

AGENDA
ASSEMBLY BUDGET SUBCOMMITTEE NO. 1
ON HEALTH AND HUMAN SERVICES

Assemblymember Hector De La Torre, Chair

WEDNESDAY, MARCH 1, 2006, 1:30PM
STATE CAPITOL, ROOM 444

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ITEM TO BE HEARD

ITEM 5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE #1: CASH ASSISTANCE PROGRAM FOR IMMIGRANTS (CAPI) DEEMING

The Governor's budget proposed to extend the deeming period for the CAPI program from 10 years to 15 years.

BACKGROUND:

Non-citizen eligibility for public assistance and the responsibility of sponsors of immigrants have been federal issues for decades. Prior to August 22, 1996, many non-citizens were eligible for Supplemental Security Income (SSI), a nationwide, means-tested public assistance program designed to provide a minimum floor of income to aged, blind, and disabled individuals. Eligibility for SSI is based on income and resources below levels specified in Title XVI of the Social Security Act. To be eligible for SSI, an individual must be a resident of the United States (U.S.) and be a citizen of the U.S., a U.S. national, or a qualified alien in a SSI-eligible non-citizen category. California supplements the federal SSI program with its own SSP cash grant program, which is state funded. Basic eligibility criteria for SSI and SSP are the same, and both benefits are paid and administered together as one payment by the Social Security Administration.

On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law (P.L.) 104-193) included changes in social security and immigration laws that narrowed the eligibility of SSI for non-citizens and established a new definition of "qualified alien." This legislation, along with subsequent changes in SSI eligibility for non-citizens in the Balanced Budget Act of 1997, gave rise to California's Cash Assistance Program for Immigrants (AB 2779, Chapter 329, Statutes of 1998). The CAPI program is 100 percent state funded and is administered by local county welfare departments.

Each CAPI recipient falls into one of four categories:

1. *Qualified Alien.* This CAPI category includes non-citizens who entered the U.S. prior to August 22, 1996, meet the federal definition of qualified alien, and are age 65 or older.
2. *Non-Qualified Alien.* Non-qualified aliens are non-citizens who entered the U.S. prior to August 22, 1996 and meet the previous SSI/SSP Permanently Residing Under Color of Law requirements, but not the federal definition of qualified alien. A very small number of CAPI recipients (0.4%) fall under this definition.
3. *Sponsored Alien.* Sponsored aliens are legal immigrants who entered the U.S. on or after August 22, 1996, and the sponsor is deceased or disabled, or the immigrant is a victim of abuse by either the sponsor or sponsor's spouse.

4. *Extended CAPI.* Extended CAPI aliens are non-citizens who entered the U.S. on or after August 22, 1996, who do not meet the sponsor restrictions in the sponsored alien category, but meet either the federal definition of qualified alien or the previous SSI/SSP Permanently Residing Under Color of Law requirements.

About 42 percent of the current caseload CAPI is Qualified Aliens—immigrants that arrived prior to August 22, 1996 and are not subject to deeming requirement. Currently non-citizens arriving after 1996 represent about 58 percent of the caseload.

Most elderly and disabled immigrants that arrived after 1996 can only qualify for Extended CAPI, where the State counts the income of the sponsor of the immigrant as belonging to the immigrant when calculating the eligibility for CAPI (unless the immigrant qualifies for one of the deeming exceptions, such as the sponsor's death, abuse, or abandonment of the CAPI applicant). The proposed change would extend this time period by an additional five years. The Governor's Budget assumes that the State will save \$12.5 million in FY 06-07 and \$40 million in FY 07-08 from the proposed deeming extension. Extended CAPI represents about 58 percent of the total CAPI caseload.

With the deeming provision, the overall income of the applicant and the sponsor must be extremely low to qualify for the program. Under current law, a typical CAPI applicant and their sponsor must earn less than \$826 per month (\$1452 for couples) and not have assets above \$4,000 for an individual (\$5,000 for a couple) for the CAPI applicant to qualify for the program. Currently \$603 per month of a sponsor's income for the CAPI applicant (plus half for each dependent) can be excluded, and \$2,000 of a sponsor's resources (\$3,000 for couples) can be excluded from the balanced deemed to the immigrant.

