Nutrition Assistance Program (SNAP) is the country's largest anti-hunger program. SNAP benefits are 100% federally funded and help families and individuals put food on the table by paying for a minimally adequate diet. Research shows that SNAP yields important long-term benefits in terms of participants' economic self-sufficiency, health, and educational attainment, especially for children.

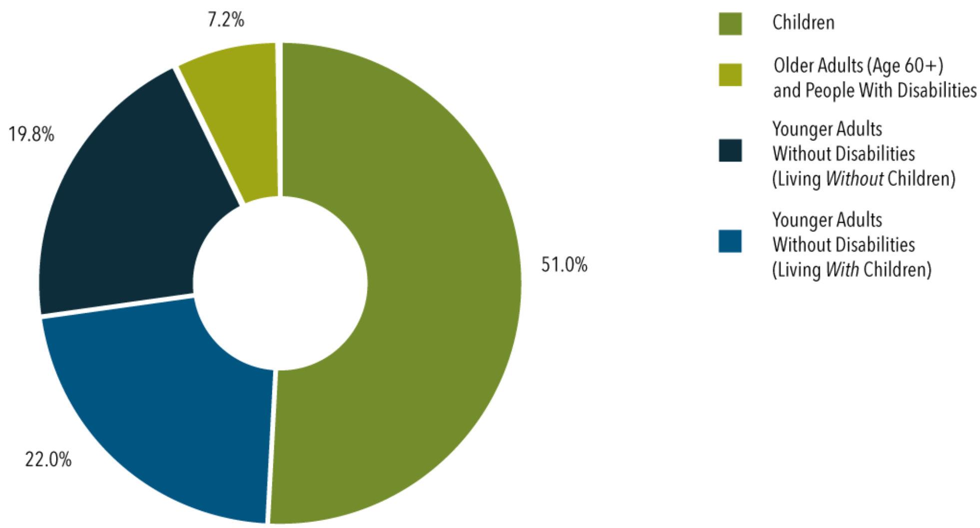
In California, SNAP, known as CalFresh, serves a particularly vulnerable population. On average, almost 4.3 million Californians received CalFresh each month during the 2016 federal fiscal year. Over half of these participants were children, and another 7.2% were either people with disabilities or adults age 60 or older. Of younger adults without disabilities who receive CalFresh benefits, more than half lived with children.

By increasing purchasing power for millions of Californians, CalFresh plays a crucial role in fighting poverty. With an average CalFresh household living on a gross income of $707 a month, the $281 average monthly benefit boosted their resources by 40%. Without CalFresh food assistance, 22.7% of Californians would have lived in poverty and 7.0% would have lived in deep poverty in 2013-2015.[5] However, because of CalFresh, the poverty and deep poverty rates are actually 20.4% and 5.8%, respectively.

Despite being one of the most effective anti-poverty programs, SNAP faces growing threats from federal policymakers. On February 12, the Trump Administration released the President's budget for the 2019 federal fiscal year, which proposes slashing SNAP funding by over $213 billion (nearly 30%) over 10 years, including by narrowing eligibility and cutting benefits. These changes would harm those who rely on food assistance, including the growing population of older Californians who already struggle to put food on the table.[8] Instead of targeting SNAP benefits, policymakers should focus on strengthening its ability to reduce hunger, ease hardship, and improve child well-being.

Almost 60% of CalFresh Participants Are Children, Older Adults, or People With Disabilities

Average Monthly Number of CalFresh Participants in Federal Fiscal Year 2016 = 4,261,000

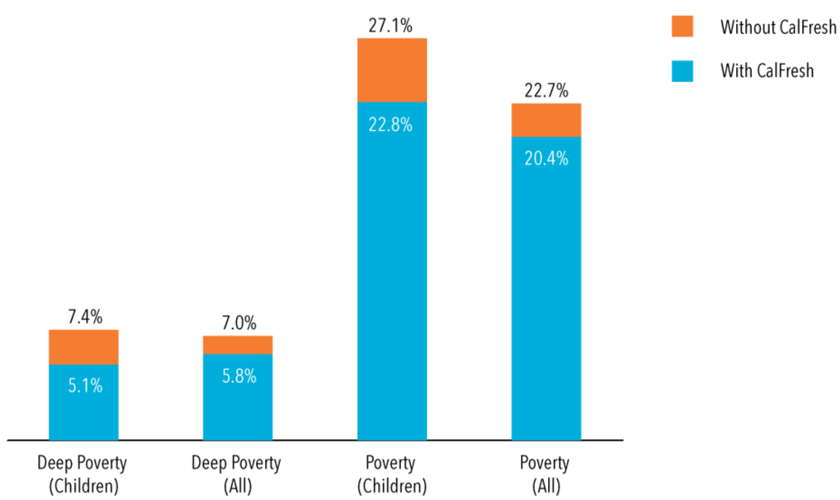


Note: CalFresh is California's version of the federal Supplemental Nutrition Assistance Program.
Source: Center on Budget and Policy Priorities and US Department of Agriculture

California Budget & Policy Center
Independent Analysis. Shared Prosperity.

CalFresh Food Assistance Reduces Poverty and Deep Poverty Among Children and All Californians

Poverty and Deep-Poverty Rates for Children and All Californians, 2013-2015



Note: CalFresh is California's version of the federal Supplemental Nutrition Assistance Program. "Deep poverty" is defined as having net resources below 50% of the California Poverty Measure poverty threshold and "poverty," below 100% of the threshold.
Source: Budget Center analysis of data from the Public Policy Institute of California and the Stanford Center on Poverty and Inequality

California Budget & Policy Center
Independent Analysis. Shared Prosperity.

GOVERNOR'S BUDGET PROPOSAL

Major Provisions in CalFresh and Other Food Assistance in the Governor's proposed budget are as follows:

- **Caseload Changes.** The total CalFresh program is projected to serve an average of 1.93 million total households (public assistance and non-assistance households combined) in 2017-18 and 1.87 million in 2018-19. The non-assistance CalFresh caseload represents 88.0 percent of the total caseload and is projected to decrease 3.3 percent in 2017-18, a steeper decline than previously projected. In 2018-19, the caseload is projected to decline by another 3.7 percent.

- **Able-Bodied Adult Without Dependents (ABAWDs).** The statewide federal time limit waiver for Able-Bodied Adult Without Dependents (ABAWD) expires on August 31, 2018 for California. With the expiration of the waiver, DSS anticipates that a significant number of non-assistance CalFresh recipients will be required to fulfill federally mandated ABAWD work requirements as a condition of CalFresh eligibility. DSS recently requested another federal waiver for 55 counties. Since a federal response is pending, these estimates will be updated during the May Revision. The 2018-19 Governor's Budget assumes that 60 percent of the State will lose the ABAWD waiver and therefore will be subject to work requirements. The 2018-19 budget includes $11.9 million total funds ($5.9 million GF) for administrative activity and costs associated with increasing engagement in work opportunities.

  The waiver is to a federal rule that places a three-month time limit on CalFresh benefits in any 36-month period, unless the adult is working 20 hours per week or meeting the criteria for an exemption. Without the waiver, the challenge will be for counties to be able to identify individuals who meet the criteria for an exemption and for the program to develop the employment and training components that will help more of these adults meet the more stern requirements in order to avoid catastrophic hunger consequences for this already destitute population. The statewide ABAWD caseload is projected to be approximately 419,000 in 2018-19.

  Under SNAP regulations, a state qualifies for a 12-month statewide waiver of the time limit if the Department of Labor (DOL) data shows that there are insufficient jobs. Using this federal criterion, the United States Department of Agriculture (USDA) has waived California's ABAWD time limit through September, 2018. After that, the state loses its statewide waiver. Existing state law requires the state to seek a federal waiver for all counties eligible for a waiver due to job surplus. DSS has done that for all regions that qualify (Santa Clara, San Mateo and San Francisco Counties do not) and their waiver request is currently pending. The President and Congressional leadership have proposed changing the law to make getting a regional waiver more difficult.

