



## Advocates’ Resource Guide on Implementing Recent Changes to CalWORKs Resulting from the Deficit Reduction Act and AB 1808

The purpose of this Resource Guide is to provide background on the effects of TANF reauthorization at the federal and state levels. The Guide is structured to give advocates a framework with which to approach counties on areas requiring advocacy to ensure that their clients’ interests are met.

<b>Table of Contents</b>	
I.	How the Deficit Reduction Act Changes TANF and CalWORKs.....1
II.	No Need for Drastic, Wholesale Changes to CalWORKs.....4
III.	County Plan Addendum on Improving Services .....5
	a. Upfront Engagement.....7
	b. Engagement of Non-Compliant and Sanctioned Individuals.....9
	c. Activities to Encourage Participation and Prevent Sanctions.....10
	d. Engagement of Partially Participating/Between Activities Cases.....12
	e. Other Activities Designed to Improve Work Participation.....12
IV.	Important Themes to Remind Counties.....13
V.	Other AB 1808 Changes to CalWORKs.....15
	a. Ending Durational Sanctions (ACL 06-27).....15
	b. Homeless Assistance Program (ACL 06-25).....16

### **I. How the Deficit Reduction Act Changes TANF and CalWORKs**

The Deficit Reduction Act (DRA) fundamentally altered the TANF program by reducing the effectiveness of program features and shifting authority over key elements of the program to the federal government. As a result, states and counties are under more pressure to meet work participation requirements than before but have fewer tools and less flexibility to meet them.

The new TANF landscape created by the DRA makes it more likely that states will be subject to penalties in the future. The fear of potential penalties will motivate counties to operate their CalWORKs programs to avoid penalties. Potentially, this could lead to innovative methods for moving families from assistance to self-sufficiency, or cause some counties to take rigid approaches that would disadvantage CalWORKs participants.

Because counties continue to have significant discretion in how they operate their CalWORKs programs, local advocates have an opportunity to shape their county's response. This section will explore how the federal and state changes impact the decisions that counties must make regarding CalWORKs.

### **Caseload Reduction Credit and the Work Participation Rate (WPR):**

The most notable change in the DRA is to the caseload reduction credit. The credit still exists but states can now only get a reduction in the 50 percent work participation rate if they reduce caseload after 2005. This eliminates almost all of the 46 percent caseload reduction that California enjoyed under the old TANF rules.

Beginning October 2006, California must meet the full 50 percent work participation rate or face federal penalties as much as \$185 million the first year with penalties escalating in subsequent years if the state continues to fall below 50 percent work participation.

Counties have a direct stake in the outcome since any county that fails to meet the 50 percent work participation rate must pay half of the penalty. AB 1808 (see [www.wclp.org](http://www.wclp.org) for a summary of AB 1808) clarified that any county at fault must make up the funds from its general fund and may not simply reduce CalWORKs expenses to absorb the loss of federal funds. This gives counties a major incentive to meet work participation goals and ample reason to develop a plan that will not result in penalties.

### **Pay for Performance:**

The counties have a second incentive for meeting work participation. Counties can get a bonus from the state's annual Pay for Performance program if they improve their:

- work participation rate
- the number of families working
- the number of families leaving aid due to work
- the number of families leaving aid with high earnings

If counties perform well, they can avoid penalties and get a bonus. But if they perform poorly, they may be ineligible for bonuses and have to pay penalties.

### **If California Does Not Meet the WPR: When Will Penalties be Imposed?**

Currently the state's overall work participation rate is about 23 percent, meaning the state must roughly double the number of families who go to work or participate. Though there is no county by county work participation data, individual counties are likely above or below this mark. Since it is reasonable to assume that the state may not meet work participation rates, it is important that advocates have a clear understanding of how the penalty rules work and will be applied.

While California may be subject to a federal penalty for failure to meet the work participation rate in federal fiscal year 2007, it is not certain that there will be a penalty. Furthermore, even if the federal government does choose to fiscally penalize the state, the earliest that the penalty would be enforced is either the 2009 or 2010 federal fiscal year.

