

925 L Street, Suite 350 Sacramento, CA 95814 p: 916.443.1749 | f: 916.443.3202 cwda.org

Date May 26, 2018

To: The Honorable Philip Ting Chair, Budget Conference Committee

> Honorable Members Budget Conference Committee

From: Frank J. Mecca, Executive Director

RE: END DEEP POVERTY IN THE CALWORKS PROGRAM – SUPPORT SENATE VERSION

The County Welfare Directors Association of California (CWDA) respectfully requests your support of the Senate's proposal to increase CalWORKs grant levels in order to end extreme poverty for children in the CalWORKs program.

Growing up in extreme poverty impairs children's ability to learn, develop and thrive. Decades of research reveal the negative impacts of poverty on children's health, educational achievement, and adult success. Children in deep poverty suffer the worst outcomes. Deep poverty causes toxic stress that harms brain development and early functioning, disrupting a child's ability to succeed in school and in life. Even a short amount of time spent in deep poverty can derail a child emotionally, psychologically, physically, and educationally for a much longer time period.

Chronically unmet basic needs experienced by children living in deep poverty not only impact their health and well-being, but also their future potential. Children who live in deep poverty are less likely to graduate high school, more likely to have poor health as children and as adults, and more likely to become involved in the criminal justice system. Deep poverty damages the chance that a child will ever escape poverty and fuels an intergenerational cycle of poverty. Children who are born in deep poverty are three times as likely to be deeply poor at age 40 than children not born in deep poverty.

The California Work Opportunity and Responsibility to Kids (CalWORKs) program provides cash aid and services to low-income families with children to alleviate the impact of poverty on children and help parents overcome barriers to employment. The CalWORKs program serves 1.1 million individuals in California, 80 percent of whom are children. Yet, the level of support provided to CalWORKs families today is insufficient to meet basic needs and lift all of these children out of deep poverty. The current maximum grant for a family of three is \$714, which

represents just 41 percent of the federal poverty level (FPL). In reality, most families receive even less than the maximum grant: The average CalWORKs grant for a family of three is \$556 per month, just 33 percent of FPL.

The action taken in the Senate would ensure that no child in the CalWORKs program receives a grant lower than 50 percent of FPL – the definition of "deep poverty." This across-the-board increase in grant levels would help protect children from the worst harms of chronically unmet basic needs and better enable the CalWORKs program to achieve its goals.

For these reasons, we respectfully request your support of the Senate proposal when the item is heard in the Conference Committee.

Jason Sisney, Office of the Assembly Speaker CC: Chris Woods, Office of the Senate President Pro Tempore Gail Gronert, Office of the Assembly Speaker Mareva Brown, Office of the Senate President Pro Tempore Nicole Vazquez, Assembly Budget Subcommittee No. 1 Cyndi Hillery, Assembly Republican Fiscal Office Alex Khan, Assembly Republican Fiscal Office Theresa Pena, Senate Budget and Fiscal Review Subcommittee No. 3 Rebecca Hamilton, Senate Republican Fiscal Office Irene Ho, Office of Assembly Member Philip Ting Hans Hermann, Office of Assembly Member Joaquin Arambula Marla Cowan, Office of Assembly Member Joaquin Arambula Sean MacNeil, Office of Assembly Member Richard Bloom Kelly Ash, Office of Assembly Member Rocky Chavez Veronica Badillo, Office of Assembly Member Rocky Chavez Luan Huynh, Office of Senator Holly Mitchell Matthew Montgomery, Office of Senator Richard Roth Marvin Deon, Office of Senator Nancy Skinner Spencer Street, Office of Senator John Moorlach Colin Sueyres, Office of Senator Jim Nielsen Mark Newton, Legislative Analysts' Office Ginni Bella Navarre, Legislative Analyst's Office Michelle Baass, Health and Human Services Agency Marko Mijic, Health and Human Services Agency Will Lightbourne, California Department of Social Services Robert Smith, California Department of Social Services Kären Dickerson, California Department of Social Services Kristin Shelton, HHS, Department of Finance Jay Kapoor, HHS, Department of Finance Justin Garrett, California Association of Counties **County Caucus**