



CWDA

June 4, 2010

To: Honorable Members
Budget Conference Committee

From: ^{FM} Frank J. Mecca, Executive Director

RE: **CalWORKs (Section IV, Item 5180-101-0001, page 2, Issue 206) SUPPORT ASSEMBLY JOBS AND ECONOMIC SECURITY PROPOSAL**

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EXECUTIVE DIRECTOR
Frank Mecca, CWDA

The County Welfare Directors Association of California (CWDA) urges your support for the Assembly version of the CalWORKs budget, which would provide \$300 million to partially restore the \$375 million reduction made to the CalWORKs Single Allocation in 2009-10.

The Assembly action is part of the California Jobs Budget, which would create and protect jobs during this time of severe unemployment. The funding for CalWORKs would provide employment services such as job training and child care for low-income unemployed and working families.

In particular, the funding proposed for restoration would provide employment services to many of the growing number of families (currently 45,000) that are temporarily exempt from work requirements due to the prior reduction. Last year's reduction and new exemptions turned back the clock on welfare reform, by asking parents to sit out from work participation due to the lack of funding. Restoration of this funding would allow many of these families to get back to work and engage in activities leading to self-sufficiency.

Job programs like these are critical during this severe recession, with unemployment well above 12% - the highest in many generations. It is precisely when unemployment rates are high that these employment programs are most needed and intended. The CalWORKs program as a whole provides 140,000 jobs throughout California.

In addition, with the pending passage of an extension of the TANF Emergency Contingency Fund (ECF), the restoration of the single allocation will help ensure that counties are able to continue to fund their 20% share of California's nationally recognized subsidized employment program. 20,000 CalWORKs and other low-income parents are currently employed in ECF subsidized employment.

We note that restoration of these funds would help but not fully restore this program. Employment, Eligibility and Child Care Services have been reduced by over \$1 billion in the past ten years, due to a series of cuts and foregone cost of doing business increases.

Further, for many years CalWORKs has been a budget solution, not a problem, since significant amounts of federal TANF and state MOE funds have been shifted to other, non-CalWORKs programs, enabling the state to spend less General Fund. Since its inception, CalWORKs has contributed \$11.9 billion to the state General Fund.

Thank you for this opportunity to express our position. If you have any questions, please contact Frank Mecca at (916) 443-1749 or fmecca@cwda.org.

cc: Jennifer Troia, Consultant, Senate Budget Committee
David Panush, Office of the Speaker Pro Tempore
Kirk Feely, Consultant, Senate Republican Fiscal Office
Nicole Vazquez, Consultant, Assembly Budget Committee
Gail Gronert, Office of the Honorable Speaker
Eric Swanson, Consultant, Assembly Republican Fiscal Office
Jennifer Kent, Office of Governor Arnold Schwarzenegger
Mike Wilkening, Health and Human Services Agency
Scott Carney, Health and Human Services Agency
Lisa Mangat, Department of Finance
John Wagner, Director, Department of Social Services
Patricia Huston, Department of Social Services
Todd Bland, Legislative Analyst's Office
Kelly Brooks, California State Association of Counties
County Caucus