



County Executive
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Governmental Relations and
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Elisia De Bord

County of Sacramento

Board of Supervisors
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March 19, 2024

Honorable Caroline Menjivar, Chair
Senate Budget and Fiscal Review Sub. No. 3
1021 O Street, Suite 6720
Sacramento, CA 95814

Honorable Corey Jackson, Chair
Assembly Budget Subcommittee No. 2
1021 O Street, Suite 6120
Sacramento, CA 95814

Re: CalWORKs Program – Oppose Governor’s Budget Proposed Cuts

Dear Chair Menjivar and Chair Jackson:

On behalf of the Sacramento County Board of Supervisors, I respectfully request that you oppose cuts to the CalWORKs program as proposed in the Governor’s Budget, which total over \$400 million, including the permanent elimination of all funding for specific CalWORKs services. These cuts jeopardize counties’ ability to administer the CalWORKs program and place the state’s burden on our most vulnerable, very-low-income families. Sacramento County has a very high success rate of participants who no longer depend on CalWORKs after starting the program because they were provided the resources needed to stay employed.

The Governor’s Budget proposes to eliminate the CalWORKs Family Stabilization (FS) Program and the CalWORKs Expanded Subsidized Employment (ESE) Program beginning in the current fiscal year and annually ongoing. The FS program effectively serves families on CalWORKs through intensive case management and services to those experiencing crises or who are unable to participate in Welfare-to-Work activities. Services include domestic violence services, behavioral health, education support, and housing support. Uniquely, the FS program also serves the children in the family and offers intentional service selection and family-centered case management. The FS Program also prevents CalWORKs families from getting involved in the child welfare system.

The CalWORKs ESE program offers CalWORKs participants Subsidized Employment placement, providing crucial training, skills, and experiences essential for securing and maintaining permanent employment. Many CalWORKs participants do not have any meaningful work experience or have low-skilled work experience. The ESE Program enabled counties to cultivate relationships with local public, private, and non-profit employers committed to support CalWORKs participants in their professional development. The program successfully transitioned CalWORKs participants from subsidized to unsubsidized employment, showcasing increased earnings and opportunities for clients leaving the program while aiding small businesses with wages.

In Sacramento County, the FS program provided support to an average of 480 of the most vulnerable individuals and families in our community annually. The elimination of the FS services will limit our CalWORKs customers’ access to housing, Welfare-to-Work benefits and other community resources. Specifically, the elimination of this program would halt Social Workers

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(SW)'s support to customers that need the Welfare-to-Work benefits. County Social Workers advocate on customers' behalf to get them into shelters and permanent rentals, assisting with move-in costs and continual rental subsidy support. The FS program also provides aid by assisting with payments for license/schooling fees and vehicle repairs. The FS program also works on providing families with transportation for food, medical, and housing assistance. Since the start of COVID-19, the County has seen a steady increase in the number of domestic violence referrals to the program. The elimination of the FS program would take away intensive case management for our victims and their children, which can be detrimental to their survival and success in recovery.

CalWORKs Family Stabilization Program – Client Success Stories:

