



Save the Safety Net for Children and Families

To: Members, Allies, and Friends
From: Shane Goldsmith & Mary Ochs,
National Campaign for Jobs and Income Support
Date: September 16, 2002

UNITED WE MADE A DIFFERENCE

Over 20 groups in 10+ buses across California came together as part of the “**Save the Safety Net for Children and Families**” campaign. The campaign led by the **California Partnership**, consisted of the following organizations: the LA Chapter of the **National Campaign for Jobs and Income Support**, Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA), LA Coalition to End Hunger and Homelessness, Korean Immigrant Workers Association (KIWA), California ACORN, Sacramento ACORN, ACORN Childcare Providers for Action, California Immigrant Welfare Collaborative (CIWC), Sacramento Valley Organizing Communities (SVOC), Asian Pacific American Legal Center (APALC), Services Immigrant Rights and Education Network (SIREN), National Immigration Law Center (NILC), California Welfare Justice Coalition, the Coalition for Ethical Welfare Reform (CEWR), Parents Organized for Westside Renewal (POWER), Human Services Alliance, Peoples Initiative Toward Advancing Community (PITAC), Filipino American Services Group Inc (FASGI), Homeless Prenatal Project, Korean Resource Center, and LIFETIME.

Despite daunting obstacles—a draft budget threatening severe cuts, and the legendary hailstorm and tornado warning—we unified and made a difference. Much has happened since our big event on May 20th in Sacramento. This letter contains a brief recap of the event, and an update on the state budget and “safety net” related legislation.

MAY 20TH RALLY DAY

Running in for cover from the rain about 700 low-income people and allies filled the halls of the capitol. Our soaking wet T-shirts declaring “One People. One Crisis. One Safety Net.” created a buzz among capitol employees, elevator operators, and legislator’s staff. That day alone we did over 100 lobby visits with our legislators’ and the Governor’s staff. We were the first large group of low-income people to go to the Capitol after the May Revise of the Budget was announced. Ranging in age from infant to early 80s, we represented a wide range of ethnic, linguistic, and racial diversity. Our legislative briefing at the Capitol was conducted in 5 languages (Farsi, Chinese, Spanish, English, and Vietnamese). We had a very active Filipino contingent as well.

We got substantial media coverage, with several reporters braving the hail to get their interviews. The event was covered by the LA Times, San Gabriel Times (and several other Southern California newspapers owned by Media News Group), Capitol Radio (Sacramento NPR station), Univision in Sacramento, Capitol Television News Service, Two LA TV stations, Es Reportero, KPFK Morning Show, KPFA Sacramento Morning Show, and San Francisco Chinese Radio. The San Francisco Chronicle Examiner ran the Op Ed drafted by NCJIS and CEWR.

RESULTS

Since our event on May 20th, several groups have done follow up visits with legislators on our priority issues, and we have all participated in faxing and calling legislators and the Governor advocating for our legislative priorities. This was a very difficult budget climate with a huge revenue shortfall that kept growing right up to the day we arrived in Sacramento. And the energy crisis did not help matters. Even still, we made some headway and managed to soften the most draconian of the Governor’s proposed cuts.

OUR SAFETY NET PRIORITIES	SAVED!	LOST, BUT... WE’LL BE BACK!
COLAs for CalWORKs and SSI/SSP	✓ Partial implementation this yr., full implementation next yr.	
Childcare	✓	
Healthy Families Expansion to cover parents		✓
Child Health and Disability Prevention Program (CHDP)	✓	
1931b Medi-Cal for 2-parent families and relative caregivers	✓	
Naturalization Services Program	✓	
Education and Training *CalWORKs students at Community Colleges *Adult Education Budget	✓ Saved \$40 million out of the \$58 million the Governor threatened to cut. ✓ Saved \$13 million from the original proposed cut of \$36 mill.	✓ Still lost \$18 mill. ✓ Lost \$23 mill. Out of a total \$36 mill.