- **CalFood, Emergency Food at Food Banks and Pantries.** The 2018-19 Governor's Budget continues $8.0 million GF in funding for 2017-18 and 2018-19 for the CalFood program, which provides emergency food and funding to food banks that help support hungry people in California. These funds may be used to purchase, store, or transport food that is grown or produced in California and will be disbursed only to food banks that are Eligible Recipient Agencies with a current Memorandum of Understanding with DSS.

- **CalFresh Employment and Training (E&T) Program.** In September 2017, the United States Department of Agriculture Food and Nutrition Service awarded the CalFresh Employment and Training (E&T) Program a $1.0 million data and technical assistance grant. The grant will be used towards the development of an E&T statewide workforce online resource center that will offer E&T service providers a centralized, web-based location for data collection, enrollment verification, and other key program functions. The development of this project is expected to begin in late 2017-18.

STAFF COMMENT

CalFresh, the state's primary nutrition program, serves 5.8 million per year and delivers food benefits of $7.6 billion. CalFresh rose to its peak caseload in 2016-17 and is expected to decline slightly in the current and budget years. Emergent issues include the expiration of the statewide waiver, expected in September 2018, allowing for Able Bodied Adults Without Dependents (ABAWDs) to continue to receive benefits if they're unable to meet a specified work requirement. As noted, a 55-county waiver application is still pending with the federal government.

Staff Recommendation:

All issues in CalFresh are recommended to be held open, pending the May Revision and decisions to be made in the Subcommittee’s close-out hearings toward the final 2018 Budget.

ISSUE 10: CALFRESH BENEFIT INCREASE ADVOCACY PROPOSAL

PANEL

- Assemblymember Dr. Joaquin Arambula
- Shanti Prasad, Senior Policy Advocate, Alameda County Community Food Bank and Policy Co-Chair of the California Hunger Action Coalition
- Ella Jones, CalFresh Recipient, San Pablo, California
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst’s Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the California Hunger Action Coalition (HUAC) in support of increasing funding for CalFresh in the 2018-19 Budget. Specifically, HUAC is asking that California join two other states in adding state general fund dollars to the benefit allotment to reduce hunger and improve the ability of low-income individuals and families who rely on the program to purchase healthy foods. The following background on the proposal was provided by HUAC.

“Over 40 million Americans, 4 million of whom live in California, struggle to prevent hunger every day. Hunger is painful, both physically and emotionally, to the person who experiences it and it can cause both short term and long term harm to their health. Research has shown that experiencing chronic hunger as a child can increase the likelihood of adult illness and countless studies have shown that seniors and people with chronic diseases visit the emergency rooms more frequently at the end of the month, when they run out of food.

The Supplemental Nutrition Assistance Program (SNAP), known as CalFresh in California, is our country’s most important defense against hunger. Calfresh benefit allotments are calculated based on household income, resources, expenses and size using the United States Department of Agriculture’s (USDA) Thrifty Food Plan (TFP) to determine food cots based on family size. The maximum monthly allotment in Federal Fiscal Year 2017-18 is $192 for a single person and $640 for a family of four. Nationally, only 41 percent of households receive the maximum allotment and 23 percent of household receive less than half of the maximum allotment. In all cases, SNAP benefits are only expected to supplement the food budgets of participating households, that is, SNAP recipients are expected to use other income or other food assistance to make up the difference in their food budget.

According to research by the Institute of Medicine (IOM), SNAP recipients are less likely to be food insecure than eligible non-recipients; in other words, the program meets the central goal to alleviate hunger. Controlling for other factors, research has also shown that SNAP participants are not more likely than eligible non-participants to be overweight or obese and that the program does not contribute to the current obesity crisis in the U.S. In fact, by both improving dietary intake and reducing food insecurity, participation in federal nutrition programs plays a critical role in obesity prevention. For this reason, increasing participation in the CalFresh, is a childhood obesity prevention strategy recommended by the IOM and the White House Task Force on Childhood Obesity.

While SNAP is the most important anti-hunger program in the country, the benefit SNAP provides is insufficient, offering less than $2.00 per meal, an amount that the National Medical Association as less than what is needed to purchase a healthy diet. In fact, thirty percent of SNAP recipients rely on food bank services to prevent hunger throughout the month.

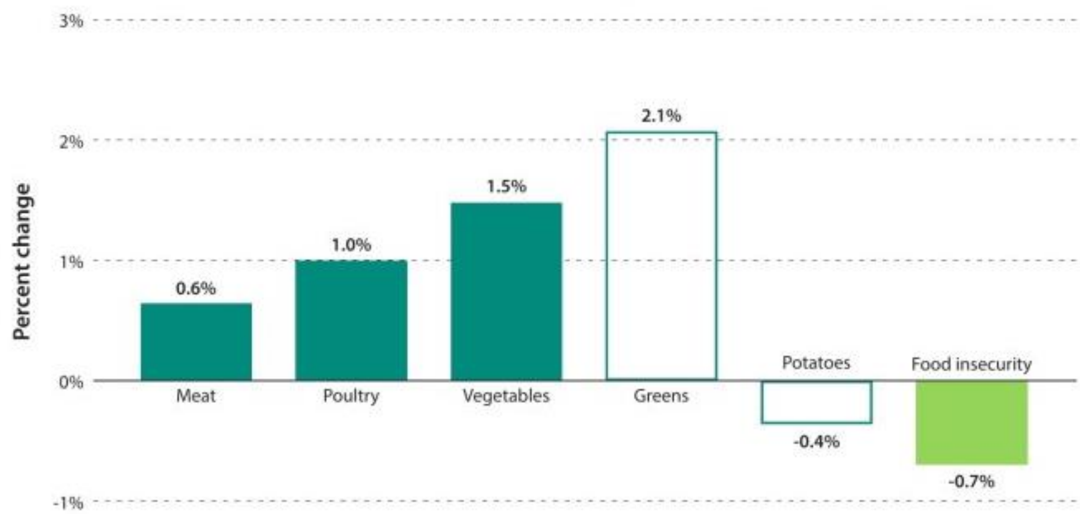
The American Recovery and Reinvestment Act of 2009 (ARRA) increased monthly SNAP benefits for participants, which not only boosted their purchasing power so that they may avert hunger, but also helped stimulate the economy. It did this, in part, by increasing the benefit beyond the TFP standard used by the USDA to determine the minimal monthly cost of food for an eligible household, and consequently maximum monthly benefit levels. This increase averaged of 13.6 percent. This increase in benefit was documented to have reduce incidents of hunger and increase the purchase of healthy food. Congress ended the increase and, on November 1, 2013, the benefit was reduced back to the base TFP standard. Since the ARRA boost to SNAP benefits was terminated, the average family of four has had their benefits reduced by $28 per month. House Resolution 1276, introduced by Congresswoman Alma Adams, which is sponsored by 22 California Members of Congress, would remove the shelter deduction cap in the program and would require that SNAP administrators use the Low-Cost Food Plan to calculate benefits, both resulting in higher benefit amounts. This legislation had been introduced two consecutive Congressional Legislative Sessions.

By increasing the CalFresh benefit, the state can also have a positive impact on the retail economy. According to research conducted by the USDA Environment Research Service (ERS) which estimates that every billion dollars in SNAP benefits creates between 8,900 to 17,900 jobs, with the higher number reflecting the number of jobs created in economies that depend on food production, like California's. This will, in turn, reduce the rolls because fewer food chain workers who need benefits because they are unemployed or underemployed.

