



## WESTERN CENTER ON LAW & POVERTY

April 2, 2019

The Honorable Holly J. Mitchell  
Chair, Senate Budget and Fiscal Review Committee  
California State Senate  
Sacramento, CA 95814

The Honorable Phil Ting  
Chair, Assembly Budget Committee  
California State Assembly  
Sacramento, CA 95814

The Honorable Richard Pan  
Chair, Senate Budget Committee Sub 3  
California State Senate  
Sacramento, CA 95814

The Honorable Eloise Gómez Reyes  
Chair, Assembly Budget Committee Sub 1  
California State Assembly  
Sacramento, CA 95814

### **RE: Restore the CalWORKs 60 Month Clock**

Dear Budget Leaders,

We are writing to ask that the budget committees repeal changes made in the 2011-12 and 2012-13 budget acts that reduced the number of months adults could receive CalWORKs and made other restrictions on CalWORKs welfare to work. The changes, made at a time of deep state budget deficits, have proven ineffective in helping families find meaningful employment and have proven difficult to administer for counties. Recent reforms by the Legislature and counties to modernize the CalWORKs program and make it more accountable are impeded by the changes made during recessionary times. We are asking the Legislature to modify these changes by restoring the 60-month time clock for adults while preserving program flexibility to develop welfare to work plans that better meet the immediate needs of CalWORKs families.

### **SB 1041 is a Failed Policy That Needs Reform**

The changes made in the early part of this decade not only shortened the time clock from 60 months to 48 months, it also split the 48 months into two separate welfare to work programs. For 24 months a recipient could participate in any activity called for by the assessment of the recipient's needs. But after 24 months, the recipient had to meet federal work requirements that were more rigid and punitive. An evaluation by the RAND corporation found that SB 1041 resulted in *“very small changes and suggest that the initial effects of the SB 1041 reforms have been modest and that much of the observed trends are likely the result of favorable economic and demographic trends.”*<sup>v</sup> RAND also reported that *“caseworkers said that while it was difficult for them to understand the changes brought about under the legislation, an even greater challenge was explaining it to*

*participants. Data from the ACS reinforces this finding—93 percent of counties reported that explaining the complexity of SB 1041 to participants was a barrier.*”<sup>vi</sup> This is consistent with what recipients have told us for years. They do not understand the different time clocks, the different work requirements, and how the extension policies work.

## **SB 1041 Undermines Accountability Efforts and Two Generational Strategies for Reducing Poverty**

CalWORKs has evolved from its’ 1998 origins. Back then, little was known about how to move families from welfare to work. Our state, like most, adopted a rigid one size fits all policy, of work first. As we have noted, this approach has had limited success because it assumes that the only solution to poverty is immediate employment. While employment made sense in when our economy was industrial based, today’s economy is knowledge based and today’s program is not responsive to the knowledge-based economy. We now know much more about the impact of deep poverty on children, on research based approaches to helping adults achieve meaningful success and on crafting individualized welfare to work plans that rely less on rigid work requirements and more on meeting the immediate needs of families.

In recognition of these developments, the Legislature and the counties have taken important steps in recent years to modernize CalWORKs. First, the Legislature approved the California Outcome and Accountability Review (CalOAR) system to create metrics that capture county performance in meeting actual recipient’s needs. It requires counties to continually evaluate and improve their performance to better meet the needs of CalWORKs recipients. Second, counties have developed a new two generation approach to working with families in welfare to work that is less rigid than work first and focused on developing self-regulation and executive functioning. It stresses goal setting based on the needs and aspirations of the family. It utilizes the flexibility provided by SB 1041 to create activities that address family’s immediate issues and goals. While this approach is backed by a deep body of research, current state law limits this approach to just 24 months. Allowing both more flexibility in activities and more time for families who need will lead to better outcomes for families.

## **Restoring Time Clocks Promotes Educational Achievement**

We also now know that education is key to finding meaningful careers that can support families. Yet half of CalWORKs recipients do not have a high school diploma when they enroll in CalWORKs. The more education that a parent can get, the higher their earnings will be after school. We applaud the Governor’s budget for recognizing this and proposing to expand educational opportunities for low income student parents through the CalGrant program. Under the Governor’s proposal, student parents would be eligible for a new CalGrant A Access award of up to \$6,000 and the Governor proposes to increase CalGrant B awards from \$1,648 up to \$6,000.<sup>i</sup>

Increasing CalGrants are a major step towards success for student parents and restoring CalWORKs welfare to work will complement the Governor’s proposal. The current 48- month time limit penalizes student parents by denying them assistance just as they are reaching the end of their educational programs. Restoring the final 12 months of CalWORKs assistance is a smart investment to allow parents to complete their course work and gain fulfilling employment.