The determination of the penalty is done by comparing the number of cases with “work eligible” adults versus the number of “work eligible” adults who meet the federal requirement work participation requirements. In the Interim Final Rule issued by the Health and Human Services (HHS) in June 2005, “work eligible” adults include all adults except:

- Immigrant parents who are not eligible to work
- Minor parents who are not head of households
- SSI recipients
- Adult caring for a disabled family member who is not in school full time

The state has about 296,000 persons who are “work eligible” under the HHS regulations, including sanctioned cases and cases where the adult’s 60-month federal time clock has expired. About 70,000 cases are currently meeting the work requirement. If the state fails to meet the 50 percent rate, the state may be subject to penalties; penalties are, however, the last option for HHS when faced with a state not meeting the work participation rates.

The actual penalties will not be imposed until federal fiscal year 2009 or 2010 due to the regulatory process that occurs first. The process is as follows:

- The state must first report to HHS on how the state performed March 2008
- HHS will then evaluate the state report determine if a penalty notice should be sent October, 2008
- Once a penalty notice is received the state has 60 days to submit an appeal on the basis of “reasonable cause” December 2008
- HHS then has 60 days to accept or deny the reasonable cause February 2009
- If HHS denies the reasonable cause appeal, the state has 60 days to pay the penalty or submit a compliance plan April 2009
- HHS then has another 60 days to approve or disapprove the state compliance plan June 2009
- State has until end of fiscal year to meet compliance plan October 2009

*Most significantly, if a state achieves a 50 percent work participation rate before the compliance plan has ended then there will be no penalty. Thus, in reality, states have until October 2009 before they could be subjected to a penalty. If they meet the work participation rate by that time, they will not be penalized.*

This has major implications for how states and counties should approach meeting the work participation rate. Counties can take a more long term approach to improving work participation and do not have to rely on methods that might increase work participation at

the expense of families. In fact, more than ever, the program is about finding real work activities for families so that the state achieves a 50 percent work participation rate by getting families the training and services they need to become self-sufficient.

The actions taken by the Legislature and the Governor in AB 1808 and the state budget are consistent with this understanding of the federal penalties. Proposals to condition aid on attendance at orientation were rejected, as were proposals to use “accounting” methods to artificially increase work participation rates. Instead, the Legislature and the Governor chose the “high road” of investing in counties and families to improve work participation by reducing sanctions, increasing up-front engagement and expanding the availability of work activities. This approach allows the state to continue to operate CalWORKs based on the values of our state and the policy choices that we have made over time.

## **II. No Need for Drastic, Wholesale Changes to CalWORKs**

Despite all the discouraging aspects of the DRA, California law pertaining to welfare-to-work (WTW) did not change significantly in the budget process. In fact, the state and counties have adamantly claimed that they are committed to maintaining the integrity of the CalWORKs program.

Though this is the stated position, advocates in some counties have heard anecdotally of how workers are reacting to the DRA on the ground. As counties have not been given full instructions by the state on how they are to respond to the DRA and AB 1808, there should not be any drastic changes to program implementation yet. Regardless, workers must be reminded that the CalWORKs welfare-to-work program remains intact. Some key concepts are:

- The WTW plan must be based on an assessment of the participant’s actual needs including services, education and training needed to become independent
- SIP approval criteria remains the same (enrollment prior to appraisal; program leads to degree/certificate/teaching credential; program “leads to employment”; and must make satisfactory progress)
- SB 1104’s removal of the 18/24 month WTW time limit is still in effect – there is no blanket limit on the duration of an assigned welfare-to-work activity
- Exemptions from WTW requirements and the 60-month time limit still exist, as well as the granting of domestic violence waivers

### III. County Plan Addendum on Improving Services to Meet Work Participation

AB 1808 mandates that counties do comprehensive reviews of their county plans and submit addenda detailing how they will meet the goals of CalWORKs, with consideration of the work participation requirements of the DRA. These plans will focus on how the counties intend to use the additional \$90 million allocated in the budget. At minimum, counties must address:

- Up-front engagement activities
- Engagement of non-compliant and sanctioned individuals
- Activities to encourage participation and prevent sanctions
- Engagement of partially participating cases or cases between activities
- Other activities designed to improve work participation

The plans must also describe anticipated outcomes, how the counties intend to measure progress in meeting the outcomes, and collaboration efforts with local agencies. Once an All County Letter is released as guidance on the plans, counties must submit their plans in 90 days. DSS will either certify the plans within 30 days, or return them for correction. At this time, DSS' goal is to release the ACL by October 1, 2006. This means that counties must submit their addenda by the end of the year.

