

## **Governor Brown's Budget Revision Fails to Invest in Poor Californians**

Governor Brown's May Revised Budget is more of the same for low income Californians. It focuses on paying down debt, creating another rainy day fund and covering pension liability while doing nothing new for the more than eight million Californians living in poverty. The Western Center on Law & Poverty calls on the Legislature to make major revisions to the budget to reflect the needs of low-income Californians who continue to suffer from the severe economic downturn of the past six years.

"California needs Governor Brown to apply the same skills he used to bring the budget in line to helping the poor get out of poverty," said Elizabeth Landsberg, Western Center's director of legislative advocacy. "We need the Governor to focus on the least fortunate Californians so that our state no longer has the highest poverty rate in the nation. Health coverage is critical, but is not the social program. It doesn't pay rent or buy food."

In particular, the Governor is failing to alleviate the stress of poverty on poor children on CalWORKs. Research shows that children who grow up in deep poverty are likely to experience significant long term impacts but that an investment of just \$3,000 a year more in a child's life can put them on a positive trajectory. Sadly, the Governor is not proposing to eliminate the maximum family grant for families, increase basic CalWORKs grants above the current level of 40% of the federal poverty level or restore cost of living increases so the value of the CalWORKs grant does not sink even lower.

"We urge the Legislature and Governor to pass a budget that reduces the number of California children in deep poverty by ending the CalWORKs child exclusion policy which harms children born into poverty and invades the reproductive privacy and rights of poor women," said Jessica Bartholow of Western Center, adding, "While we are relieved that the Governor increased state investments to prevent cuts to federal food assistance following changes to federal law enacted by the Agricultural Act of 2014, this drop in the bucket will not reverse the harm of deep poverty for our state's most vulnerable children,"

Western Center was also surprised to see that the Governor has not proposed to repeal the lifetime bans on cash and food assistance for persons with drug felony convictions. Given the pressure from the federal courts to address prison overcrowding, the state should be doing everything possible to help families succeed in transitioning from prison to the community. By denying families food, cash benefits, child care and welfare to work training, the state is making it more likely that people will not succeed when they are released.

“Why not utilize free federal food assistance and a proven program like the CalWORKs welfare to work program to reduce recidivism?” said Mike Herald of WCLP. “It is long past time for this to be corrected.”

One reason the state’s poverty level is so high is that one million blind, aged and disabled persons fell into poverty due to a series of cuts to the SSI grants. Sadly, the Governor’s budget proposes nothing to restore the grant amounts or reinstate the cost of living adjustment that Governor Schwarzenegger shortsightedly abolished.

The Governor’s budget misses a major opportunity to reduce greenhouse gas emissions by not using some of the AB 32 cap and trade proceeds to provide funding for the development of transit-centered housing. Studies show that putting housing near transit ensures people get out of their cars and on to public transportation, and that lower-income households use it the most. Pro tem Steinberg is supporting such an approach.

“By building more affordable units near where people work and on public transit lines the state can reduce greenhouse gas emissions and bring stability to housing costs for thousands of Californians annually,” said Brian Augusta of Western Center. “It’s the right policy for the right time.”

On health policy, like the Governor we are proud of the job California has done country in enrolling people into the new health coverage options under the Affordable Care Act – more than 1.9 million in Medi-Cal and some 1.4 million in Covered California. The Medi-Cal numbers are hard to estimate given the 900,000 pending cases and ongoing technical challenges so need to be reviewed with scrutiny. And while health coverage is a critical part of the safety net, it is not the only investment that should be made in families who still need roofs over their heads and food to feed their families.

In sum, the Governor’s budget continues to pursue the bankrupt philosophy of austerity when more than eight million Californians are still living in poverty. Western Center calls on the Legislature to significantly amend the Governor’s May Revise to reflect a more balanced approach that helps all Californians.

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