If the deeming provision is not changed, the budget year would be the first year in which some Extended CAPI applicants could apply for the program without a deeming requirement. As a result, there has been some disagreement about how many applicants would be eligible in the budget year if the deeming provision was not extended. DSS assumes 250 additional cases would be eligible each month if the ten-year deeming period were to remain in effect. However, some advocates and county welfare departments have argued that this caseload is too high given the aggressive citizenship training and SSI Advocacy efforts undertaken over the last ten years.

LAO ANALYSIS:

The LAO provides four potential options for addressing CAPI deeming:

Option 1: Governor's Proposal-Extend the Deeming Period. From a fiscal standpoint, this avoids all CAPI costs from sponsored immigrants for another five years. Moreover, it would reduce future costs (beginning in September 2011) because under a 15-year deeming period, there would be greater attrition, making less recipients eligible, than under the current ten-year deeming period. This approach is similar to the Legislature's action in 2001, when it extended the deeming period from five years to ten years.

Option 2: Retain Current Law. Under this approach, sponsored immigrants would begin receiving state-funded CAPI benefits if they are eligible after the ten-year deeming period. As noted earlier, this results in costs of about \$12.5 million in 2006-07 (compared to the Governor's budget) rising to about \$43 million in 2007-08.

Option 3: Eliminate Benefits for Post-1996 Sponsored Immigrants. Similar to Option 1, the Legislature could decide to eliminate this benefit for sponsored immigrants who arrived after August 1996. This would achieve budgetary savings (compared to current law). To date, no post-1996 immigrant with a financially supportive sponsor has received this state-funded benefit because of current deeming provisions. Moreover, it is likely that some sponsored immigrants could continue to rely on the support of their sponsors.

Option 4: More Narrowly Target Benefits for Sponsored Immigrants. Another approach would be to limit eligibility to sponsored immigrants who can demonstrate a barrier to becoming citizens. Under current federal law, sponsored immigrants may receive federal benefits once they become naturalized citizens. Under this option, state benefits would be provided to sponsored immigrants ten years after entering the United States if (1) they are actively pursuing naturalization or (2) can demonstrate that it is not possible for them to naturalize. Naturalization requires passing tests which demonstrate sufficient proficiency with the English language and sufficient knowledge of U.S. government and history. Immigrants could demonstrate progress towards citizenship by applying for citizenship and enrolling in appropriate courses of study in the English language and U.S. government. Immigrants could demonstrate that obtaining citizenship is not possible by showing good cause (such as advanced age, or inability to complete necessary coursework) for why they cannot complete the naturalization process. This approach would avoid providing state funded benefit programs to citizens who voluntarily choose not to become citizens. This approach would provide an incentive for sponsored immigrants to begin the naturalization process as soon as possible. This approach would also result in administrative costs for verifying progress with respect to naturalization.

The LAO believes all of the options discussed above have some merit. Given the significant costs associated providing benefits to sponsored immigrants, the LAO would favor options 3 and 4 because they result in savings compared to current law and provide relative certainty for both sponsored immigrants and the state budget.

PANELISTS:

Jackie Marahashi
Asian Law Alliance

Jeannette Zanipatin
California Immigrant Welfare Collaborative

STAFF COMMENT:

The CAPI caseload as a whole has declined over the last several years. This suggests that the comments made by advocates and counties about the effect of advocacy efforts on this caseload may be valid.

The Subcommittee will further consider this issue at the March 29th hearing.

ISSUE #2: BARRIERS TO CALWORKS WORK PARTICIPATION FOR IMMIGRANTS

Research illustrates the challenges families with limited English skills face in participating in welfare-to-work programs

BACKGROUND:

Given recent federal changes to the TANF program, California must consider strategies for increasing the number of current CalWORKs families participating in federal work activities. Most CalWORKs families face one or more barriers to employment that must be addressed if such efforts are to be successful.

English is not the primary language for about one-third of all CalWORKs families. Many of the adults in these families have very limited English proficiency, which is a major barrier for their ability to find and keep employment.