#### **Follow the Money!**

The \$90 million is in addition to the funds already allocated for regular CalWORKs expenditures in the state budget. Each county will receive a portion so long as it submits a plan addendum describing the intended use. The funds are also guaranteed for two years – which means that there is time to implement any program changes that counties develop.

Advocates should monitor their county's use of the money to ensure that it is spent

on programs and services that truly improve participation for clients. Some counties already intend to spend their funds on increasing case workers numbers. Though lowering the caseload ratio is one way for counties to be more responsive to their participants, it will not resolve participation shortfalls if actual program improvements are not also made. That can only be accomplished if good case management is accompanied by providing work activities that actually meet clients' needs.

#### **Start with Data**

Facts are key in designing changes to CalWORKs. There should be a direct correlation between the data and the solution proposed. Because counties may focus new CalWORKs resources on just one issue or spread the funds around to address different problems, it is important to take a broad look at the caseload. The ACL will include a Self-Diagnostic Tool that counties may use internally to decipher their caseload numbers

and practices. If the county actually completes the Self-Diagnostic Tool, advocates should request a copy of it. The Self-Diagnostic Tool asks the counties to consider items similar to the list below:

#### General Information

- Number of cases aided
- Number and percent that are two parent family cases
- Number and percent that are child-only cases, broken out by category (safety net/timed out adult, ineligible adult, sanctioned adult, drug felon)
- Number and percent of cases exempt from work participation
- Number and percent of cases meeting work participation
- Number and percent of cases where adult(s) is/are working/participating some hours but not enough
- Number and percent of cases in their first 60 days on CalWORKs
- Number and percent of cases where adult is receiving DV, MH and SA treatment or services
- Number and percent of cases in-between activities, including a separate number and percentage of those in non-compliance

#### Engagement Data

- How long do applicants wait between activities
- How long until applicants are asked to participate
- Percentage of participants that completes orientation
- Percentage of participants that has undergone assessment
- Percentage of participants engaged in job search
- Percentage of participants who develop a welfare-to-work plan

#### Sanction and Non-Compliance Data

- How many cases are in non-compliance
- How many cases are in sanction status (child-only cases because adult is sanctioned)
- Average length of time before a sanction is cured
- How many cases are not in compliance but also not sanctioned or in noncompliance
- What causes people to be sanctioned and when does it occur

#### Employment and Work Activities

- How many participants have earnings from work
- How long does it take before participants are employed
- How many participants have been employed longer than 90 days
- How many participants are high wage placements in the Pay for Performance program
- How many placements are in each of the 12 federal categories of work activities

**Working with the County:  
Creating a County Stakeholder  
Work Group Process**

In anticipation of the ACL, some counties have made initial movement towards the generic goal of meeting work participation, with or without advocate input. Involvement by participants, advocates and education and service providers at the earliest stage of the process will improve the overall quality of the plan and develop a sense of common purpose among all parties involved with CalWORKs. In fact, the ACL itself

recommends that counties proceed via a stakeholder work group.

To maximize community and provider participation, a stakeholder work group can analyze local and state CalWORKs caseload data; look at welfare research and federal, state and county policies; and develop policy recommendations based on the demonstrated needs of the community. The work group should not only help develop the plan but also monitor the progress of the county at regular intervals and make adjustments to the plan as needed.

Regardless of what process advocates use to connect with their counties, below are areas that advocate input is needed as counties develop their plan addenda:

**A. Upfront Engagement**

County data shows that often participants are lost in the lag time between approval of aid and orientation. For example, the bulk of sanctions in Los Angeles County were due to no-shows for orientation, which is sometimes not scheduled until weeks after the family is approved for aid. Sacramento and San Bernardino Counties’ practices of delivering orientation and appraisal at application have been cited as “successful” models of how to engage participants earlier in time. We found, however, that these two counties’ policies are contrary to the law because in practice, the counties included orientation, appraisal, and/or job search as part of CalWORKs eligibility determination. State law prohibits providing these activities at application without the applicant’s consent, and regardless, cannot condition eligibility on such participation.<sup>1</sup> The Legislature specifically rejected the idea of requiring these activities as a part of application when it considered changes to CalWORKs in response to the DRA.