California cannot afford to wait for Congress to act to increase CalFresh benefits. The research is clear that, until benefits are increased, we can expect that the 4 million Californians who depend on the program to prevent hunger to go without food at the end of each month. Their hunger will result in an increase in pressure on local food banks, a reduced investment in the local food economy and an increase in health care costs. For these reasons, and because hunger has no place in California, we urge you to increase the benefit to restore CalFresh benefits so that they equal the sum given each family, based on household size, in 2011."

Professors Patricia Anderson (Dartmouth) and Kristin Butcher (Wellesley) found that a $30 increase in monthly SNAP benefits would increase participants' consumption of nutritious foods such as vegetables and healthy proteins, while reducing food insecurity and consumption of fast food. Increased food expenditures are associated with more consumption of fruits and vegetables, suggesting that an increase in benefit levels could also lead to healthier eating.

Estimated Impact of a $30 Increase in Monthly Per Capita SNAP Benefits



THE HAMILTON PROJECT
BROOKINGS

Source: Anderson and Butcher 2016.

Note: Percentages for the dark green bars represent change in consumption. Food insecurity is defined as having difficulty at some time during the year providing enough food for all household members due to a lack of resources. The hollowed bars are not statistically significant.

Member of California's Anti-Hunger Advocate Community include the following organizations:

Staff Recommendation:

Hold open.

ISSUE 11: CALFRESH SUPPLEMENTAL FRUIT AND VEGETABLE EBT PILOT

PANEL

- Assemblymember Dr. Joaquin Arambula
- Tracey Patterson, Director of Legislation, California Food Policy Advocates
- Eli Zigas, Food and Agriculture Policy Director, San Francisco Bay Area Planning and Urban Research Association (SPUR)
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the California Food Policy Advocates (CFPA) and the San Francisco Bay Area Planning and Urban Research Association (SPUR). The following background and description of the proposal was provided by CFPA and SPUR.

"Despite being the wealthiest state in the wealthiest nation in the world, California's prosperity has left many behind. California has the nation's highest rate of poverty, with one out of five residents living in poverty, according to the US Census Supplemental Poverty Measure. Furthermore, California produces more fruits and vegetables than any other state in the nation, growing over 200 different of crops year round. Yet we also have shockingly high rates of hunger, with close to 40% of low-income California households unable to afford enough food to eat.

California Food Policy Advocates (CFPA) is a statewide policy and advocacy organization dedicated to improving the health and well-being of low-income Californians by increasing their access to nutritious, affordable food. SPUR (San Francisco Bay Area Planning and Urban Research Association) promotes good planning and good government in the San Francisco Bay Area, through research education and advocacy. SPUR currently operates Double Up Food Bucks, a fruit and vegetable supplement program for CalFresh participants, in Santa Clara County.

We respectfully submit an urgent request for $9 million General Fund for the CalFresh Fruit and Vegetable EBT Pilot Project to increase the purchase and consumption of California-grown fruits and vegetables that are financially out-of-reach for low-income residents.

This strategic investment will link our state's agricultural abundance with low-income Californians' needs. CalFresh helps over 4 million people put food on the table on an average day. Despite the reach of CalFresh, the federal benefit levels limit Californians' ability to purchase healthy foods grown in our own state. To better reach CalFresh customers, we must progress towards integrating California fruit and vegetable benefits onto the CalFresh EBT card, which is widely accepted by food retailers statewide. This approach has already been successfully piloted, and subsequently implemented statewide in Massachusetts through their Healthy Incentives Program.

We request that the Legislature work with the Administration to secure $9 million in the 2018-19 State Budget in order to:

1. Modify the CalFresh EBT system to allow CalFresh shoppers to receive a matching benefit upon eligible purchases of California-grown fruits and vegetables;

2. Implement seven community-based pilots to evaluate the efficacy of the EBT system to:

   - Accrue and disburse supplemental CalFresh benefits that incentivize purchases of California-grown fruits and vegetables through a dollar-for-dollar match; and

   - Assess ease of use for CalFresh clients, administrators, and retailers.

The proposed EBT upgrade and pilot projects build off of proven programs that provide targeted resources that help low-income households to afford a healthy diet. Numerous studies show that the federal CalFresh benefit amount is inadequate to support the purchase of nutritious foods that are needed for a healthy diet, particularly fruits and vegetables. Efforts to provide nutrition incentives to low-income households have shown that when low-income families have more money for fruits and vegetables, they buy and eat more fruits and vegetables. Increasing consumer purchasing power for healthy, California-grown foods leads to lower food insecurity and better health outcomes.

This pilot would create a scalable state system for effective programs that fight hunger and strengthen California's economy. Despite the success of nutrition incentive programs across the state, none of them are integrated with the EBT system. This lack of a state system is a barrier to cost-effectively scale the program to reach CalFresh households across the state. Funding this request would create and test a system that could allow for eventual expansion to more authorized CalFresh retailers statewide that offer a variety of California-grown produce. In addition to helping households meet their nutritional needs, CalFresh benefits exert a multiplier effect that stimulates the economy at large. This multiplier effect is strengthened when California-grown purchases are incentivized.

The CalFresh Fruit and Vegetable EBT Pilot is a "win-win-win" that fight poverty; supports improved health and nutrition; and boosts California's agriculture. This effort would create market-based incentives for retailers to sell and market more California-grown produce to all customers. It would ensure that direct to consumer outlets like farmers' markets, along with grocery stores, are included to design a state system that would work in various retail markets. The pilots would aim to increase the purchasing power of CalFresh households, while continuing to support California's small farmers that operate on tight budgets and thin profit margins."

Staff Recommendation:

Hold open.

ISSUE 12: CAL FOOD FUNDING AND RELATED ADVOCACY PROPOSAL

PANEL

- Assemblymember Dr. Joaquin Arambula
- Andrew Cheyne, Director of Government Affairs, California Association of Food Banks
- Carly Finkle, Advocacy Manager, Food Bank of Contra Costa and Solano Counties
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the California Association of Food Banks (CAFB), which represents 41 food banks that partner with 6,000 agencies across the state. The following background and description of the proposal was provided by CAFB.

"Despite our great wealth, 1 in 8 Californians unfortunately faces hunger, a crisis that demands the state develop a proportionate response. When including the state's high cost of living, we have the nation's highest poverty rate of 20.6%. California's world-leading agricultural regions are ironically home to two of our nation's hungriest cities – Bakersfield (#1) and Fresno (#5).

Food banks are a critical piece of our safety net, serving 650 million meals to more than 2 million Californians a year, yet California's missing meal gap is estimated at 1 billion annually. CalFood strengthens our emergency food network & our agricultural communities by enabling California food banks to purchase only California produced foods.

The 2016-17 budget responded to this crisis with $20.6 million for emergency food: $2M for CalFood [and] $18.6M for the Drought Food Assistance Program. The 2017-18 budget funded CalFood at $8M, while DFAP funding expired. The Governor proposes $8M for CalFood in the 2018-19 January 10 blueprint. With the current climate of fear limiting the reach of CalFresh, historic disasters affecting several counties, and the drought still felt in many corners of the state, the need for emergency food is as great as ever as food banks struggle to meet the need.

We therefore request that the Administration [and] Legislature support CalFood at $20.6 million in the 2018-19 Budget. This would enable food banks to deliver more than 100 million meals – a significant step toward ending hunger in California. A failure to support CalFood at this level would represent a cut, costly and harmful to the state.

- Hunger is linked with chronic diseases like diabetes that costs California $25 billion a year.
- Reducing hunger prevents costly hospitalizations that spike the 4th week of the month when families exhaust food budgets.
- Even one incident of hunger during childhood can have lifelong consequences.

CalFood is a necessary complement to CalFresh. While our CalFresh participation it is still near last in the nation. 1.3 million Californians on SSI/SSP are excluded from CalFresh due to the 'cashout' policy, many of whom entirely rely on food banks for nutrition. Because of the inadequacy of CalFresh benefits, nearly one-third of households on the program still rely on food banks.