## **Daily Challenges of Poverty Requires That Families Have More Time**

A CalWORKs family's path to success is often not a straight line. Living in deep poverty means confronting challenges many of us never experience. Transportation, child care, paying for insurance, going to court for restraining orders or divorce proceedings, keeping the lights turned on, putting food on the table, helping a child struggling at school or not having the money for rent. On paper, CalWORKs allows families some flexibility to address these challenges and there are programs that can assist families overcome a crisis.

In reality, the work first culture created 20 years ago continues to push many families to meet welfare to work requirements because counties fear they will be financially penalized. Even in the face of numerous changes to state law and the recent CalWORKs 2.0 initiative by counties, families face pressure to meet work requirements instead of utilizing the limited flexibility in the program. Many recipients tell us that they spend valuable months trying to find work to satisfy work requirements and only after that is unsuccessful are they permitted to get the education they need and want. But they do so with a shortened time frame for success that is not realistic. Some students time out of assistance near the end of completing their studies and lose not just CalWORKs grants, but child care and other needed services. Many have no choice but to drop out of school at that point. Restoring the 60-month clock will give these students the time they need to finish.

## **Short Time Clocks Harm Families with Significant Barriers to Success**

Restoring time clocks is also critical for families that have the most difficult challenges. Families who have experienced intimate partner violence are the norm in the CalWORKs program. Studies have shown 80 percent or more of families have experienced or are living in a violent environment. Yet these families are routinely denied an exemption to welfare to work because state policy only grants exemptions if a family can demonstrate good cause for not participating in welfare to work. This practice means that month after month tick off the time clocks while the family is compelled to meet work requirements. This is the most common situation we hear about from families. Once the family is prepared to engage with the county more effectively, they often have little time left to complete their education or get a certificate that will lead to meaningful work. Extending the time clock back to 60 months would give these families time to meet their challenges and be able to pursue a career path.

Partner violence is not the only reason time clocks run even though the family is unable to meet work requirements. Undiagnosed learning disabilities are common. Caring for a child that is struggling in school or in the community often impedes the ability to complete welfare to work yet time clocks continue to run. Being homeless or searching for housing does not stop the 48 month time clock. Workplace discrimination against people due to their race, gender, hair styles, religion or gender or sexual identity, unfortunately is still too common and keeps CalWORKs recipient households from working enough hours at high enough wages to exit the program. What's more, recipient households experience these barriers at a higher rates than the general population. Simply put, CalWORKs recipients have more barriers to work than other families and they will be more likely to succeed economically and even to exit the program if they are supported with quality employment and training programs, where workers can focus on those services rather than on keeping track of complicated time-clock rules.

## Advocates Proposal

In review, we are requesting that budget committee leaders adopt a budget that accomplishes the following:

- Provide the full 60 months on CalWORKs assistance as provided under federal law.
- Preserve the “flexible” welfare to work approach adopted in SB 10041 and apply it to the entire 60 months.
- Repeal the extension policy for the 24 month flexible clock
- Eliminate SB 1041 mandatory notice and consultation requirements adopted to conform to the shortened time clock and the differing work requirements.

We urge you to adopt the above changes in trailer bill language in the 2019-20 budget. Thank you for your consideration.

Sincerely,



Mike Herald,  
Director of Policy Advocacy  
Western Center on Law and Poverty



Kevin Aslanian  
Executive Director  
Coalition of California Welfare Rights Organizations

CC: Honorable Toni Atkins, President Pro-Tempore of the California State Senate  
Honorable Anthony Rendon, Speaker of the California State Assembly  
Members of the 2019-20 Budget Committee  
Mr. Michael Wilkening, California Health and Human Services Agency  
Richard Figueroa, Office of the Governor  
Tam Ma, Office of the Governor  
Director Keely Bosler, Department of Finance  
Ms. Pat Leary, California Department of Social Services  
Mr. Chas Alamo, Office of the Legislative Analyst Office

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<sup>i</sup> See the Legislative Analyst’s Office report on the Administration’s higher education proposals in the 2019-20 budget,, <https://lao.ca.gov/Publications/Report/3946>