



CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

NANCY J. NADEL
Councilmember
District # 8

(510) 238-7003
FAX (510) 238-6129
TTY (510) 238-7413

SUPPLEMENTAL

March 15, 2007
Rules and Legislation Committee
Oakland, CA

RE: Item No. 8, Resolution Opposing Governor's Proposed Budget Cuts to CalWORKs

Dear Chairperson De La Fuente, and Members of the Rules and Legislation Committee:

Attached please find the information requested by the Rules Committee from the City's legislative lobbyist, Townsend Public Affairs, Inc.

Respectfully submitted,

Nancy J. Nadel

Nancy J. Nadel
City Councilmember, District 3

Prepared by:
Marisa Arrona
Policy Analyst for
Councilmember Nancy J. Nadel

Townsend

PUBLIC AFFAIRS, INC.

MEMORANDUM

To: Oakland City Council

From: Christopher Townsend, President
Isaac Kos-Read, Director, Northern California
Jennifer Thompson, Senior Associate

Date: March 7, 2007

Subject: **Governor's 2007/2008 Proposed Budget: Cal Works**

The Governor's 2007/2008 Proposed Budget recommends significant changes to the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, which provides cash assistance and services to low-income families with children. These changes are projected to reduce the number of families receiving CalWORKs cash assistance by more than 55,000 (11.8 percent) in 2007/2008, for net savings for \$324.4 million. The Budget proposes two specific changes to CalWORKs:

Governor's Sanction Proposal:

In order to increase work participation, the Governor's budget proposes new sanctions on children whose parents cannot or will not comply with CalWORKs participation requirements. The budget proposes a full-family sanction (eliminating all cash assistance) for families in which the adult has been out of compliance with program requirements for at least three months. The Governor's budget states that a stronger sanction is necessary to increase the work participation rate so that the state can avoid substantial federal penalties. However, based on a recent report by the LAO, it appears that this change is not necessary to attain federal compliance by FFY 2008.

Governor's Time Limited-Proposal:

In order to increase work participation, the Governor's budget proposes new time limits on children whose parents cannot or will not comply with the CalWORKs participation requirements. Currently, after five years of assistance, a family's grant is reduced by the adult portion, and the children continue to receive a child-only grant in the safety net program. The budget proposes to eliminate the safety net grant for children whose parents fail to comply with the federal work participation requirements as of November 1, 2007. Families currently on the safety net would be given 90 days to increase their work hours to remain eligible. Families unable to meet federal requirements would be terminated from aid.

OAKLAND CITY COUNCIL

Barbara A. ...
City Attorney

OFFICE :

FILED

RESOLUTION No. _____ C.M.S.

2007 MAR -3 PM 1:12

RESOLUTION OPPOSING THE GOVERNOR'S PROPOSED CUTS IN THE 2007-2008 STATE BUDGET OF \$324.4 MILLION IN CALWORKS CASH ASSISTANCE BENEFITS TO LOW-INCOME FAMILIES

WHEREAS, Governor Arnold Schwarzenegger's proposed State Budget for 2007-2008 includes a \$324.4 million cut and a projected \$426 million cut for 2008-2009 for families on CalWORKs, the state's version of the federal Temporary Assistance for Needy Families (TANF) program; and

WHEREAS, the goal of the CalWORKS program is to reduce child poverty and increase family self-sufficiency; and

WHEREAS, the Governor's proposed 2007-2008 budget clearly does not support the goal of reducing child poverty and increasing family self-sufficiency; and

WHEREAS, in the City of Oakland, the 2000 U.S. Census reports that 19.4 percent (76,489) of the population lives in poverty and 28.2 percent (27,558) are children under the age of 18; and

WHEREAS, the State Department of Social Services projects that 36,000 of the 90,000 children whose families now receive CalWORKS benefits would lose cash assistance on July 1, 2007 if the Governor's proposed budget is approved; and

WHEREAS, this change in the CalWORKs program would cause undo suffering among low-income children and the families who care for them; now, therefore, be it

RESOLVED: that the City of Oakland opposes the Governor's proposed cuts in the 2007-2008 State Budget of \$324.4 million in CalWORKs cash assistance, which includes the termination of CalWORKs cash assistance for some child-only cases, the elimination of the post 5-year safety net for children when the parent is not employed, and full family sanctions; and be it

FURTHER RESOLVED: that the City Council hereby directs the City Administrator and the City's legislative lobbyist to advocate for the above position to Governor Schwarzenegger and the State Legislature.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California