Supporting CalFood at this level provides numerous benefits to the state:

- CalFood is incredibly efficient: Food banks leverage incredible economies of scale –each $1 appropriated enables California food banks to provide roughly 5 meals.
- CalFood has greater reach and flexibility than DFAP – CalFood reaches all 58 counties, and enables each county to purchase foods according to their needs, rather than pre-made food boxes.
- Program rules allow further flexibility to provide elevated allocations to counties still experiencing drought, which presently includes much of the Central Valley.
- CalFood supports our agricultural communities as funds must be used on California grown foods.

Finally, access to emergency food resources from trusted partners such as food banks and food pantries is particularly urgent given the climate of fear affecting so many California communities. Food banks across the state continue to report that families are afraid to enroll in CalFresh, and some even ask to come off of the program due to safety concerns. Our food banks [and] local agency partners are the only place where our neighbors in need can access food with no questions asked.

CAFB looks forward to working with the Budget Committees and Administration so that more families have the food they need to move out of poverty and live their lives in dignity."

STAFF COMMENT

Advocates are requesting an augmentation for CalFood (formally called the Emergency Food Assistance Program) of $12.6 million, to be added to the current $8 million appropriated in the 2018-19 proposed Governor's Budget as a result of their advocacy in past years. This would bring the total CalFood investment to $20.6 million, which is the amount that was appropriated in the 2016 Budget as a result of the Drought Food Assistance Program (DFAP). DFAP has been phased out, however advocates state that California's continuing hunger crisis calls for the investment to remain at least at the level it was previously. They state that the extraordinary cost of housing is forcing families to choose between food and rent and that the recent disasters have disrupted families' abilities to find housing and work. Comparing us to other states, California's number of food insecure persons (4,855,020) is the highest number and our annual expenditure per person in emergency food is the lowest at $1.64. They comment that even among CalFresh recipients, nearly one-third visit food banks due to inadequate benefits.

Staff Recommendation:

Hold open.

ISSUE 13: FOOD BANK INFRASTRUCTURE FUNDING REQUEST

PANEL

- Assemblymember Dr. Joaquin Arambula
- Andrew Cheyne, Director of Government Affairs, California Association of Food Banks
- Carly Finkle, Advocacy Manager, Food Bank of Contra Costa and Solano Counties
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the California Association of Food Banks (CAFB), which represents 41 food banks that partner with 6,000 agencies across the state. The following background and description of the proposal was provided by CAFB.

"We write to you requesting a one-time investment in the long-term health of the state's emergency food safety net by providing much-needed resources to bolster the physical infrastructure of food banks. Food banks are in serious need to expand capacity, and we ask the state for a share of these costs. Food banks already raise significant funds to support their operational needs from the private sector. It has been nearly 20 years since the state has invested in food bank infrastructure, with $1M investments in the 1999-2000 [and] 2000-2001 budgets.

Food banks are an integral part of the state's food safety net, serving some 650 million meals to more than 5 million neighbors in need. Yet California's missing meal gap is still estimated at 1 billion annually. One in eight Californians faces hunger, including one in four children. It is a cruel irony that California's world-leading agricultural regions are home to two of our nation's hungriest cities – Bakersfield (#1) and Fresno (#5). This is a crisis that demands proportionate response by the state.

Recent budgets have devoted vital state resources to emergency food, including Governor's proposal for $8M for CalFood in the 2018-19 January 10 blueprint that we gratefully recognize. The stress on emergency food network infrastructure is severe, however, as food banks struggle against a storm of factors: the current climate of fear limiting the reach of CalFresh, historic disasters North and South, the returning drought and the extraordinary cost of housing pushing more households into hunger. Meanwhile, the state has taken decisive actions on clean burning diesel trucks and preventing food from entering landfill to protect the health of the same low-income

Californians served by food banks. These policies put pressure on food banks – already under-resourced – to meet the emergency need for food.

We request that the 2018-19 budget support food bank infrastructure at $25 million, a fraction of the total need in the emergency food network. A one-time investment of $25 million in food bank capacity will provide long-term benefits by fighting hunger and helping the state to achieve its environmental goals. A one-time investment creates long-term gains by providing the modern refrigerated transportation, cold storage and other capital improvements necessary to advance our anti-hunger mission and the state's climate change goals. This investment will enable food banks to distribute more California grown foods – particularly the healthy produce and protein items that must be kept fresh –while supporting the state to achieve its commitments to reduce air pollution and prevent food from producing methane in landfills, together improving the long-term health of our communities.

Clean-burning diesel emission regulations require diesel trucks to upgrade by 2023, or switch to costlier alternatives like Compressed Natural Gas or electric vehicles. Food banks need these vehicles to acquire and distribute food, particularly fresh produce and protein items that require refrigerated transportation. It is extremely burdensome for food banks to meet these requirements, and takes valuable dollars away from our mission of ending hunger.

Mandates to increase Organics Recycling and reduce Short-Lived Climate Pollutants established a bold target to divert 20 percent of edible food from landfill to human consumption by 2025. Food banks know well that up to 40% of food is wasted and food is the largest item in California landfills, creating methane that drives climate change. Recovering food also aligns with our mission to end hunger. Yet no entity, let alone emergency food providers, can expand their operations without additional resources – particularly to expand physical infrastructure. CAFB looks forward to working with the Budget Committees and Administration so that more families have the food they need to move out of poverty and live their lives in dignity."

Staff Recommendation:

Hold open.

ISSUE 14: FOOD FOR ALL ADVOCACY REQUEST

PANEL

- Tracey Patterson, Director of Legislation, California Food Policy Advocates
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Will Lightbourne, Director, and Kim McCoy Wade, CalFresh and Nutrition Branch Chief, Department of Social Services
- Tyler Woods, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the California Food Policy Advocates (CFPA) and the California Immigrant Policy Center (CIPC). The following background and description of the proposal was provided by the two sponsoring organizations.

"As neighbors and loved ones, parents and children, workers and students, California's immigrants are deeply rooted in communities across the state. While immigrants contribute one-third of the state GDP, they are explicitly excluded from critical nutrition assistance programs like CalFresh. To expand opportunity and reduce poverty, California's efforts must be inclusive of all residents. Nearly 1 in 2 children have an immigrant parent, and immigrants make up one-third of our workforce. Locking out immigrant families from critical assistance not only sets back entire families and communities, but also hurts our state. It is a tragic irony that immigrant farm workers and food chain workers—who provide food for the rest of the nation—often struggle with hunger themselves.

Today, over 4 million Californians face food insecurity, unsure when or how they might get their next meal. For these people, CalFresh offers a lifeline, by reducing poverty, placing food on their tables, and improving their long-term health. However, for many immigrant families struggling to make ends meet, the program is still out of reach. This is a disservice to our state. When all low-income Californians have access to nutrition assistance, we build a stronger, more productive California by helping everyone lead better, healthier lives.

State policies, institutions, and programs that meaningfully advance the health and safety of immigrant Californians instill a sense of belonging and trust among our immigrant relatives, friends and neighbors. This is critical for their successful integration and inclusion within our communities, with wide-ranging benefits for everyone in our state. A food-secure California is a California that works better for all.

California Immigrant Policy Center (CIPC) and California Food Policy Advocates (CFPA) respectfully urge the Legislature to include statutory reporting language in the 2018-19 State Budget Bill to bring stakeholders together to develop timely, responsive and actionable plans with respect to immigrant Californians, so that no Californian—regardless of immigration status—has to go hungry. These plans must seek to protect, strengthen, and modernize CalFresh and other food assistance programs for California immigrants.

