

CWDA Subsidized Employment Program Simplification TBL

WIC Section 11322.63 is amended to read:

(a) For counties that implement a welfare-to-work plan that includes subsidized private sector or public sector employment activities, the State Department of Social Services shall pay the county 50 percent, less one hundred thirteen dollars (\$113), of the total wage costs of an employee for whom a wage subsidy is paid, subject to all of the following conditions:

(1) (A) For participants receiving CalWORKs aid, the maximum state contribution of the total wage cost shall not exceed 100 percent of the computed grant for the assistance unit in the month prior to participation in subsidized employment.

(B) For participants who have received aid in excess of the time limits provided in subdivision (a) of Section 11454, the maximum state contribution of the total wage cost shall not exceed 100 percent of the computed grant for the assistance unit in the month prior to participation in subsidized employment.

(C) In the case of an individual who participates in subsidized employment as a service provided by a county pursuant to Section 11323.25, the maximum state contribution of the total wage cost shall not exceed 100 percent of the computed grant that the assistance unit received in the month prior to participation in the subsidized employment.

(D) The maximum state contribution, as defined in this paragraph, shall remain in effect until the end of the subsidy period as specified in paragraph (2), including with respect to subsidized employment participants whose wage results in the assistance unit no longer receiving a CalWORKs grant.

(E) State funding provided for total wage costs shall only be used to fund wage and nonwage costs of the county's subsidized employment program.

(2) State participation in the total wage costs pursuant to this section shall be limited to a maximum of six months of wage subsidies for each participant. If the county finds that a longer subsidy period is necessary in order to mutually benefit the employer and the participant, state participation in a subsidized wage may be offered for up to 12 months.

(3) Eligibility for entry into subsidized employment funded under this section shall be limited to individuals who are not otherwise employed at the time of entry into the subsidized job, and who are current CalWORKs recipients, sanctioned individuals, or individuals described in Section 11320.15 who have exceeded the time limits specified in subdivision (a) of Section 11454. A county may continue to provide subsidized employment funded under this section to individuals who become ineligible for CalWORKs benefits in accordance with Section 11323.25.

(b) Upon application for CalWORKs after a participant's subsidized employment ends, if an assistance unit is otherwise eligible within three calendar months of the date that subsidized employment ended, the income exemption requirements contained in Section 11451.5 and the work requirements contained in subdivision (c) of Section 11201 shall apply. If aid is restored after the expiration of that three-

month period, the income exemption requirements contained in Section 11450.12 and the work requirements contained in subdivision (b) of Section 11201 shall apply.

(c) The department, in conjunction with representatives of county welfare offices and their directors and the Legislative Analyst's Office, shall assess the cost neutrality of the subsidized employment program pursuant to this section and make recommendations to the Legislature, if necessary, to ensure cost neutrality. The department shall testify regarding the cost neutrality of the subsidized employment program during the 2012–13 fiscal year legislative budget hearings.

(d) No later than January 10, 2013, the State Department of Social Services shall submit a report to the Legislature on the outcomes of implementing this section that shall include, but need not be limited to, all of the following:

- (1) The number of CalWORKs recipients that entered subsidized employment.
- (2) The number of CalWORKs recipients who found nonsubsidized employment after the subsidy ends.
- (3) The earnings of the program participants before and after the subsidy.
- (4) The impact of this program on the state's work participation rate.

(e) Payment of the state's share in total wage costs required by this section shall be made in addition to, and independent of, the county allocations made pursuant to Section 15204.2.

(f) (1) A county that accepts additional funding for expanded subsidized employment for CalWORKs recipients in accordance with Section 11322.64 shall continue to expend no less than the aggregate amount of funding received by the county pursuant to Section 15204.2 that the county expended on subsidized employment pursuant to this section in the 2012–13 fiscal year.

(2) This subdivision shall not apply for any fiscal year in which the total CalWORKs caseload is projected by the department to increase more than 5 percent of the total actual CalWORKs caseload in the 2012–13 fiscal year.

(g) For purposes of this section, "total wage costs" include the actual wage paid directly to the participant that is allowable under the Temporary Assistance for Needy Families program.

(h) This section shall become operative on October 1, 2013.

(i) This section shall remain in effect until June 30, 2016, and as of January 1, 2017 is repealed.

WIC Section 11322.64 is amended to read:

(a) (1) The department, in consultation with the County Welfare Directors Association of California, shall develop an allocation methodology to distribute additional funding for expanded subsidized employment programs for CalWORKs recipients.

(2) Funds allocated pursuant to this section may be utilized to cover all expenditures related to the operational costs of the expanded subsidized employment program, including the cost of overseeing the program, developing work sites, and providing training to participants, as well as wage and nonwage costs.

(3) The department, in consultation with the County Welfare Directors Association of California, shall determine the amount or proportion of funding allocated pursuant to this section that may be utilized for operational costs, consistent with the number of employment slots anticipated to be created and the funding provided.

(b) Funds allocated for expanded subsidized employment shall be in addition to, and independent of, the county allocations made pursuant to Section 15204.2 and shall not be used by a county to fund subsidized employment pursuant to Section 11322.63.

(c) (1) A county that accepts additional funding for expanded subsidized employment for CalWORKs recipients in accordance with this section shall continue to expend no less than the aggregate amount of funding received by the county pursuant to Section 15204.2 that the county expended on subsidized employment pursuant to this Section 11322.63, as that section read on June 30, 2016, in the 2012–13 fiscal year.

(2) This subdivision shall not apply for any fiscal year in which the total CalWORKs caseload is projected by the department to increase more than 5 percent of the total actual CalWORKs caseload in the 2012–13 fiscal year.

(d) Each county shall submit to the department a plan regarding how it intends to utilize the funds allocated pursuant to this section.

~~(d)~~(e) (1) Participation in subsidized employment pursuant to this section shall be limited to a maximum of six months for each participant.

(2) Notwithstanding paragraph (1), a county may extend participation beyond the six-month limitation described in paragraph (1) for up to an additional three months at a time, to a maximum of no more than 12 total months. Extensions may be granted pursuant to this paragraph if the county determines that the additional time will increase the likelihood of either of the following:

(A) The participant obtaining unsubsidized employment with the participating employer.

(B) The participant obtaining specific skills and experiences relevant for unsubsidized employment in a particular field.

~~(e)~~(f) A county may continue to provide subsidized employment funded under this section to individuals who become ineligible for CalWORKs benefits in accordance with Section 11323.25.

~~(f)~~(g) Upon application for CalWORKs assistance after a participant's subsidized employment ends, if an assistance unit is otherwise eligible within three calendar months of the date that subsidized employment ended, the income exemption requirements contained in Section 11451.5 and the work requirements contained in

subdivision (c) of Section 11201 shall apply. If aid is restored after the expiration of that three-month period, the income exemption requirements contained in Section 11450.12 and the work requirements contained in subdivision (b) of Section 11201 shall apply.

~~(g)~~(h) No later than April 1, 2015, the State Department of Social Services shall submit at least the following information regarding implementation of this section to the Legislature:

- (1) The number of CalWORKs recipients that entered subsidized employment.
- (2) The number of CalWORKs recipients who found nonsubsidized employment after the subsidy ends.
- (3) The earnings of the program participants before and after the subsidy.
- (4) The impact of this program on the state's work participation rate.