

INITIAL STATEMENT OF REASONS

a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

The proposed regulations implement changes mandated by Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) and Assembly Bill (AB) 106 (Chapter 32, Statutes of 2011) that operate the California Work Opportunity and Responsibility to Kids (CalWORKs) program is operated. These regulations are being proposed to meet the current budget shortfall.

Sections:

40-107(a)(4)	40-107(a)(4)(C)	40-107(a)(4)(D)	40-107(a)(4)(F)2.
40-107(a)(4)(G)	40-107(a)(4)(G)2.	40-107(a)(4)(H)	40-107(a)(4)(I)
40-107(a)(5)(B)	40-107(a)(5)(C)	42-301.1	42-301.2
42-302.1	42-302.11	42-302.114(b)(1)	42-302.114(b)(1)(A)
42-302.12	42-302.2	42-302.21	42-302.21(b)(3)
42-302.21(c)	42-302.21(g)(1)(C)	42-302.22	42-302.221
42-302.222	42-302.223(b)	42-302.223(b)(1)	42-302.224
42-302.225	42-302.3	42-302.31(a)	42-431.63
42-712.6	42-713.4	42-713.41	42-713.43
42-716.11	42-716.211	42-717.3	42-721.411
44-133.8	44-307.52	44-316.331(a)(QR)	82-833.1

Specific Purpose:

These sections are being amended in order to reduce the maximum number of months an adult can be aided with CalWORKs benefits from 60 to 48. These sections also amend the timeframes associated with notifying a client of his or her time-on-aid. The reduction in months is intended to increase savings in the budget by reducing the number of months in which adults can receive cash aid. In addition, months of aid received in other states or from a Tribal Temporary Assistance for Needy Families (TANF) program will continue to count toward a recipient’s CalWORKs 48-month time limit.

Factual Basis:

These amendments are necessary to address the current budget shortfall. These amendments shall comply with Welfare and Institutions Code Sections 11454(a) and 11454.2(a) as amended by SB 72 and AB 106. Before SB 72 and AB 106, an adult could be aided with CalWORKs for a maximum of 60 months, unless otherwise exempt from the time limit. As the result of SB 72 and AB 106, the maximum number of months an adult can now receive CalWORKs is 48 months, unless otherwise exempt from the time limit.

Section 42-302.21(b)(3)

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary Welfare-to-Work (WTW) exemption for individuals with young children set forth in SB 72. The exemption is being extended in order to meet the continued budget shortfall. This section will now become inoperative on July 1, 2012.

Factual Basis:

ABX4 4 added a new WTW participation and CalWORKs time limit exemption. This exemption applies to a parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, or two or more children who are under six years of age. An individual who meets any of these criteria shall be excused from WTW activities and have their time clock stopped for as long as he/she meets the exemption or until July 1, 2012, whichever comes first. The extension of the exemption is necessary in order to address the continued reduction to the CalWORKs single allocation. This revision is also necessary to implement Welfare and Institutions Code Section 11320.3(b)(7) and Section 11454.5(a)(7), as amended by SB 72 and AB 106.

Section 42-302.21(k)

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary exemptions from the CalWORKs time limit when an individual receives good cause due to lack of supportive services. Section 42-713.43 is also being amended to reflect the new CalWORKs time limit. This section will now become inoperative on July 1, 2012. The exemption is being extended in order to meet the continued budget shortfall.

Factual Basis:

Currently, when an individual is given good cause due to lack of supportive services, his/her CalWORKs clock is stopped. The individual's CalWORKs time clock will remain stopped for as long as he/she meets the exemption or through July 1, 2011, whichever comes first. SB 72 extended that timeline for an additional year, which means these paragraphs will now become inoperative on July 1, 2012. This amendment is necessary to implement Welfare

and Institutions Code Section 11454.5(a)(6), as amended by SB 72 and AB 106. The extension of the exemption is necessary in order to address the continued reduction to the CalWORKs single allocation.

Section 42-712.474

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary WTW (WTW) exemption for individuals with young children. The exemption is being extended in order to meet the continued budget shortfall. This section will now become inoperative on July 1, 2012.

Factual Basis:

ABX4 4 added a new WTW participation and CalWORKs time limit exemption. This exemption applies to a parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, or two or more children who are under six years of age. An individual who meets any of these criteria shall be excused from WTW activities and have their time clock stopped for as long as he/she meets the exemption or until July 1, 2012, whichever comes first. The extension of the exemption is necessary in order to address the continued reduction to the CalWORKs single allocation. This amendment is necessary to implement Welfare and Institutions Code Section 11320.3(b)(7) and Section 11454.5(a)(7).

Section 42-712.64

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary WTW exemption for individuals with young children. The exemption is being extended in order to meet the continued budget shortfall. This section will now become inoperative on July 1, 2012.

Factual Basis:

When an individual is granted the WTW exemption for individuals with young children, as described in Section 42-712.474, this exemption also stops their CalWORKs time clock for as long as he/she meets the exemption criteria or until July 1, 2012, whichever comes first. The extension of the exemption is necessary in order to address the continued reduction to the CalWORKs single allocation. This revision is necessary to implement Welfare and Institutions Code Section 11454.5(a)(7).

Section 42-713.43

Specific Purpose:

This section is being amended to reflect the one year extension of the temporary exemptions from the CalWORKs time limit when an individual receives good cause due to lack of supportive services. Section 42-713.43(k) is also being amended to reflect the new CalWORKs time limit. The exemption is being extended in order to meet the continued budget shortfall. This section will now become inoperative on July 1, 2012.

Factual Basis:

Currently, when an individual is given good cause due to lack of supportive services, this exemption stops the individual's CalWORKs time clock for as long as he/she meets the exemption or through July 1, 2011, whichever comes first. SB 72 extended that timeline for an additional year, which means this section will now become inoperative on July 1, 2012. The extension of the exemption is necessary in order to address the continued reduction to the CalWORKs single allocation. This amendment is necessary to implement Welfare and Institutions Code Section 11454.5(a)(6), as amended by SB 72 and AB 106.

b) Identification of Documents Upon Which Department Is Relying

Senate Bill (SB) 72, Chapter 8, Statutes of 2011
Assembly Bill (AB) 106, Chapter 32, Statutes of 2011

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not on school districts. 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.

d) Statement of Alternatives Considered

In developing the regulatory action, CDSS did not consider any other alternatives than the one proposed because there were no other alternatives proposed. The statute is prescriptive and does not provide the flexibility to consider other approaches for implementation.

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed actions or would be more cost effective to affected private persons and equally effective in implementing that statutory policy or other provision of law.

e) Statement of Significant Adverse Economic Impact on Business

CDSS has determined that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made because these regulations only affect CalWORKs recipients, which is a State to county provided program.

f) Economic Impact Assessment

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The proposed amendments only affect CalWORKs program participants and are mandated by the State of California due to the current economic shortfall.

The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows:

- This regulatory amendment allows counties more effective utilization of limited resources for CalWORKs services. It also provides counties additional flexibility to address funding constraints due to the continued reduction to the CalWORKs single allocation.

The documents relied upon in proposing these regulatory actions are SB 72 (Chapter 8, Statutes of 2011) and AB 106 (Chapter 32, Statutes of 2011).

g) Benefits Anticipated from Regulatory Action

This regulatory action allows counties, and in turn CDSS, to address funding constraints due to the continued reduction to the CalWORKs single allocation.

h) Statement of Specific Technology or Equipment

This regulatory action will not mandate the use of new, specific technologies or equipment.