Several of the safety net programs (and most of our priority programs) did survive this round of cuts—that’s the good news. The bad news is, given the short-sighted nature of the revenue raising mechanisms in the new budget, and other deals cut in order to pass the budget, the budget situation is only going to worsen in the next two years. For this reason, we must continue to grow this effort, to strengthen the **California Partnership**, and to reach out to new groups across the state. It is important that we not only hold the line and protect the most important programs, but that we move a proactive agenda advocating for new policies that will help families climb out of poverty. All of you can help by continuing to identify groups all over California who care about these issues and might join with us.

FY 2002-2003 BUDGET

On September 5th, 2002, Governor Davis signed the 2002-03 budget bill 63 days late. The Governor vetoed \$235 million dollars worth from the General Fund and special fund appropriations approved by the Legislature. Over 75% of these cuts (\$177 million) were taken from the \$26.6 billion Health and Welfare budget. The final budget for FY 2002-03 addresses a \$23.6 billion gap between revenues and expenditures, and comes to a total of \$99 billion.

Many officials and advocates believe that the Governor has postponed the most difficult decisions on taxes and spending until after this November's election. The budget depends on federal funds that are not guaranteed, and does not implement any general tax increases. Some economists estimate that this spending plan will leave us with a \$10-20 billion budget deficit and a severe budget crisis in January. This will most likely lead to deep program cuts and will necessitate tax increases.

The "Safety Net" programs of last resort for low-income people bore a disproportionately large percentage of these cuts. However, in most cases, these cuts are far less severe than the Governor originally proposed in January, and in some cases less severe than those proposed in the May Revise of the budget. In a difficult budget year, the Legislature made some decisions that will hurt low-income people. However, we have built a strong and growing partnership, we won important commitments from legislators, we helped beat back the worst of the cuts and...we'll be back!

ONE PEOPLE.

ONE CRISIS.

ONE SAFETY NET.

COLAs—Partially saved.

Our **California Partnership** decided to make COLAs our top priority because many of our members receive welfare (CalWORKs) or SSI/SSP. We also discovered in April that no other grassroots group in California was making the COLAs a top priority. The Governor originally proposed to suspend the COLAs, costing CalWORKs recipients \$26/month and SSI/SSP recipients \$28/month this year. The suspension would also hurt seniors, the disabled, the poor in the future because the baseline for future years would be lower because this year's increase was skipped. Largely due to our efforts and the work of the Western Center on Law and Poverty (WCLP), we beat back this suspension and won a partial restoration. CalWORKs COLAs will be implemented in the last month of this fiscal year. SSI/SSP COLAs will be partially implemented in January 2003 (the Federal portion) and fully implemented in June 2003 (the state portion). This year's cost of living adjustments for CalWORKs and SSI/SSP will be "built into the base" for future years. Though the Governor's final decision is a disappointment it much is better than his original proposal.

EDUCATION AND TRAINING—Partially saved...we'll be back!

In January, the Governor proposed to eliminate the entire \$58 million budget for support services to CalWORKs parents attending Community Colleges. The new budget is consistent with the May Revise leaving \$20 million for the Community Colleges to provide services to CalWORKs students to be matched by \$20 million provided by local community college districts for a total of \$40 million. Therefore, the Governor cut a total of \$18 million from the budget for CalWORKs students at Community Colleges, rather than the \$56 million originally proposed. The Governor also eliminated \$23 million from the Adult Education budget leaving \$9.9 million

in federal TANF funds to provide additional instruction for CalWORKs recipients in programs that are at or above their authorized average daily cap.

CHILDCARE—Saved!

The Governor originally proposed to 1) reduce the eligibility rate for parents and increase their co-payment which would have resulted in some parents paying up to 34.7% of their income for childcare; 2) eliminate Stage Three childcare for former CalWORKs recipients; and 3) reduce the reimbursement rate for childcare providers which would have resulted in fewer childcare providers and lower quality childcare. Due to strong grassroots organizing led by ACORN's Childcare Providers for Action, the Governor rescinded all of these proposals in his May Revise. In Sacramento, the **California Partnership** was able to increase the pressure on the Governor to prevent him from backpedaling on his commitment not to make cuts to childcare in the face of the growing budget shortfall. What looked like a big problem regarding retroactive payments in the Governor's May Revise was partly resolved through face-to-face conversation between ACORN Childcare Providers for Action leaders and the Governor's staff.

