

## FINDING OF EMERGENCY

These regulations are being implemented on an emergency basis for the immediate preservation of the public peace, health and safety, or general welfare, within the meaning of Government Code Section 11346.1. Furthermore, Government Code Section 11346.1(a)(2) requires that, at least five working days prior to submission of the proposed emergency action to the Office of Administrative Law (OAL), the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency to the OAL, interested persons shall be allowed five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code Section 11349.6. To determine the OAL five day comment period check <http://www.oal.ca.gov/> often.

## DESCRIPTION OF SPECIFIC FACTS WHICH CONSTITUTE THE EMERGENCY

1. The Legislature enacted the provisions of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) and Assembly Bill (AB) 106 (Chapter 32, Statutes of 2011), on an urgency basis and to take effect immediately. These emergency regulations will extend exemptions and policies for good cause findings with regards to the California Work Opportunity and Responsibility to Kids (CalWORKs) program for one additional year. An exemption from Welfare-to-Work (WTW) participation and the CalWORKs time clock can be granted for a participant who is the parent or caretaker relative who has primary responsibility for personally providing care to one child who is from 12 months to 23 months of age, or two or more children who are under six years of age. An exemption from the CalWORKs time clock can also be given to a participant who has been granted good cause due to lack of necessary supportive services. As stated in SB 72, these exemptions shall become inoperative on July 1, 2012.
2. These emergency regulations will also reduce the number of months in which an aided adult can receive CalWORKs benefits from 60 to 48 months.
3. Section 42 of SB 72 allows the California Department of Social Services (CDSS) to implement applicable provisions of the law through All County Letter (ACL) or similar instructions from the department until regulations are adopted.
4. Delay in the implementation of these regulations would conflict with the statutory directive that emergency regulations be adopted for the provisions of SB 72. Relevant portions of Section 42 of SB 72 read as follows:
  - (a) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer the changes to Sections 11265.2, 11266.5, 11320.15, 11320.3, 11322.63, 11323.25, 11450, 11450.02, 11450.025, 11451.5, 11454, 11454.5, 12309.1, and 17021 of the Welfare and Institutions Code, as contained in this act, through all-county letters or similar instructions from the department until regulations are adopted. The department shall adopt emergency regulations implementing these provisions no later than July 1, 2012.

The department may readopt any emergency regulation authorized by this section that is the same as or substantially equivalent to an emergency regulation previously adopted under this section.

- (b) The initial adoption of emergency regulations pursuant to this section and one readoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be exempt from review by the OAL. The initial emergency regulations and the one re-adoption of emergency regulations authorized by this section shall be submitted to the OAL for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

This language directs CDSS to adopt emergency regulations by July 1, 2012, implementing the statutory changes made by SB 72.

- 5. Therefore, in order to preserve the public peace, health, safety, and general welfare of the State of California, these regulations are adopted on an emergency basis.

#### INFORMATIVE DIGEST

SB 72 amends the CalWORKs WTW program. The CalWORKs WTW program is the employment and training component of CalWORKs, California's version of the federal Temporary Assistance for Needy Families (TANF) program.

Federal welfare reform enacted the TANF program through the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996, limiting federally funded cash aid to a family with an adult to a total of five years. The intent of the WTW program is to provide employment and training services to the maximum possible number of the adult CalWORKs population to aid them in achieving economic self-sufficiency within this time frame.

Assembly Bill (AB) 106 as well as SB 72 impacted the CalWORKs program significantly. AB 106 continued the approximate reduction of \$376 million to the CalWORKs single allocation in the 2011-12 fiscal year, and SB 72 extended statutory changes which affect funding and exemptions in the CalWORKs program. In crafting SB 72, the Legislature still allowed for more effective utilization of limited resources for CalWORKs services and provide counties additional flexibility to address funding constraints.

In order to achieve these goals, the proposed regulations extended the two temporary CalWORKs exemptions for young children and reduced the number of months in which an aided adult in the Assistance Unit (AU) receive CalWORKs benefits to 48 months.

The proposed regulations also extend the two CalWORKs exemptions that were set forth in 2009 by AB X4 4 (Chapter 4, Statutes of the Fourth Extraordinary Session of 2009) for one additional year. These exemptions apply to clients who are caring for young children and to clients who may be granted good cause from WTW participation due to a lack of supportive services. Clients who receive the exemption for young children will not be required to participate in WTW activities and will have their CalWORKs time clock stopped until they no longer meet these criteria, or until July 1, 2012, whichever comes first. Clients who are granted good cause from

WTW participation due to a lack of supportive services will also have their CalWORKs time clock stopped until they no longer meet these criteria, or until July 1, 2012, whichever comes first.

The proposed regulations are consistent and compatible with existing regulations. These regulations simply extend the inoperable date of the provisions already put in place by regulations adopted in December 2010 under OAL File No. 2010-1115-01C.

PRWORA limited the number of months that a family could be aided by TANF to 60 months. CalWORKs previously imposed a 60-month time limit on the number of months an adult in the AU could receive benefits, unless otherwise exempt from the time limit.

SB 72 and AB 106 reduced the number of months in which an aided adult in the AU can receive CalWORKs benefits to 48 months including TANF months of aid received from other states after January 1, 1998, unless otherwise exempt from the time limit due to the reasons listed under MPP Sections 42-302.11 - .12 and 42-302.21.

Additionally, the proposed regulations will make other technical, conforming changes, such as renumbering of sections and amending cross references as necessary.

#### COST ESTIMATE

1. Costs or Savings to State Agencies: These regulations include a savings of approximately \$1,701,000 in FY 2011-12, and \$3,775,000 annually ongoing beginning FY 2012-2013.
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 - 17630: None.
3. Nondiscretionary Costs or Savings to Local Agencies: These regulations include a savings of approximately \$325,000 in FY 2011-12, and \$835,000 annually and ongoing in FY 2012-13.
4. Federal Funding to State Agencies: These regulations include a savings of approximately \$461,173,000 in FY 2011-12, and \$106,896,000 annually and ongoing beginning FY 2012-2013.

#### LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local agencies. If the Commission on State Mandates determines that these regulations contain reimbursable costs mandated by the state, reimbursement to local agencies for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government code.

#### AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Sections 10553 and 10554 of the Welfare and Institutions Code and SB 72 (Ch. 8, Stats. of 2011), Section 42. Subject regulations implement and make specific Sections 11320.3, 11454, 11454.2, and 11454.5, Welfare and Institutions Code.