Statewide data for families with a primary language other than English show that these families are more likely to be two-parent and child-only cases:

Primary Language	One-Parent CalWORKs	Two-Parent CalWORKs	Child Only Case	Total
English	86.4%	64.7%	57.4%	70.1%
Other	13.6%	35.3%	42.6%	29.9%

DSS CalWORKs Data 2004

The table below illustrates the primary languages of the CalWORKs caseload:

Primary Language	Percentage of Total CalWORKs cases
English	70.1%
Spanish	23.5%
Vietnamese	1.8%
Armenian	1.1%
Cambodian	1.0%
Chinese Languages	0.4%
Hmong	0.5%
Russian	0.5%
Laotian	0.4%
All Other Languages	0.7%

PANELIST:

Jackie Maruhashi
Asian Law Alliance

STAFF COMMENT:

The Subcommittee will further discuss CalWORKs at the March 22 and April 26 hearings.

ITEM 4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**ISSUE #3: NATURALIZATION SERVICES PROGRAM**

The Governor continues the Naturalization Services Program in the budget at \$1.5 million per year.

BACKGROUND:

The NSP provides community-based citizenship training services to immigrants throughout the State. Services provided include outreach, skills assessment, citizenship preparation and assistance, and advocacy/follow-up services.

In the current year, the program received \$1.5 million State General Fund to serve an estimated 8,250 individuals. The Governor's Budget proposes to continue this program in the budget year at the same level of funding.

NSP had been funded by as much as \$7 million per year in recent years. The chart below illustrates the historic funding levels for the NSP program.

Fiscal Year	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07
Amount Budgeted \$ (millions)	2	7	7	4.8	2.9	0	1.5	1.5	1.5

Authorization for the Naturalization Services Program is not currently codified and is based upon past practice of the Department. The Subcommittee could consider adding language to codify the program, given its nearly ten year history.

PANELISTS:

Vickie Mayster
Catholic Charities

Candy Pulliam
La Cooperativa

Tanyay Broder
National Immigration Law Center

STAFF COMMENT:

This program provides important assistance and training that can produce citizens at a cost of only \$173 per person. Given the program's history of providing low cost citizenship training, the Assembly may want to consider increasing the scope of this program so that more individuals can be served.

The Subcommittee will further consider this issue at the March 29th hearing.

ITEM 4200 DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**ISSUE #4: UPDATE ON THE OFFICE OF PROBLEM GAMBLING**

The Subcommittee will receive an update on an action it took last year to use unspent funding to increase the translation of gambling literature into other languages.

BACKGROUND:

The Office of Problem Gambling (OPG) was established in August 2003 to reduce the prevalence of problem and pathological gambling. The first priority of the OPG is to develop a statewide plan for a problem gambling prevention program that includes:

- A toll-free telephone service for immediate crises management and containment.
- Public awareness campaigns.
- Empirically driven research programs.
- Training of health care professionals and educators, and training for law enforcement agencies and nonprofit organizations.
- Training of gambling industry personnel in identifying customers at risk for problem and pathological gambling and knowledge of referral and treatment services.

The OPG is funded by \$3.0 million from the Indian Gaming Special Distribution Fund in the current budget year. This funding supports three OPG program positions.

In 2005, a situational assessment on problem gambling services in California was completed, and the OPG commissioned a prevalence study on problem gambling. The study will be the largest of its kind ever conducted at the state level in United States and is scheduled to be completed in June 2006.

During the current year, OPG established an Advisory Group to provide input on the development of a statewide plan for problem gambling. OPG is establishing an ongoing statewide training and technical assistance program for healthcare professionals, educators, law enforcement and non-profit organizations on problem gambling awareness and prevention.

The National Asian Pacific American Families Against Substance Abuse (NAPAFASA) has formed a coalition of multilingual, multicultural providers and is working with OPG to develop literature that addresses problem gambling. The materials will be translated into widely spoken Asian languages. In the budget process last year, the Subcommittee re-appropriated \$200,000 of funding which was not spent in FY 04-05 for this purpose.

PANELIST:

Diane Ujiye
APIsCAN

STAFF COMMENT:

Some advocates have noted that there is no State funding for the treatment of gambling problems.