



May 28, 2018

The Honorable Philip Ting  
Chair, Assembly Budget Committee  
California State Capitol  
Sacramento, California 95814

The Honorable Holly Mitchell  
Co-Chair, Senate Budget and Fiscal Review Committee  
California State Capitol  
Sacramento, California 95814

**Re: CalWORKs, CalFresh, SSI & EITC Issues in the 2018-19 Budget Conference Committee**

Dear Chairperson Ting and Co-Chairperson Mitchell,

The Western Center on Law and Poverty (WCLP) and Coalition of California Welfare Rights Organizations (CCWRO) represent California's poorest residents on issues of public benefits, affordable housing, health care and access to justice. We are active participants in the state budget process and in legislation impacting our clients. We write to you today related to CalWORKs, CalFresh, SSI & EITC issues that will be included in the 2018-2019 Budget Act Conference Committee deliberation.

**CalWORKs End Childhood Deep Poverty** – WCLP and CCWRO support the Senate version to keep children out of deep poverty by increasing maximum grant assistance to families. Families who rely on CalWORKs grants to afford their basic needs live with profound material hardships and homelessness among the families has increased significantly. A large body of research demonstrates that children who live in such conditions suffer from trauma that can impact their brain development and produce negative outcomes in the future. Increasing the grant is the most direct and effective way to reduce the trauma and we strongly support the Senate version.

**CalWORKs Honest Budget Adjustment** – WCLP and CCWRO support the Senate version to provide an inflation adjustment to CalWORKs grant each January 1 based on the California Necessities Index. Due to repeated denials of the CalWORKs inflation adjuster or, cost of living adjustment (COLA), and its' eventual elimination, the value of the grants has fallen to just 43 percent of the federal poverty level leaving more than 750,000 children living in or near deep poverty. Failing to acknowledge inflation, and its impact on low-income families is dishonest and cruel. WCLP and CCWRO strongly support the Senate version.

**CalWORKs Study Time for Self-Initiated Program Welfare-to-Work Participants (SIP)** – WCLP and CCWRO support the Assembly version of conforming study time rules for Self-Initiated Program (SIP) Welfare-to-Work Participants with the study time rules of non-SIP students. WCLP and CCWRO strongly support the Assembly version.

**CalWORKs Home Visiting Program** – WCLP and CCWRO support the establishment of a CalWORKs Home Visiting Program. Home visiting has a robust evidence base, backed by rigorous research that supports models' effectiveness at promoting children's health and development and strong parenting skills while leading to fewer children in the social welfare, mental health, and juvenile corrections systems, with considerable cost savings for states. WCLP and CCWRO Assembly version of the CalWORKs Home Visiting (HV) Program with the additional improvements proposed by the Senate.

**Safety Net Reserve** – WCLP and CCWRO **support the Senate version** to create a Safety Net Reserve for Medi-Cal and CalWORKs and to place \$1 billion in the subaccount for CalWORKs. The state has done an exemplary job under Governor Brown and the legislative leadership in turning around the deepest deficit in state history and growing the Budget Stabilization Account (BSA) to \$13 billion. As constructed, the Public Schools System Stabilization Account in the BSA receives the majority of the funds and thus in the case of a decline in revenue both Medi-Cal and CalWORKs will likely face deep cuts. It is matter of equity that we create and fund a reserve for programs that serve the poor. WCLP strongly supports the Safety Net Reserve.

**Supplemental Security Income (SSI) Inflation Adjuster (COLA)** - WCLP and CCWRO **support the Senate version** to provide a cost of living adjustment to SSP grant each January 1 based on the California Necessities Index. Due to repeated denials of the SSP Cost of Living Adjustment (COLA) and its' eventual elimination, more than one million Californians who are elderly or live with a disability fell below the poverty level and remain there today.

**CalWORKs Housing Support Program** – WCLP and CCWRO **supports the Assembly version**, which adds additional funding for the Housing Support Program (HSP), which helps provide longer-term housing support for families with children who are homeless.

**CalWORKs Homeless Assistance Program** – WCLP and CCWRO **support Assembly version** ending the consecutive days rule for temporary CalWORKs Homeless Assistance Program (HAP). Currently, CalWORKs provides temporary housing assistance for 16 consecutive days during a one-year period to homeless families with children. This means that any one instance of receiving temporary housing assistance, even if it is for less than 16 days in total, bars the family from receiving additional assistance for a year. This limit has unintended consequences, such as placing a homeless family in the difficult position of deciding whether to accept or forego an offer of temporary housing from family or friends or whether to pursue employment or housing opportunities in a different area of the state and risk losing eligibility for additional assistance should they become homeless again within the year. Finally, limiting to consecutive days increasingly does not meet the needs of homeless CalWORKs families who have joined the ranks of the permanently homeless, and really just need temporary and occasional respite from the streets, a shelter, or the floor of their family member's home.

**Hunger Free Campus Initiative** – WCLP and CCWRO **support Assembly version** funding the Hunger Free Campus Initiative to support CalFresh outreach, food pantries and meal sharing programs. According to California State University (CSU), one in five CSU students experience hunger and one in ten experience homelessness. In a survey recently conducted by the University of California Regents, it was found that one in five University of California (UC) students do not have access to adequate food or nutrition. Furthermore, nationwide lab reports show that half of all community college students are struggling with housing and/or food insecurity. A study of Pell Grant recipients at California State University Sacramento found that 23% of these high performing students from low-income families experience at least one day each month in which they go without food and 12% reported having unintentionally lost weight because they could not afford food. WCLP and CCWRO strongly support the Assembly Version.

**EITC Expansion** – WCLP and CCWRO support the **Assembly version** to expand the EITC to younger and older workers and to increase the credit to keep pace with the increase in the minimum wage on January 1, 2019. The Assembly version also provides eligibility for the tax credit to Californians using ITIN documents. It is important for all low-income working families, and individuals to have access to CalEITC; this includes anyone who works, files taxes and meets the income eligibility including immigrant workers.

**COIN Tax Credit** – WCLP and CCWRO **support the Senate version** to restore the California Organized Investment Network tax credit at \$10 million annually. The purpose of the tax credit is to encourage insurance companies to invest in California that address important needs of low income California like affordable housing, health clinics and community development financial institutions.

**Equal Access Fund** – WCLP and CCWRO support the **Assembly version** of funding for legal services via the Equal Access Fund to ensure that low income Californians have access to health care, are protected from eviction, receive public benefits in a timely and correct fashion and assist persons with debt problems.

**Diaper and Food Assistance Funds** – WCLP and CCWRO support the **Assembly version** of funding for diaper and food basic needs assistance. The CalWORKs program only serves 60% of people eligible and the CalFresh program only serves 70% of people eligible. Even when a low-income California family receives help from these programs, the benefits often fall short of what is needed to prevent basic needs deprivation during the month. Diaper banks and food banks are an effective way to serve people unserved or underserved by the safety net programs, but they can't do this job with donations from charitable sources alone. WCLP and CCWRO strongly support the Assembly Version.

**Single Allocation** – WCLP and CCWRO support the **Senate version** to adopt the Governor's May Revise proposal and add \$10 million to restore lost employment services funding. These funds are crucial in assisting adults in the CalWORKs welfare to work program receive the services they need to meet the requirements of the welfare to work plan.

We appreciate the opportunity to work with you, your staff and the other members of the 2018-2019 Budget Conference Committee to ensure that the needs of low-income Californians have been considered.

Sincerely,



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Director of Policy Advocacy  
Western Center on Law and Poverty



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Executive Director,  
Coalition of California Welfare Rights Organization



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