

# **AB 818 – New Opportunities for Education through CalWORKs**

### Summary:

AB 818 allows CalWORKs participants who are in the process of obtaining, or who have recently obtained, their high school equivalency, to continue participating in welfare-to-work activities designed to move them to self-sufficiency. The bill extends the 24-month clock for those who are making satisfactory progress but need additional time to complete a high school equivalency as well as for those who have recently done so but need additional time to complete a subsequent activity.

#### **Background:**

Under current law, the Welfare-to-Work 24-month time clock limits adult eligibility for CalWORKs benefits to 24 months, unless they are meeting federal work participation requirements or meet criteria to have their time clocks extended. The 24-month restriction makes it particularly difficult for participants working towards a high school diploma or its equivalent because their 24-month clock "ticks" while they pursue their education, resulting in a shortened time frame for them to subsequently work, participate in career technical education or participate in other training activities once they finish their diploma. County data show that 53% of CalWORKs participants without a high school diploma take more than 6 months to obtain a certificate of high school equivalency, highlighting the necessity of providing more time for completion.

Graduation from high school is correlated with a significantly higher likelihood of employment and earning potential, and the demand for workers with additional education or training is growing. By 2018, 60% of jobs in California will require education beyond high school.

The societal and economic costs of high-school dropouts for California are enormous. Dropouts are far more likely to experience reduced job opportunities, unemployment, incarceration, or require government assistance in comparison to their peers with high school diplomas. The statistics are striking:

- In 2009, the average annual income for a high school dropout was \$19,540, compared to \$27,380 for a high school graduate;
- While the national unemployment rate in 2012 was 8.3 percent, it was 13.1 percent for those without a high school diploma;
- In 2007, male dropouts were 6.3 times more likely to be incarcerated than high school graduates and 63 times more likely to be incarcerated than college graduates.

The Public Policy Institute of California estimates that between 49-59% of the CalWORKs adult population has not completed high school. CalWORKs participants lacking a high school diploma, have limited ability to find and keep quality jobs with greater earning potential.

## AB 818: Supporting High School and Beyond

Specifically, AB 818 extends the 24-month clock for those who are making satisfactory progress but need additional time to complete a high school equivalency, as well as for those who have recently done so but need additional time to complete a subsequent activity. These changes allow a participant's 24-month clock to be used for additional training, education, and work activities that can lead to better employment options and economic stability for these families and a greater chance to escape poverty.

#### Support:

County Welfare Directors Association of California (Sponsor)

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