Protect: We can build a healthier, stronger California, by ensuring that all Californians have safe access to affordable, nutritious foods. We can improve the reach of nutrition assistance programs in immigrant communities, while exercising discretion in its distribution, framing and use. We can fight back and mitigate harm from any federal policy changes to "public charge" that would penalize people and put families at risk for accessing health care, nutrition, and other critical supports.

Strengthen: The effectiveness of state food assistance for all Californians, regardless of immigration status, is essential to the goal of "Food For All". State programs and systems can be strengthened to allow CalFresh to adapt to the needs of California's growingly diverse population. Furthermore, culturally responsive outreach and education can address perceptions around state programs in immigrant communities, and to promote optimal CalFresh participation among residents eligible for assistance.

Modernize: In response to draconian federal safety net cuts in 1996, California stood up to protect our immigrant communities with the California Food Assistance Program (CFAP), which provides state-funded CalFresh food assistance to certain immigrants ineligible for federal benefits. Since CFAP's creation, immigration policy has changed dramatically. With new federal threats to our immigrant families, friends and neighbors every day, we need to stand up once more and ensure that all Californians--regardless of immigration status--have access to affordable, nutritious foods.

Hunger hurts all of us: Hunger undermines health, reduces productivity, and limits opportunity. Food does not just fuel healthy people in California; more than that, it fuels healthy communities and our local economies. As the current federal administration continues to divide and damage this country, California must put forth a different vision—one where communities can thrive.

By directing state administrators to bring stakeholders together towards this goal, the state has an opportunity to strengthen our state's food assistance programs and remove barriers that exclude immigrant Californians from the state's safety net."

Staff Recommendation:

Hold open.

ISSUE 15: IMMIGRATION SERVICES FUNDING - PROGRAM AND BUDGET REVIEW

PANEL

- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Gina Da Silva, Government Affairs Manager, California Immigrant Policy Center
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment (on any issue in Immigration Services not otherwise listed please as a separate "Issue" in this agenda)

BACKGROUND

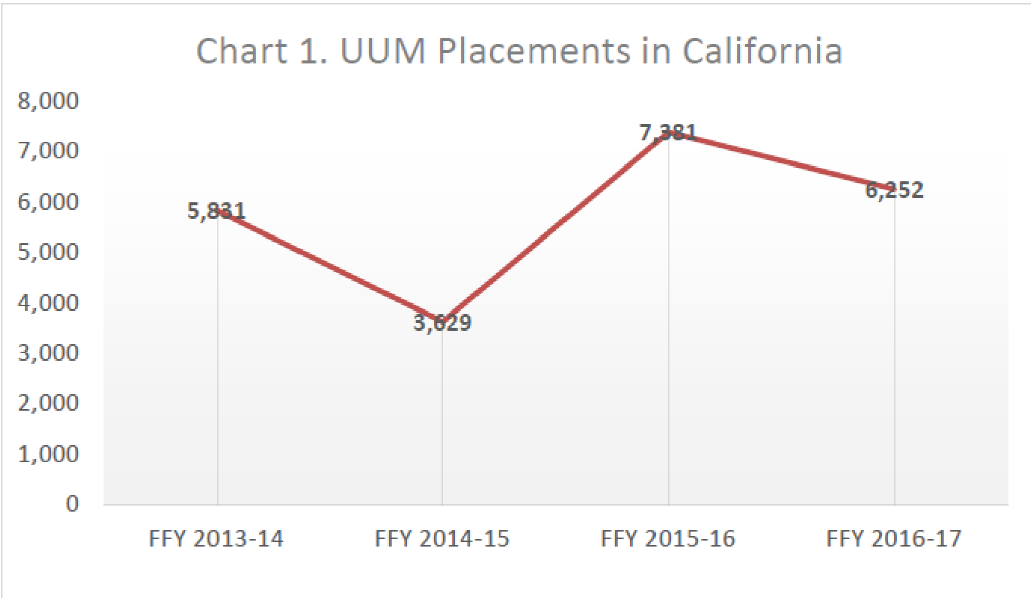
The Department of Social Services (DSS) administers the Unaccompanied Undocumented Minors (UUMs) and Immigration Services Funding (ISF) programs. Through these programs, the department contracts with non-profits to provide pro bono immigration legal services. DSS is also currently administering one-time appropriations for legal services for Deferred Action for Childhood Arrivals (DACA) renewals and disaster relief services for immigrants impacted by the Northern California wildfires of October 2017. Appropriations for each of the programs are displayed below:

Funding (in millions)	FY 15-16 Appropriations	FY 16-17 Appropriations	FY 2017-18 Appropriations	FY 2018-19 Governor's Budget
UUM	$2.9	$2.9	$2.9	$2.9
ISF	$15	$15	$43.7	$43.7
DACA			$20.0[1]	
Disaster Response			$5.0[2]	

PROGRAM DETAIL AND UPDATES

UUM PROGRAM. The UUM program provides legal services for unaccompanied minors arriving to California. DSS has awarded $11.6 million in funding through June 30, 2018 to non-profit legal services agencies to provide legal services to 2,465 UUMs. The UUM program has funded an average of 20 non-profit organizations during each of its four funding cycles to provide representation for UUMs seeking other immigration remedies (OIR), including asylum, special immigrant juvenile status (SIJS), U visas and T visas.

UUM Arrivals in California. In 2014, the country experienced a surge of arrivals of UUMs fleeing violence from El Salvador, Guatemala, and Honduras. Since then, the number of arrivals have mostly remained historically high, with 13% to 14% of UUM arrivals being placed in California. The Office of Refugee Resettlement reports 1,513 UUMs have been released to sponsors in California through January of Federal Fiscal Year (FFY) 2017-18 and number of placements in past FFY as follows:



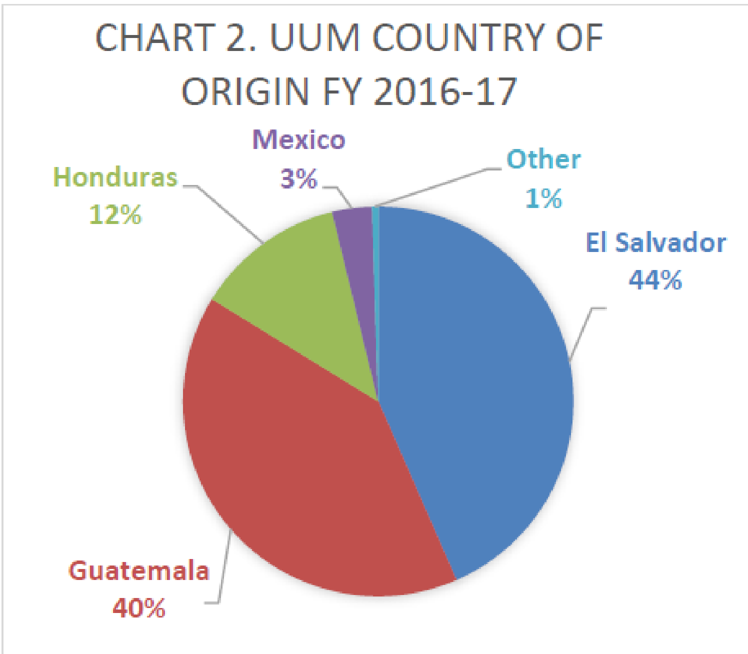
Source: U.S. Administration for Children and Families/Office of Refugee Resettlement

UUM Services and Outcomes. DSS UUM contractors submit reports to the department regularly with information about the services provided and outcomes of each case. In addition, DSS conducts annual site visits or desk reviews of each contractor to provide technical assistance, identify best practices, and ensure adherence to performance standards and contractual requirements.

Immigration cases for UUMs involve both an affirmative remedy and representation in removal proceedings. Since FY 2014-15, the department has awarded funding to provide 2,465 UUMs full scope representation. Due to increasingly long processing times and visa caps for certain countries, most cases remain open and 456 cases have been closed. All other cases are still pending final resolution. Out of the 456 cases reported closed, 98% have resulted in a favorable outcome for the UUM client.