Advocates should encourage counties interested in upfront engagement to do so without violating the law. A suggested model of upfront engagement is:

As an applicant is in the welfare office completing the application process, the county can offer orientation and appraisal at that moment. The county would explain to the applicant what each activity entailed, such as the length of time involved and what will be discussed, and the option to do orientation and appraisal then or at a later time, with no impact on the application. A proposed script follows below:

<sup>1</sup> See Welf. & Inst. Code § 11320.1(a).

*“Orientation is an introduction to the welfare-to-work program and goes over the requirements you must meet, or exemptions from them, services you can get, and your rights and responsibilities. It will take approximately four hours to complete.*

*Following orientation is appraisal, which is when your worker will meet with you to discuss your work and education history, and what services you may need. Appraisal will take about one hour. If you choose not to do orientation and/or appraisal today, we can schedule it for a later time. Your application for CalWORKs will not be affected by you not doing these activities before your aid is approved. You will, however, have to do them once you are approved.*

*If you are enrolled in an education program before your appraisal appointment, your school activity may be your welfare-to-work activity, so please let me know.”*

If the applicant chooses to do the orientation and appraisal during the application appointment, then the county must inquire if she needs to pay for child care and transportation for that day. The county must process the child care payment request and issue the transportation reimbursement to the applicant before the applicant leaves the office.

If the applicant chooses to schedule the orientation and appraisal for a later time, the county must tell her that she is not required to do it before her aid is approved but she may do so if she consents. The county can then work with the applicant to determine a mutually convenient time. As they set the appointment, the county must discuss child care and transportation needs. The county can give the applicant advanced payment for her travel, and find out if she needs a referral for child care, and begin the payment approval process for whichever form of child care she chooses to use.

If the applicant chooses to wait until she is approved for aid to complete orientation and appraisal, then the county must also arrange for transportation payment for that future date and provide necessary information for the child care arrangement that the applicant would use.

#### Checklist for Scrutinizing Upfront Engagement

<i>Are orientation and appraisal mandatory as conditions of aid?</i>	The application cannot be denied or delayed because the individual has not completed orientation or appraisal.
<i>If the county offers orientation and appraisal at application, has the applicant consented?</i>	The county cannot pressure applicants to complete orientation or appraisal. The county must inform them of the option to do it at application or schedule it for a later date.
<i>Are child care payments or arrangements made?</i>	If activity is completed that day, then payment must be provided. If scheduling

	for a future date, the county must begin payment and/or referral process based on individual's choice of child care arrangement.
<i>Is transportation paid for?</i>	If activity is completed that day, the applicant must be reimbursed for travel cost. If scheduling for a future date. The county must make arrangements for transportation payment advance.
<i>Is there information on how to qualify for a SIP?</i>	Counties should inform applicants that if they are enrolled in an education or training activity prior to appraisal, it may qualify as their WTW activity.
<i>Is the appraisal an in-depth look at the individual's education/employment history, as well as barriers and needs?</i>	If appraisal is done during eligibility, the county must ensure that the process does not detract from the purpose of appraisal and become a paperwork completion process.

### **B. Engagement of Non-Compliant and Sanctioned Individuals**

Before the passage of the DRA, counties had little incentive to engage participants because there was no pressure to meet work participation. If a participant became non-compliant, the county often sanctioned the participant rather than attempt to determine the reason for non-participation.

The new emphasis on work participation rates in the DRA, however, changes all that. Counties who allow a participant to be sanctioned for more than three months consecutively will have the person count against their work participation rate. The Legislature recognized the problems that sanctions were having on participation and eliminated durational sanctions (see page 15 for more on durational sanctions).

Advocates need to pay special attention to their county sanction activities. First, advocates should look to create proposals that address families currently sanctioned.

#### **Home Visits**

Some states have succeeded in reducing the number of sanctions by having more personal contact with recipients. Los Angeles County uses a program of scheduling "home visits" with families in non-compliance or sanction. While advocates have been concerned with the potential for abuse from home visits, the experience in Los Angeles suggests that most recipients benefit from more personal contact. In fact, 80 percent of participants in the pilot program avoided the visit by responding to the letter announcing the visit. Of those that responded without a home visit, 44 percent were actually working,

should have been exempt or had started meeting work participation requirements. Among those who got a home visit, 32 percent came into compliance.