- 1) *“Sean- He is a veteran and single father of two minor children sleeping in their vehicle. FS provided the family with motel vouchers as the father reported their car was not working and one of the doors was leaking water whenever it rained. The father was working with a veteran services organization on securing permanent rental housing, but it was taking longer than he anticipated. With FS SW's encouragement, the father began seeking employment. Working with the County's Employment Services team, he was able to create a new resume and gain interview techniques, which resulted in him being offered a position starting at \$70,000/year. As transportation was necessary for his new employment, FS paid for the vehicle repairs. Soon after, housing was approved, and the family was able to move into their rental home. With FS support, the family had a place to stay while looking for permanent housing and allowed the father to seek employment. With his new job, he will be able to afford rent and support his family.”*
- 2) *“Shakeb- This family was homeless when they initially sought FS services. They were offered temporary shelter, which the family accepted. However, this meant the father was separated from the rest of his family. The father was working but struggling to find housing for his large family due to language barriers and being new to the country; he was unsure how to navigate the rental market. The family started meeting with the FS SW at the County offices, and with the assistance of interpreters, had completed applications to several apartments utilizing FS to pay for the application fees. The FS SW also provided listings of low-income apartments in the area for the family. FS provided motel vouchers for a few weeks so the family could be together during the holidays. Right before the time limit for FS services ran out, the family was accepted into a rental home. FS assisted the family by paying for the security deposit and subsidized the monthly rent. The family celebrated the New Year together in their new home.”*
- 3) *“Kirsten- A young mom with an infant was homeless when she requested FS support. Working with the Employment Services team at the County and FS SW support, the customer obtained full-time employment within a few months of entering the program. FS provided the family with motel vouchers to keep them off the street, provided monetary support for baby formula, and the FS staff transported the mom to food banks and community agencies for diapers. The FS SW worked with the Childcare unit to get the infant set up with day care while the mom was working. The mom's full-time employment allowed her to qualify for housing and they were able to move in with FS housing support assistance. FS also purchased a bed and crib for the mom and infant. Donations of kitchen items were also provided to the family. The mom was working with the FS SW on ways to save up to purchase a personal vehicle. With FS assistance, she was able to secure housing, day care, furnishings, and full-time employment.”*

In Sacramento County, the ESE program offered CalWORKs clients important job training skills to obtain meaningful employment opportunities. These services provide the ability to increase wage earnings and develop steady income, all of which lead to housing stability for them and their families. These positive results are a direct impact of the Retention Services provided by the ESE program. The Retention Services provided to the participant aim to remove barriers to employment, such as childcare, transportation to work, attendance, and time management guidance. The County also tracks positive trends regarding the increase in wages earned by the participant after the subsidies end. Below is an example of the wage increase in 2021 and 2022.

Year	Average Wage at 6 Months	Average Wage at 12 Months	% Increase
2021	\$16.46	\$17.14	4.2%
2022	\$18.32	\$19.74	7.8%

The County has a high success rate of participants after the program. In 2022-2023, 75.7% of participants were still employed and no longer received CalWORKs support. In 2021-2022, there was also a 70.4% success rate of participants employed and continuing to be off CalWORKs support. The ESE program assists customers who are “hard to serve” find employment that they may otherwise not find on their own. These are customers who are not able to find and keep employment due to various reasons, such as criminal background, attendance, and time management issues. In addition, the customer is supported by Workforce Coordinators who provide retention services during the subsidy period. We currently have 18 Workforce Coordinators, three Workforce Career Assessment Supervisors and three Workforce Coordinators Vacancies. The elimination of ESE will impact our CalWORKs customers, CBO Providers, and our Direct Hire Employers. The elimination would stop a quality program in Sacramento County that has served over 1,400 customers.

CalWORKs Expanded Subsidized Employment Program – Participants Success Stories:

- 1) *“Several years ago, I was placed into a Subsidized Employment position with Sacramento County. I worked my way up in the company and eventually acquired the business! I have recently applied for my business to participate in your wonderful program once again. Without the steppingstone you provided me with, I wouldn’t be a business owner and be able to give back and offer additional opportunities to those needing an extra little assistance. As a small business owner, I am also excited about the benefits the program will provide. I know participating in this program will help my business continue to grow and be successful.”*

- 2) *“I wanted to quickly say thank you for all your help with job assistance. I learned so much from your team and am greatly appreciative. I also wanted to share the good news. I got a job! Looks like I can’t stay out of the mortgage business quite yet. They are starting me off at \$22/hour (I knew I could find a job in my salary range) its Monday through Friday 9am-6pm which is awesome because I can still take my kids to school no problem. There’s lots of room to grow in the company and monthly bonuses!! I am so happy I found a company offering me everything I was looking for. Patience is a virtue, and I can’t wait to start next Monday!!.”*