HEALTHCARE

The most serious reductions were made in health care services, including a 5.9% (\$59 million) cut in county Medi-Cal administration.

HEALTHY FAMILIES—We'll be back! The Governor passed a small expansion of Healthy Families to cover about 60,000 more children (up to 624,00 kids). Unfortunately, at the 11th hour, the Governor vetoed the expansion of the Healthy Families program to cover the parents of eligible children. However, we have built a strong coalition over the last two years, and have gained considerable support in the legislature for this expansion. We should have won, and we will be back. Our firm belief, backed by hard data, is that it is difficult to cover more children when their parents are left out. The Governor did apply for the federal waiver necessary to implement this parent expansion, but faced with a tough budget year, he chose to send the Federal money back this time. He hasn't heard the last of us!

CHDP—Saved! In January, the Governor proposed to eliminate the Child Health and Disability Prevention program entirely. Due to strong opposition from the **California Partnership's** immigrant groups, led by CIWC, together with the low-income groups, the Governor agreed to keep the program. There will be a change in the program, streamlining it so that it is a "gateway" to enrolling eligible kids into Medi-Cal and Healthy Families.

1931B MEDI-CAL—Saved! The Governor proposed to lower the eligibility limit for parents and relative caregivers to receive Medi-Cal. Due to advocacy from consumer groups, the legislature held the line and the eligibility limit remains at 100% of poverty. The Governor also wanted to make it harder for 2-parent families to qualify for 1931b. Again, due to consumer advocacy, the legislature wouldn't go along with it, so there is no change in the current law.

QUARTERLY REPORTING FOR MEDICAID—Saved! Quarterly Status Reports (QSRs) will not be reinstated this year. Requiring people to file QSRs often results in eligible families losing healthcare coverage because they cannot keep up with the paperwork. This is a major victory, as there was strong support for reinstating QSRs in the Legislature. This affects potentially 247,000 low-income (non-welfare receiving) Californians.

IMMIGRANT ACCESS

NATURALIZATION SERVICES PROGRAM—Saved! The Governor originally proposed to cut the budget for this program down to \$2 million. In the final budget, funding is restored at \$7.9 million. Advocates must now push the Governor to apply for \$5 million in federal funding from the Department of Education.

FOOD STAMPS

The Governor cut \$16.5 million from funding for county administration of the Food Stamp program, a 4.2% overall reduction, leaving a total of \$372.9 million. This is an improvement over the 20% cuts he proposed in his May Revision.

OUR LEGISLATIVE PRIORITIES

SB 1264. Alpert.—PASSED! Allows CalWORKs children to earn financial awards without being counted against the family's benefits; exempts 16-17 year olds from work requirements if they are attending or planning to attend college; extends eligibility for 18-21 year olds who are progressing in high school or special education. This bill passed through the Assembly unanimously and had strong bi-partisan support in the Senate. Thanks to all of you who sent letters in support of this important legislation.

The following legislation passed through both houses and is now on the Governor's desk awaiting his signature by September 30th. Please send letters now to the Governor urging him to sign each of these pieces of legislation into law (sample format is attached).

AB 1947. Washington. Allows convicted drug felons enrolled in Prop. 36 drug treatment to avoid the disqualification from Food Stamps. Coverage of CalWORKs benefits was deleted in the Senate Appropriations Committee due to cost considerations. The Governor has previously vetoed 2 similar bills. While this bill is narrower than the previous bills, the Governor's record does not bode well for AB 1947.

AB 2386. Keeley. Allows CalWORKs participants to continue in education and training programs beyond the current 18 or 24 month time limit in certain cases when participants require more time to finish their program. Passed out of Assembly and Senate with mostly party line votes. Certain grounds for extending the time limit (personal or family crisis, in a program leading to self-sufficiency, in the midst of a school term) were removed in Senate Appropriations to reduce estimated costs.

