

Date of Hearing: August 18, 2020

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Lorena Gonzalez, Chair

SB 1232 (Glazer) – As Amended July 27, 2020

Policy Committee: Human Services

Vote: 6 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: Yes

**SUMMARY:**

**This bill has proposed author's amendments. See comment #5 below for a discussion.**

This bill requires, upon appropriation by the Legislature, an eligible California Work Opportunity and Responsibility for Kids (CalWORKs) recipient to receive a standard payment for college books and supplies, and exempts the recipient from participating in certain job club or welfare-to-work (WTW) activities. Among its provisions, this bill:

- 1) Specifies an "eligible" CalWORKs recipient is a recipient who is attending a publicly funded postsecondary educational institution who is either, (a) attending full time and making satisfactory progress at that institution or, (b) attending part time and meeting the hourly WTW participation rates, as specified.
- 2) Requires an eligible recipient who wishes to receive supportive services to sign a WTW plan each academic semester or quarter that includes specified information.
- 3) Provides that an eligible CalWORKs recipient, per "1) (a)" above, receive a payment of \$500 for each semester or \$250 for each quarter, and a CalWORKs eligible recipient, per "1) (b)" above shall receive a payment of \$250 for each quarter for the purpose of paying costs associated with attending the postsecondary educational institution. The recipient must receive payment 10 days before the beginning of the academic semester or quarter.
- 4) Requires the payment amounts to be adjusted annually for inflation, using the Consumer Price Index published by the US Department of Labor, Bureau of Labor Statistics.
- 5) Authorizes an eligible recipient to request reimbursement for the actual costs associated with attending the postsecondary educational institution if the recipient provides verification of expenses that exceed the applicable amount for books and college supplies required for the classes in which the individual is enrolled.

**FISCAL EFFECT:**

- 1) The California Department of Social Services (CDSS) indicates no cost to implement the changes in this bill. CalWORKs ancillary payments are currently provided for books and supplies and can be claimed to the CalWORKs Single Allocation as an ancillary supportive service. This bill changes the point-in-time of the payment to the CalWORKs recipient.
- 2) Office of Systems Integration indicates automation costs are minor and absorbable.

**COMMENTS:**

- 1) **Purpose.** This bill seeks to make it easier for CalWORKs recipients to attend college by providing an upfront payment for books and other supplies associated with attending school.
- 2) **CalWORKs.** The CalWORKs program provides eligible low-income families with cash grants and supportive services aimed at helping them to secure education, training, and employment. Participating families have access to a range of services that can include childcare and services aimed at addressing mental health needs, substance use disorders, experiences of domestic violence and learning disabilities, among other issues. The average monthly cash grant for a family of three on CalWORKs (one parent and two children) in 2019-20 was \$682 and the maximum monthly grant if the family has no other income and lives in a high-cost county was \$785. Many families earn some income and do not qualify for the maximum grant amount. According to recent CDSS data, approximately 423,000 families rely on CalWORKs.
- 3) **WTW:** Unless deemed exempt, participants are required to develop and participate in a WTW plan. CalWORKs-approved WTW activities can include public or private sector subsidized or unsubsidized employment; on-the-job training; community service; secondary school, adult basic education and vocational education and training; and a number of other activities necessary to assist a recipient in obtaining unsubsidized employment. Adult benefits in the CalWORKs program are contingent upon participation in WTW activities, which are designed to promote job readiness and self-sufficiency.
- 4) **Supportive Services.** Certain supportive services are available to CalWORKs participants to enable them to participate in a program activity or to accept or maintain employment. These services include childcare, diaper costs, transportation costs, personal counseling and ancillary expenses (including the costs to purchase books, tools and other expenses related to WTW activities). This bill seeks to provide a standard payment, in advance of the start of school, to help pay for books and supplies to CalWORKs recipients who are attending school as their WTW activity.
- 5) **Proposed Amendments.** In response to issues raised by the Assembly Human Services Committee and by this committee, the author has proposed the following amendments to be voted on by this committee today:
  - a) To include part-time semester students who were inadvertently left out and to make the standard payments equitable for all school arrangements, amend subdivision (a) of Section 11323.21 to:
    - i. Instead require an eligible CalWORKs recipient, attending school full-time on a quarterly basis to receive a payment of \$350 per quarter.
    - ii. Require an eligible CalWORKs recipient, attending school part-time on a semester basis to receive a payment of \$250 per semester.
    - iii. Instead require an eligible CalWORKs recipient, attending school part-time on a quarterly basis to receive a payment of \$175 per quarter.

- b) Because it is not clear the cost of college text books is closely tied to the Consumer Price Index, remove the annual cost-of-living adjustment (delete subdivision (e) of Section 11323.21).
  - c) Because the bill no longer has a state cost, remove the appropriation requirements (delete subdivision (f) of Section 11322.84 and subdivision (g) of Section 11323.21).
  - d) Add a coauthor.
- 6) **Prior Legislation.** SB 374 (Glazer), of this legislative session, would have required an eligible CalWORKs individual participating in an educational activity full time receive a standard allowance of \$500, be deemed to be meeting all WTW requirements, be entitled to advance payments for allowance or reimbursement and other necessary supportive services, and be entitled to an extension of the 24-month cumulative participation period. SB 374 was held on Senate Appropriations Committee suspense file.

**Analysis Prepared by:** Jennifer Swenson / APPR. / (916) 319-2081