Advocates who find their counties embarking on home visit programs with clients in non-compliance or sanction should ensure the following set of protocols are in place:

- A letter must be sent ahead of time to clients stating the purpose of the visit, the exact date and time it is scheduled, and that the client may contact the county to discuss her case and avoid the visit
- Other attempts to contact non-compliant clients must be made regarding the nature of the visit and the sanction and to encourage compliance or providing good cause (see section C below)
- The purpose of the visit is limited to reengaging clients to participate and finding out what barriers may exist that prevent participation
- Visits shall be conducted by specially trained workers that are able to address sensitive issues related to mental health, substance abuse, and domestic violence
- The program must be absolutely void of any eligibility determination functions – workers making visits cannot be accompanied by fraud investigators, District Attorney’s office, etc.
- Existing domestic violence cases should not be included in any visits, though any sanction of a domestic violence case warrants case managers to find out if the sanction is related to the domestic violence

### **C. Activities to Encourage Participation and Prevent Sanctions**

Advocates need to look at how county policies going forward reduce the number of new sanctions. Reducing the total number of sanctions can only be accomplished by the county changing its way of engaging clients before sanction, not after. AB 1808 requires counties to describe any efforts they will make to prevent sanctions from occurring in the first place. Current law calls for a person to be sanctioned if he or she fails or refuses to participate. To prevent sanctions from ever becoming necessary, we suggest counties take the following approaches:

#### ***Ensure that appraisal is an in-depth look at the participant’s education and employment histories, barriers and needs***

If counties have a sincere interest to encourage participation, then appraisal is THE time to assess the individual’s and family’s need for services, any disabilities, actual employment and education goals, etc. By addressing these issues head-on, the county and the client will be better prepared to set up a plan that is mutually beneficial by enabling successful participation in appropriate activities with appropriate services. The county can then be confident that anything lined up in the WTW plan later, including assignments resulting from assessments, will draw from the initial, thorough discussion with the participant at appraisal.

***Utilize professional standards to identify learning disabilities, mental health, substance abuse, and domestic violence, and tailor welfare-to-work plans to these barriers and how best to remove them***

Ramsey County in Minnesota developed an intensive assessment program with a backend focus on its hardest-to-employ participants, which were those about to time off of TANF. It added intensive case management with cultural competency, mixed with clinical consultants knowledgeable in mental health, children's mental health, vocational rehabilitation and occupational therapy to perform assessments. It even contracted with individual psychologists not tied to the welfare program. The strategy was an acceptance that workers do not understand the impact of assessments. Unfortunately, Ramsey County recognized that doing this in-depth assessment at the tail end of the TANF case rather than at the beginning is not as helpful.

Counties should consider conducting appraisals and assessments with similarly trained professionals to identify barriers and issues at the front end, such that individuals can postpone going through a job search activity when what they need are clinical-based job readiness services first.

***Prevent sanctions by working effectively within the existing statutory guidelines for non-compliance***

The existing sanction process is set up around a Notice of Action sent approximately 30 days before a sanction takes effect, and a non-compliance period of 20 days within that time.<sup>2</sup> Buried in the 20 day period, and in the NoA, is an appointment for the client to meet with his/her welfare-to-work worker. The participant must either attend the appointment or contact the worker. Either form of contact is an opportunity to provide good cause or enter into a compliance plan. When the non-compliance process has already started, counties should put more effort into reaching participants before they are sanctioned by:

- ***Increasing minimum contacts that counties must make or attempt to make with clients in non-compliance.*** This includes making telephone calls to clients with greater frequency and during non-business hours
- ***Providing clients with a contact number to a telephone that will be answered or responded to by a worker in the same day.*** Often clients who receive the notice and are unable to make the appointment fail to reach workers or end up leaving messages in voicemail boxes. Though clients believe that they did as instructed, they are often sanctioned anyhow.
- ***Sending a separate notification of the non-compliance appointment.*** Counties can send a separate letter with the appointment information given on the Notice of Action. This separate letter can provide clear information on why an appointment has been set, when it is and with whom, as well as a proper description of the reason for sanction and how attending the

---

<sup>2</sup> See Welf. & Inst. Code § 11327.4.

appointment or contacting the county can prevent the sanction from taking effect.