AB 2395. Goldberg. Original language would have mandated that low-performing schools serve school breakfast. The language has been watered down considerably and now only requires that school boards in districts with low-performing schools have public discussions at school board meetings about the barriers to providing school breakfast. This would enable community groups and affected parents to advocate for creative solutions and implementation of the program.

SB 2739. Chan. Ensures that Medi-Cal Managed Care (MMC) Program and Healthy Families Program provide culturally and linguistically appropriate health care.

SB 987. Escutia. Strengthens the enforcement mechanisms of the Dymally Alatorre Bilingual Services Act.

AB 1959. Corbett. Establishes a demonstration project in four counties (Alameda, Santa Clara, San Diego, Ventura) to allow up to 48 months (instead of current 18-24 months) for CalWORKs participants to complete a registered nursing program. This bill was amended in the Senate limiting it to a four county demonstration project.

AB 60. Cedillo. Would allow immigrants in the process of applying for legal permanent residence to apply for a driver's license. Our partners, CIWC and SVOC, were especially active in fighting for this bill. Our California Partnership expanded the voices of nonimmigrant groups to join with immigrant groups in support of this bill. Unfortunately, companion bill SB 804 passed and the Governor will not sign AB 60 without it. SB 804 will require criminal background checks and residence and work history for 15 months. If the Governor signs these bills, immigrants' rights groups will monitor the implementation and work through the regulatory process to mitigate some of the harm caused by SB 804.

The following bill is still in committee, and is not yet on the Governor's desk:

SB 1414. Speier. Would have established the Healthy California Program to provide health coverage to all citizens and legal immigrants. Held in committee and under submission.

The following bills died:

AB 2116. Aroner. Would have stopped the CalWORKs 60 month time limit or extended the time limit when participants were working, did not have access to supportive services, or were living in areas where jobs were in short supply. This bill died in Assembly Appropriations.

AB 2926. Longville. Would have established the county option for quarterly reporting in Food Stamps and CalWORKs. This bill died after the issue was subsumed by the budget trailer bill AB 444. AB 444 is awaiting the Governor's signature. Recipients can now submit quarterly reports rather than monthly reports. However, when their income is "likely to render the family ineligible for benefits" they must submit interim reports. (see also AB 2415).

AB 2415. Keeley. Red Tape Reduction Act for Hungry, Working Californians. Would have ended monthly reporting for food stamp and CalWORKs recipients. Would have also linked eligibility for Medi-Cal and the Food Stamp Program. This bill died after the quarterly reporting issue was subsumed by the budget trailer bill AB 444. AB 444 is awaiting the Governor's signature. Recipients can now submit quarterly reports rather than monthly reports. However, when their income is "likely to render the family ineligible for benefits" they must submit interim reports.

AB 32. Richman. Would have created the Cal Health Program and coordinated and simplified the Medi-Cal and Healthy Families programs; would have expanded Medi-Cal to include adults under the age of 65 who are at or below 250% of the Federal Poverty Level. This bill died in the Senate Appropriations committee. The **California Partnership** worked closely with Assemblymember Richman this year and last year to promote this legislation. We did not expect this legislation to pass this year, but rather this is a long-term investment to build broader support for a greatly expanded and more coordinated health care system in California...we'll be back!

SB 1388. Vasconcellos. Would have made community college noncredit courses that prepare pupils to pass the high school exit exam eligible for funding (i.e. citizenship classes, ESL).

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Letters of support for legislation

Please send in letters of support for legislation awaiting the Governor’s signature ASAP. He has until September 30th to sign bills into law, but may make his decisions sooner.

Fax # (916) 445-4633

[Letterhead]
[Date]
The Honorable Gray Davis Governor of California State Capitol Building Sacramento, California 95814
RE: [bill #]—SUPPORT
Dear Governor Davis:
[insert information about your organization/constituency]
[insert why you believe the Governor should support the legislation]
Sincerely,
[your name] [your organization]