Table 1. UUM Clients Served to Date by FY					
Fiscal Year	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**Total**
Clients Served	725	580[3]	580	580	**2,456**
Clients Completed (Adjudicated)	315	118	23	0	**456**
Case Outcome					
Asylum	228	111	20	0	**359**
T-Visa	2	0	0	0	**2**
U-Visa	2	0	0	0	**2**
SIJS	81	7	1	0	**89**
Other (Citizenship)	2	0	0	0	**2**

Demographic data from FY 2016-17 shows that about 95% of UUMs placed in California are from El Salvador, Guatemala, or Honduras and while most speak Spanish as a primary language, a significant percentage (6%) speak Mam.



Trends and Challenges. DSS monitors changes in the migration rates of UUMs and to the laws affecting UUMs. The department works closely with contractors and other subject matter experts to identify trends or challenges in the effective administration of the UUM program. The following trends and challenges are noteworthy:

- More UUMs are arriving from Guatemala. While ORR does not capture data regarding the primary language of each UUM, contractors report a need to provide services in indigenous languages including Mam and Kanjobal (Q'anjob'al).

- Contractors report that UUM clients present urgent non-legal needs including a need for educational support, social services, mental health services, and health services.

- Several agencies provide services to UUMs, including DSS non-profit legal services contractors and DSS funded refugee programs. The UUM service providers have expressed the need to identify a case management system to coordinate the services provided by various agencies and help UUMs access services efficiently and effectively.

- Transportation is an obstacle to providing legal services for UUMs in rural areas. All UUMs have to attend immigration court in San Francisco or Los Angeles, placing a significant burden on those who live in inland California.

- Immigration court and United States Citizenship and Immigration Service (USCIS) processing backlogs have increased significantly over the course of the program requiring providers to keep cases open for over 5 years to ensure final resolution and administrative closure of removal proceedings.

DACA Legal Services Program. In September 2017, after the federal administration announced an end of the DACA program and a four-week window to file renewal applications, the State appropriated $20 million to fund legal services to assist individuals with DACA. The funding includes support for legal services, education and outreach activities, legal training and technical assistance, and assistance with the $495 filing fee to process the DACA renewal. The department awarded funding to over forty non-profit organizations with an existing ISF contract.

USCIS stopped accepting DACA renewal applications on October 5, 2017. After a court order, on January 6, 2018, USCIS announced it would resume processing DACA renewals. DACA legal services funds remain available and contractors have resumed their efforts to assist individuals with renewals. The table below shows the status of services and the balance of funds as of March 6, 2018.

Table 2. DACA Legal Services and Funding

Service Provided	Individuals Served	Funding Claimed
DACA Consultations	1,958	$195,800
DACA Renewals	4,723	$1,967,300
OIR Consultations	1,668	$166,800
OIR Cases	166	$332,000
USCIS Filing Fees	2,529	$1,251,855
LTTA	N/A	$165,650
E&O	27,459	$549,180
TOTAL		**$4,628,585**

DACA legal services funding is encumbered by the department and available through June 30, 2020 and the department is prepared to make program adjustment based on changes in federal law related to DACA or Dreamers.

Immigration Services Funding (ISF) Program. Funding for the ISF program, also referred to "One California", was first appropriated in FY 2015-16. Both the scope of services available and the appropriation for the program have changed in each of the three years since the ISF's inception as shown in the table below.

The department has awarded contracts to non-profits to provide Education and Outreach (E&O), Legal Training and Technical Assistance (LTTA), as well as legal services. Beginning in FY 2016-17, the department also made targeted investments to increase capacity in rural, underserved areas and for hard-to-reach populations. Those projects have included investments to: (1) expand capacity in Northern California, the Inland Empire, and the Central Coast; (2) increase capacity to serve and improve legal services outcomes for the API community; (3) improve pathways to naturalization and DACA eligibility through collaboration with workforce development efforts in partnership with the Labor and Workforce Development Agency (LWDA).

Table 3. ISF Funding Overview

Fiscal Year	ISF Program Year	ISF Appropriation	Organizations Funded	Allowable Legal Services
FY 2015-16	Jan 2016 – June 2017	$15 million	62	• Naturalization • Deferred Action for Childhood Arrivals (DACA) • Deferred Action for Parents of American Citizens and Residents (DAPA)
FY 2016-17	Jan – Dec 2017[4]	$30 million	80	• Naturalization • Deferred Action for Childhood Arrivals (DACA) • Other Immigration Remedies
FY 2017-18	Jan – Dec 2018 Jan 2018 – Dec 2019 (*removal only*)	$45 million	92	• Naturalization • Deferred Action for Childhood Arrivals (DACA) • Other Immigration Remedies • Removal Defense • Post-Conviction Relief • Capacity for Public Defenders • Services for Deported Veterans

The table on the following page provides information on the funding allocations by service area for each of the three awarded cycles. Only FY 2015-16 contracts have been fully completed. Over half of the FY 2016-17 have been extended through June 2018 and FY 2017-18 services began on January 1, 2018.

Table 4. ISF Funding Allocation Overview						
Service Category	Awarded Funding by Service Category (FY 15-16)	% of Funding by Service Category (FY 15-16)	Awarded Funding by Service Category (FY 16-17)	% of Funding by Service Category (FY 16-17)	Awarded Funding by Service Category (FY 17-18)	% of Awarded Funding by Service Category (FY 17-18)
LTTA	$443,500	3%	$976,000	3%	$1,168,250	3%
E&O	$2,221,600	15%	$3,270,200	11%	$4,073,500	10%
DACA	$5,810,050	40%	$2,310,800	8%	TBD	TBD
DAPA	$1,562,250	11%	N/A	N/A	N/A	N/A
Naturalization	$4,422,600	31%	$10,798,000	38%	$9,348,150	22%
Other Immigration Remedies	N/A	N/A	$10,157,400	35%	$14,155,700	34%
Removal Defense	N/A	N/A	N/A	N/A	$12,528,700	30%
Capacity	N/A	N/A	$1,250,000	1%	$680,000	2%
Capacity for Public Defenders	N/A	N/A	N/A	N/A	$540,000	1%
Services for Deported Veterans	N/A	N/A	N/A	N/A	$500,000	1%
Post-Conviction Relief	N/A	N/A	N/A	N/A	$400,000	1%
Temporary Protected Status	N/A	N/A	N/A	N/A	$300,000	1%

ISF Services. DSS ISF contractors submit reports to the department regularly with information about the services provided. In addition, DSS conducts annual site visits or desk reviews of each contractor to provide technical assistance, identify best practices, and ensure adherence to performance standards and contractual requirements.

Contractors reported providing more services in each of the funded areas than were required by the department and nearly all contractors completed all deliverables. Service demands have fluctuated over the last three years as a result of changing immigration laws and policies. Demand for naturalization legal services has remained high and steady, but DACA and DAPA services have been interrupted or fluctuated over the course of the program based on federal policy announcements and litigation. The table below provides additional information about the numbers of and types of cases or services funded by the department in each of two fiscal years.

	Table 5. ISF Deliverables Awarded by Service Area					
	DACA	DAPA	NATZ	OIR	Removal	E&O
Total Awarded Deliverables (FY 15-16)	11,369	2,423	13,485	N/A	N/A	111,080
Total Awarded Deliverables (FY 16-17)	6,070	N/A	31,249	5,399	N/A	163,510
Total Awarded Deliverables (FY 17-18)	TBD	N/A	28,838	17,042[5]	6,948[6]	201,855

Trends and Challenges. As with the UUM Program, the department works closely with stakeholders and contractors and monitors legal developments to identify trends, best practices, and potential challenges to implementing the ISF Program. The following trends and challenges are noteworthy:

- Shifts in federal immigration policy impact service demands and needs and frequently require the department to shift priorities.
- Contractors report an increase in demand for ancillary services including family preparedness planning, power of attorney, and information about dual citizenship and passport application for US-born children in mixed-status families.
- Capacity to provide assistance at the intersection of criminal law and immigration law is limited.
- Capacity to provide assistance with complex removal cases is limited in inland California.
- Cases are taking longer to process and file due to lengthy turnaround times for the background checks and legal research.
- Even though funded organizations provide free legal services, high USCIS filing fees are an obstacle for many applicants, particularly individuals with family-based petitions.