#### **D. Engagement of Partially Participating Cases or Cases Between Activities**

AB 1808 also requires counties to share any plans they have on how to engaging participants that may not be fully participating or are in-between activities to ensure that the work participation rate is met. The categories include participants that may not be doing the full 32 hours of WTW activities – such as those part-time employed – as well as individuals who may have completed assessment but are waiting for the actual activity assignment to start.

Some discussions around the state and within counties have focused on developing bridge activities. The main goal of a bridge activity is to fill-in-the gap between other longer range activities with one that is useful for the participant and also able to count towards the work participation rate. Such activities can be education/training programs that are open-entry and open-exit and provide some skill development (e.g., word processing, ESL) or a short community service activity.

Counties can improve work participation rates by also focusing on parents who have children under the age of six. These participants only need twenty hours a week of participation to meet the federal requirement. Note, however, that under state law a county can still sanction this family for failure to meet the *state 32 hour a week requirement* even if they are working enough for federal requirements.

#### **E. Other Activities Designed to Improve Work Participation**

Though the DRA and the Interim Final Rules have somewhat restricted the definitions of activities that are countable for federal work participation rate purposes, there are opportunities to expand on activities that do count:

- Job Search/Job Readiness – Activities that are designed to help participants overcome barriers to work can count as job readiness. Hours spent getting mental health services or drug treatment may count for up to four consecutive weeks or six weeks total a year.
- Study Time – Counties can permit monitored study time to count towards work participation goals. This can even be study time done on-line
- Self-Employment – Hours spent in self-employment can count towards work participation and permits participant to count the actual hours on the activity.

- Excused Absences – A participant may have up to ten absences count. Counties should count such activities as part of a “bank” of 80 hours a year that recipients can use.

### **Documentation and Verification**

The most significant changes made to the federal rules are in the documentation of activities. Some activities like unsubsidized and subsidized employment can be prospectively counted without need for providing verification of work. Education and training must be reported every two weeks while job search activities must be reported on daily.

Beyond the frequency of reporting is also the issue of what must be reported. In the main there is no justification for counties to require participants to require third party verifications or have forms signed by providers. Requiring unneeded verification will limit the activities that participants can engage in and ultimately do not serve either the participants interests in getting education and training nor the counties interest in meeting a 50% work participation rate.

## **IV. Important Themes to Remind Counties**

As advocates begin to dialogue with their counties, they should promote the following overarching themes:

### **A. Education and Training Programs Must Continue to Help Clients Who Need Them to Secure Good Jobs**

In the Interim Final Rule, HHS chose to limit the definition of education and training activities that may count towards the WPR. Though the regulations restrict what types of education and training can give the state credit, counties cannot use the DRA as a shield to keep clients from pursuing education and training or defeat innovative ideas that enable those activities to continue. The regulations do not change the definitions of activities that are approved or assigned according to CalWORKs law. Advocates should reinforce with counties:

- A SIP is still a welfare-to-work activity, and counties must continue approving programs that meet SIP criteria<sup>3</sup>
- WTW activity assignments, other than SIPs, are still based on each participant’s individualized assessment
- Basic skills training, including ESL, can be counted toward federally defined core and non-core activities.
  - To count towards the vocational education and training category, the education activity must be of limited duration and is a necessary or regular part of an occupational program. On-the-Job

---

<sup>3</sup> See Welf. & Inst. Code § 11325.23(a)(1).

Training (OJT) also allows for any kind of training to count as OJT if it “provides knowledge and skills essential to the full and adequate performance of the job.” Community service can also include short-term training or “similar activities” if the activities are of limited duration and are necessary to the performance of the community service activity.

- Non-core activities such as education directly related to employment, job skills directly related to employment, and satisfactory attendance at secondary school or in a course of study leading to a GED, encompass the remaining possibilities of pursuing education and training
- Assigning individuals to activities that may not meet immediate work participation rate interests may be necessary in order to build a foundation for participation in future activities that will count

**B. Individual Counties are Fiscally on the Hook: Counties Have an Incentive to Provide Services that Keep People Wanting to Participate**

AB 1808 specifically states that counties that fail to meet the 50 percent work participation rate must pay half of the penalty and make up the funds from the county’s general fund rather than simply reducing CalWORKs expenses. Therefore, counties have a major incentive to meet the work participation goals. Advocates can remind counties of this incentive to keep people participating happily!