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- 3) *“When I lost my job 5 months ago, I didn't see a light at the end of the tunnel. I applied for cash aid through Sacramento County to help keep me and my daughter afloat. After some time, I was introduced to my Welfare-to-Work worker. At the time I was depressed and had heard some unpleasant things about Welfare-to-Work. However, I was determined to put my best foot forward, so I went to my appointment with as much of a positive attitude as I could muster. My worker was very kind, and it gave me hope. We agreed Job Club would be a good match. I began getting interviews sooner than expected and each one was a great practice and learning experience. Every morning that I came in the staff was encouraging, it made me feel a part of a team. Something I'd missed was when I'd lost my job of 13 years, I could feel things turning around for the better and the positive support was such a boost. I have been at my job with a subsidized employer for a month and even now staff from Job Club and CalWORKs have been reaching out to me offering support. I just want to send a huge thank you to all the staff: They made a tough time easier and what a difference it made; I am living proof that support systems do breed success. Welfare to work. Job Club and the Subsidized Employment program are something I was so grateful I participated in.”*

In addition to the proposed program eliminations to FS and ESE, the Governor's Budget proposes \$218 million in ongoing cuts to the Single Allocation, which is the funding we use to engage with families to determine their needs, provide supportive services and job-related supports, and provide case management services, and for eligibility work for counties to process CalWORKs applications, redetermine eligibility, and maintain cases. The significant cuts proposed undermine the work that the counties have done over the past decade to move the CalWORKs program from a purely compliance-driven system to a family-centered approach that emphasizes support and stabilization of the family to provide the foundation for efforts to help families become self-sufficient. Counties must perform state and federally mandated eligibility work within required timelines to ensure access to CalWORKs benefits, an administrative function that is already underfunded by \$100 million even prior to the cuts. Further reductions to eligibility funding in the Single Allocation will have to be backfilled by counties with funds intended for Welfare-to-Work and other services and support. Combined with the cuts proposed to employment services funding within the Single Allocation, counties' ability to provide services and re-engagement with clients, in accordance with the CalWORKs 2.0 framework, and meet Cal-OAR metrics will be compromised. The cuts to the Single Allocation will impede the state's participation in the WPR alternative federal pilot program, should the state be chosen; the pilot program allows chosen states to focus their program on employment retention, family stability, and well-being, rather than the current federal work participation rate.

With the proposed elimination of the Expanded Subsidized Employment program, the impact would be detrimental to Welfare-to-Work Participants that seek self-sufficiency, to small businesses, and the local economy. Sacramento County Welfare-to-Work participants who have not obtained or maintained traditional job opportunities will no longer have an option. Some participants need the additional support offered by the Expanded Subsidized Employment program that can't be offered through other traditional methods. The high availability of jobs that are designed to meet the needs of our target population would no longer be available to participants. Appropriate job-matching services, which impact the likelihood of maintaining long-term employment, would cease. The loss of on-going and dedicated staff support that is offered throughout the subsidized period, to mentor and assist with work related issues and long-term barriers, would directly impact job retention rates. Without Subsidized Employment, many families will continue to be reliant on CalWORKs and other public assistance programs. Many

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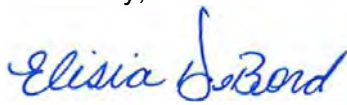
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Sacramento County small businesses also found value in the Subsidized Employment program and have been able to grow their business due to the support offered by the program.

CalWORKs programs help people become self-sufficient, less dependent on the system, and more equipped to properly care for families. Eliminating these programs is detrimental to our communities and state, especially in these dire times and considering the reality of homelessness. We look forward to working with you safeguard our vulnerable families and urge the Legislature to reject these significant cuts.

For these reasons, Sacramento County urges your support. Please feel free to contact me at (916) 874-4627 or deborde@saccounty.gov.

Sincerely,



Elisia De Bord
Governmental Relations and Legislative Officer

cc: Members, Senate Budget Subcommittee No. 3
Members, Assembly Budget Subcommittee No. 1
Sacramento County Delegation
Chair and Members, Board of Supervisors
Audrey Ratajczak, Cruz Strategies
Missy Talbot, County Welfare Directors Association