STAFF COMMENT

California has worked to respond to the needs of the immigrant community with recent investments attempting to ensure that more people are linked to the immigration-related remedies and services that can aid them in their pursuit of a better life for themselves and their children. Californians are in a waiting game with what the Congress, President, and courts will do in the course of the next few weeks and months, and there are 197,900 active Deferred Action for Childhood Arrivals (DACA) recipients in California, representing more than 1 in 4 active DACA beneficiaries nationally. DACA recipients and other "Dreamers" (undocumented immigrants brought to the U.S. as children) have grown up in the United States, many have deep roots in local communities, and they are currently integrated into the American labor force. As California awaits news of federal action on immigration, the Assembly may wish to assess the adequacy of funding that recent budgets have appropriated for immigration services and if these funds need to be further buttressed to facilitate California's response.

Staff Recommendation:

All issues regarding immigration services are recommended to be held open, pending the May Revision and decisions to be made in the Subcommittee’s close-out hearings toward the final 2018 Budget.

ISSUE 16: ADVOCACY PROPOSAL REGARDING TEMPORARY PROTECTED STATUS

PANEL

- Assemblymember Miguel Santiago
- Assemblymember Wendy Carrillo
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

BACKGROUND

The Department of Homeland Security (DHS) has recently announced the end of TPS for immigrants from El Salvador, Haiti, and Nicaragua. TPS is a humanitarian program that grants nationals of specifically designated countries temporary lawful status in the United States, including permission to work. TPS is granted after DHS determines one of the following conditions exist in the country of origin: (1) ongoing armed conflict, such as civil war; (2) an environmental disaster (such as earthquake or hurricane), or an epidemic; or (3) other extraordinary and temporary conditions. TPS may be granted for a period of six to eighteen months, after which, the DHS, with the input of the State Department, re-evaluates the designation.

An estimated 318,000 to 437,000 immigrants from ten TPS-designated countries reside in the United States. More than 90 percent of TPS holders in the United States are from El Salvador (195,000 – 263,000), Honduras (57,000 – 86,000), and Haiti (46,000 - 59,000). California has the largest population of TPS holders in the United States and most are nationals from El Salvador (49,100) and Honduras (5,900).

TPS designation for nationals from El Salvador and Haiti will end in 2019 and, in the meantime, TPS holders must re-register for TPS in order to maintain the temporary protection and continue to receive work authorization. The federal administration announced a 60-day window, beginning January 18, 2017, for TPS holders from El Salvador and Haiti to re-register for TPS.

Services funded by the ISF program, including consultations, other immigration remedies, education and outreach, legal training and technical assistance, and removal defense, are all available to serve the TPS holder population. DSS also indicates that it is also actively consulting with TPS legal service providers and city and county partners in Los Angeles and the Bay Area, to coordinate efforts.

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from Assemblymember Miguel Santiago and Assemblymember Wendy Carrillo.

We, Assemblymember Santiago and Assemblywoman Carrillo, and the undersigned legislators, respectfully request the Assembly Budget Committee appropriate an additional $10 million to the California Department of Social Services (CDSS) for the purpose of providing funds to qualified nonprofits in order to deliver necessary immigration services to California residents who are current or former recipients of the federal Temporary Protected Status (TPS).

In November 2017, the U.S. Secretary of Homeland Security announced an end to TPS protections for nearly 60,000 Haitians and 2,500 Nicaraguans. Then, in January 2018, the TPS designation for El Salvador was also terminated, leaving approximately 262,000 people from El Salvador without legal protections by fall of next year. Unless Nicaraguan, Haitian, and Salvadoran TPS recipients find a way to adjust their residency status, they will be forced to leave the country by 2019. Those deported will return to countries still affected by natural disasters, environmental challenges, food insecurity, and high unemployment and crime rates.

Salvadoran TPS recipients have lived and worked in the U.S. legally since 2001 and their Haitian counterparts have lived in the U.S. since 2010. Entire generations have grown up only knowing the United States as home. If their parents are forced to leave the country, thousands of families will be torn apart. Moreover, deportations will hurt the economy as 88 percent of the TPS Salvadoran population is active in the workforce and a quarter of them pay mortgages.

Funding will be made available for payment to existing entities under contract pursuant to Welfare and Institutions Code (WIC) §13303 for work on behalf of clients who are current or former recipients of the federal TPS. Qualified organizations that receive this funding will provide a wide range of immigration services including, but not limited to, services to assist with the application process for renewal requests of the federal TPS, services to obtain other immigration remedies, services to assist with the naturalization process and any appeals arising from it, and services for removal defense.

Staff Recommendation:

Hold open.

ISSUE 17: ADVOCACY PROPOSAL REGARDING IMMIGRATION SERVICES CAPACITY BUILDING

PANEL

- Jesus Martinez, Ph.D., Member, Fresno County Legal Defense Fund Steering Committee and Chair, Central Valley Immigrant Integration Collaborative (CVIIC)
- Sally Kinoshita, Deputy Director, Immigrant Legal Resource Center (ILRC)
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from The Center at the Sierra Health Foundation (The Center) on behalf of the Fresno County Legal Defense Fund (FCLDF) Steering Committee. The following background and description of the proposal was provided by the sponsoring organizations.

"The San Joaquin Valley is comprised of eight counties—Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare — with an estimated that 273,000 undocumented immigrants who call the Valley home. The current climate has created an urgency to ensure that families in the region are able to access legal services given the egregious actions by the federal government. Unfortunately, the lack of reputable, low-cost service providers leaves many San Joaquin Valley residents either without legal assistance altogether or vulnerable to fraudulent service providers. The demand for legal services significantly outpaces local capacity as exemplified by the recent raids by Immigration and Customs Enforcement (ICE) that exhausted the limited local capacity and left families without adequate legal representation. There is a need to expedite the expansion of quality, low-cost legal services in the short-term and invest in a long-term strategy.

The Fresno County Legal Defense Fund (FCLDF) was created with a vision for each and every individual to have quality legal representation and due process. The FCLDF Steering Committee consists of faith leaders, lawyers, and representatives of community-based organizations who imagine a San Joaquin Valley where communities live in peace and are treated with the dignity and respect that they deserve as human beings. The FCLDF is scheduled to make its first round of support for immigrant families in April of 2018. [We have created the structure, bylaws, and process necessary to streamline this process].

The following proposals are being submitted by The Center at the Sierra Health Foundation (The Center) on behalf of the FCLDF Steering Committee. The Center is our fiscal sponsor and has a strong infrastructure to provide accountability and transparency for all dollars granted. In the short-term, we have developed a structure for funding for immediate deportation defense and simultaneous capacity building for local BIA-accredited non-profit organizations through partnerships with reputable private attorneys. This will allow private attorneys in the region to serve more clients as well as increase the skills and experience of accredited representatives at local organizations.

Long-term strategies include development of the Rural Justice Fellows Project to address the legal providers gap by training and placing new attorneys in non-profit legal organizations throughout the San Joaquin Valley. In addition, we have proposed a College Graduate Fellow Pipeline to Law School Project to attract recent college graduates back to their roots in the Valley, expose young professionals to work in the legal system, and build a pipeline to law school by helping these young professionals develop skills and prepare for law school. Finally, the proposed San Joaquin Valley Immigration Career Assistance Program (SJVICAP) is designed to aid and encourage law graduates who choose careers in immigration legal defense at designated public interest legal organizations by assisting with repayment of qualifying, outstanding education loans."