**C. Supportive Services are Necessary to Ensure Participation**

Supportive services must be provided to those who need them. If counties want to meet their work participation goals, supportive services are crucial to ensure participation. If transportation payments are not advanced and child care payments are delayed, a client’s fragile support system to get to work can easily unravel.

**D. Sanctions Hurt Everyone – Individuals, Families, and Counties!**

Sanctions will end up hurting counties’ participation rates as sanctioned cases lasting longer than 90 days will count towards the definition of work-eligible adults. Counties may have taken the easy way out in the past by simply enforcing a strict sanction policy with little regard to whether the person was rightfully sanctioned or had a chance to provide good cause.

## V. Other AB 1808 Changes to CalWORKs

### A. End of Durational Sanctions – All County Letter 06-27: CalWORKs Changes to Sanctions

Along the lines of seeing counties reengage sanctioned individuals in welfare-to-work, discussed in the addendum plan development section above, AB 1808 also ended the practice of durational sanctions. The law previously required a second sanction must last minimally three months and any third or subsequent sanction would have to be at least six months. The law required the sanction to last that amount of time even though the participant wanted to stop it sooner. This meant that the person could cure the sanction and participate again, but would still be sanctioned.

DSS issued ACL 06-27 providing preliminary instructions to counties on the end of durational sanctions, effective July 12, 2006. Counties must inform in writing any persons currently sanctioned, or in the process of being sanctioned subsequent to a first sanction, that they may contact the county to cure their sanctions at any time. The ACL provides suggested language for the written notification. Curing a sanction will be done according to the process set out in ACL 03-59. In addition, the ACL includes information on how to modify existing forms that counties may be using for sanctions, such as crossing out language in WTW 31 that pertain to second and subsequent sanctions. The ACL also notes that a subsequent ACL will be released to provide additional guidance to counties and include revised Notice of Action and WTW forms.

#### Checklist on Implementation of ACL 06-27

<i>Has the county implemented ACL 06-27</i>	Find out what the county has done to implement the ACL – has a local directive been issued? Any flyers posted at offices, sent to families, any information scripted into whenever appointments or phone calls are made?
<i>Written notification requirement</i>	Find out what it says and what the process is for disseminating the notice. The ACL states that the information must be shared as soon as possible.
<i>What is the process for contacting the county to stop the sanction?</i>	Sanctioned individuals are usually dropped or deregistered from the WTW caseload, with no contact with WTW staff for months. How does a sanctioned individual resolve the sanction now?
<i>Does an individual require retroactive curing of their sanction?</i>	The ACL is silent as to retroactivity to July 12, 2006. This means that had a person who attempted to cure her sanction after the law was passed but before the ACL instructions were released may have been

	rebuked. If she subsequently cured, you can argue that it should be retroactive to the date she attempted. Likewise, if she tried to cure before the law was passed, a subsequent cure could reflect a cure date of July 12, 2006.
--	---

**B. All County Letter 06-25: Immediate Implementation of Homeless Assistance (HA) Changes in the CalWORKs Program**

The budget trailer bill also included changes to the Homeless Assistance Program effective July 12, 2006. The new provisions increase the daily rate for temporary HA to \$65 for families up to four members and \$15 for each additional member up to \$125, and expand the definition of homelessness to allow payments to families that receive a notice of pay or quit. There are also now two forms of permanent HA – the existing program that helps homeless families secure permanent residences and an additional provision to pay up to two months of rent in arrearages to prevent eviction. The rent and rent arrearage threshold for permanent HA is 80 percent of the total monthly household income, rather than the previous limit to 80 percent of the maximum aid payment.

According to the ACL, DSS has sent out an informing notice (Temp 2226 – “New Rules for Homeless Assistance for Persons Eligible for Cash Aid”) during the first two weeks of August. Counties are to immediately begin informing applicants of the new provisions at intake, and recipients at redetermination and any time they indicate possible eviction. A subsequent ACL is expected to provide additional guidance and transmit revised Notice of Action and CalWORKs forms.