The combined cost of these proposals is approximately $4.5 million General Fund.

Staff Recommendation:

Hold open.

ISSUE 18: ADVOCACY PROPOSAL REGARDING AN IMMIGRATION LOAN REVOLVING BOND FUND

PANEL

- Assemblymember Rob Bonta
- Will Lightbourne, Director, and Marcela Ruiz, Immigration Services Branch Chief, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from Assemblymember Rob Bonta:

I am writing to respectfully request your support for a **one-time budget augmentation of $5 million in the 2018-19 budget year.** This funding will create an Immigration Loan Revolving Bond Fund, which will be established by the State Treasury and administered by the California Department of Social Services.

On any given day, Immigration and Customs Enforcement (ICE) holds more than 40,000 people in U.S. immigration detention facilities. California detains more immigrants than any other state, nearly a quarter of all immigrants detained nationwide. Detained immigrants sometimes have the opportunity to be released on bond while fighting their case, enabling them to continue to care for their families, access legal representation and be in the best position to win their deportation cases. Although immigrants are eight times more likely to win their cases if they are not in an immigration detention facility, many families cannot afford the high bond amounts set by ICE or by immigration judges.

Data reveals that many people who remain detained for years, either because they cannot pay a granted bond or because they are mandatorily detained without the option of bond, have strong legal arguments to remain in the United States and ultimately may win their immigration cases.

This includes long-time lawful permanent residents with relatively minor convictions, asylum seekers with no criminal history who are imprisoned for years even after they have been found to have a credible claim. This pushes families into poverty and creates tremendous emotional strain for both parents and children. Immigrants have lost housing, jobs, small businesses and custody of children as a result of immigration detention.

Today, the urgency in California is unparalleled. The federal government is targeting California immigrant families in retaliation for our sanctuary policies. ICE has conducted large-scale raids across our state. Nationally, ICE officers arrested 40% more people during the first nine months of 2017 than the same period in 2016. The administration has also proposed rapidly expanding the number of people in immigration detention.

To address this significant problem, I request a $5 million budget investment for an Immigration Loan Revolving Bond Fund to enable qualified non-profit organizations to apply for revolving loans from this Fund to help cover the cost of an immigration bond. The qualified organizations will return the loan to the Fund, and the State shall use the returned funds to offer additional revolving loan grants under this program to the same or additional eligible organizations.

Staff Recommendation:

Hold open.

ISSUE 19: ADVOCACY PROPOSAL REGARDING YOUTH AND FAMILY CIVIC ENGAGEMENT INITIATIVE

PANEL

- Dr. Karen Bohlke, Director Government and External Relations, Martin Luther King Jr. Freedom Center
- Camila Chavez, Executive Director, Dolores Huerta Foundation
- Will Lightbourne, Director, Department of Social Services
- Iliana Ramos, Department of Finance
- Chas Alamo, Legislative Analyst's Office
- Public Comment

ADVOCACY PROPOSAL

The Subcommittee is in receipt of the following proposal from the Martin Luther King Jr Freedom Center, Oakland, and the Dolores Huerta Foundation, Bakersfield. In addition, the Subcommittee is in receipt of a support letter for this proposal from the Latino Legislative Caucus, and a separate communication from four legislators, led by Assemblymember Rob Bonta.

The following background and description of the proposal was provided by the sponsoring organizations.

"We are requesting a state budget investment of $2,000,000 per year to support the Youth and Family Civic Engagement Initiative.

Purpose: The Youth and Family Civic Engagement Initiative will increase understanding of government and civic institutions and increase civic participation among low-income, disenfranchised youth and their families in targeted regions throughout the state for the purpose of reducing racial and socio-economic disparities.

About the Initiative: The Youth and Family Civic Engagement Initiative is a statewide project of the Martin Luther King Jr Freedom Center, Oakland, and the Dolores Huerta Foundation, Bakersfield, CA, that increases and enhances civic engagement among youth and families to improve community development in Contra Costa, Alameda, Kern, and Fresno counties. Through research-informed best practices, our organizations train youth and family civic engagement leadership cohorts to, in turn, engage their community in culturally informed civic campaigns.

The Problem: Low-income rural and urban communities share a lack of trust and understanding of government and civic institutions. A participation gap in the absolute level of participation, and the inequality of participation, are both linked to the quality of democratic governance required for meaningful community-based problem solving. Lack of citizen engagement directly fuels recidivism, truancy, alienation in foster care,

unemployment rates, food deserts, health and mental health gaps, homelessness, transience, violent crimes, disruptive social affiliations, and decaying streets and infrastructure. These indices propel mistrust in government and disenfranchisement from relationships and mechanisms for constructive community engagement.
Intergenerational community-based civic engagement and civic learning connects young people with solutions to these perplexing realities. The benefits and merits of voting, volunteering, serving and taking on an active role in community problem solving are well documented. They extend from positive impacts on social-emotional learning, self-esteem, public speaking, team-building skills, and academic achievement on the personal level, into the broader fabric of community: stronger participation, inclusion, cooperation, and equity—basic tenants of democracy.

Compared to non-voters, voters are more likely to volunteer, stay informed on local affairs, and benefit from greater social resources. Those who are civically engaged have reduced recidivism rates, higher employment rates with favorable mental and physical health status benefits. They tend to have stronger social connections, leading to a greater quality of life and longevity. For students at the Martin Luther King Jr Freedom Center and the Dolores Huerta Foundation, collectively 95% African American, Latino, immigrant and second language English speaking students and 86% low income, severe racial and socio-economic disparities confound these critical gaps in educational outcomes and civic participation.

Initiative Details: We are seeking funding for the Youth and Family Civic Engagement Initiative to prepare low-income, disenfranchised youth and families for sustained civic engagement in the counties of Contra Costa, Alameda, Kern, and Fresno, California. Middle and high school aged students attend civics classes and leadership encounters, participate in civic engagement projects in collaboration with community-based organizations and local agencies, and promote personal change as an avenue for social transformation. In addition to voter education and registration, the young people engaged in the initiative will be taught to speak in public venues, study and advance community-based problem solving, and create social relationships required for academic excellence and civic duty. This citizenship and social change effort assists schools, communities, and community stakeholders in assuring meaningful roles for our young people in the advancement of civility and democracy.

With support from this budget request, we will engage 200 middle and high school students, 50 from each region, in the initiative's leadership cohort. Martin Luther King Jr Freedom Center and the Dolores Huerta Foundation staff will also engage families of selected students to ensure success of youth participants and to promote civic engagement among family members. Cohort members will participate in civics classes and trainings: out-of-school civic engagement leadership classes, on-going school and home visits, participation in civic projects in collaboration with community-based organizations and local agencies. Participants will simultaneously select to be a part of civic engagement of their choice including integrated voting, public education, and school to civic engagement pipeline activities.

With funding from the California General Fund, we will achieve the following:

- 200 low-income, representationally diverse young people acquire leadership and academic skills required for academic excellence

- 200 students and their family members participate in meaningful civic engagement, public speaking and cultural leadership encounters

- 1,000 youth and family members engage in 10,000 hours of voter education, registration and get out the vote activities increasing voter registration by 30% amongst youth under the age of 25, and by 5% amongst adult community members in respective schools or regions

- Twelve community events feature youth speakers on themes relating to civic engagement, voter enfranchisement and other issues of social and community concern in respective regions

- Urban and rural diverse youth of California featured as key-note speakers in six statewide events throughout the year, accessing media, blogs and public news avenues for dissemination of the initiative"

Staff Recommendation:

Hold open.