

Date of Hearing: July 11, 2023

ASSEMBLY COMMITTEE ON HUMAN SERVICES
Corey A. Jackson, Chair
SB 521 (Smallwood-Cuevas) – As Amended March 20, 2023

SENATE VOTE: 40-0

SUBJECT: CalWORKs: pregnancy or parenting

SUMMARY: Adds denial of reasonable accommodations for pregnant or parenting students to the list of conditions that may be considered good cause for not participating in the California Work Opportunity and Responsibility to Kids program (CalWORKs) welfare-to-work (WTW) activities; expands the conditions that exempt a teen from the Cal-Learn Program and removes sanctions and case management referral for failure to participate, or as a result of noncompliance. Specifically, **this bill:**

- 1) Adds denial of reasonable accommodations for pregnant or parenting students, in violation of Title IX, to the list of conditions that may be considered good cause for not participating in CalWORKs WTW activities.
- 2) Prohibits a county human services agency from sanctioning a CalWORKs recipient when the recipient requires, but fails to receive, adequate pregnancy- or parenting-related accommodations covered under Title IX.
- 3) Expands the list of conditions requiring a county to exempt a teen from the Cal-Learn Program, as verified by the county, to include a teen being in a situation or crisis that is destabilizing their family, including, but not limited to:
 - a) Homelessness or imminent risk of homelessness;
 - b) A lack of safety due to domestic violence; or,
 - c) Untreated or undertreated behavioral needs, including mental health or substance use disorder related needs.
- 4) Strikes provisions that subjected Cal-Learn participants to sanctions for failing to demonstrate adequate progress in school and as a result, referral to case management services.
- 5) Removes references to a “teenage parent” and instead refers to a Cal-Learn Program participant as a “teen.”
- 6) Prohibits a month in which a recipient participates in Cal-Learn from being counted as a month of receipt of aid for the purposes of CalWORKs
- 7) Makes the following findings and declarations:
 - a) The majority of low-income people live in a household that is working;

- b) A living wage is the best tool to address poverty, as supported by studies that have linked increased access to formal employment directly to poverty reduction;
- c) Access to higher education is crucial to reducing poverty, as studies demonstrate that increased education is linked to improved employment opportunities;
- d) Parenting students face barriers to education due to competing demands between school and caring for their families; and,
- e) Requiring students to choose between work or caregiving is unjustifiable and can be improved if the caregivers are provided with the financial support to stay in school while being able to provide for their child or children.

EXISTING LAW:

- 1) Establishes under federal law the “Temporary Assistance for Needy Families (TANF) Program” to provide cash aid and WTW services to eligible families and, in California, provides that TANF funds for WTW services are administered through the CalWORKs program. (42 United States Code (USC) 601 *et seq.* & Welfare and Institutions Code Section [WIC] 11200 *et seq.*)
- 2) Prohibits any person in the United States from being excluded from participation in, being denied the benefits of, or being subjected to discrimination under any education program or activity receiving federal financial assistance on the basis of sex, with certain exceptions, as specified. (20 USC 1681)
- 3) Requires all individuals 16 years of age or older, unless they are otherwise exempt, to participate in WTW activities as a condition of eligibility for CalWORKs. (WIC 11320.3 & 11322.6)
- 4) Establishes the number of weekly hours of WTW participation necessary to remain eligible for aid, including specified requirements for an unemployed parent in a two-parent assistance unit. (WIC 11322.8)
- 5) Establishes a number of exemptions to CalWORKs WTW requirements, including, among others, if an individual is of advanced age, determined by a doctor to have a disability that significantly impairs the individual’s ability to work regularly or participate in WTW activities, or is pregnant. (WIC 11320.3(b))
- 6) Provides an exemption from CalWORKs WTW requirements for a parent or other relative who has primary responsibility for taking care of a child six months of age or under. Specifies that this period may be reduced to the first 12 weeks after the birth or adoption of the child or increased to the first 12 months after the birth or adoption of the child, as provided. Stipulates that an individual may only use this exemption once. Further requires, in a family eligible for CalWORKs benefits due to unemployment of the principal wage earner, the exemption to be applied to only one parent. (WIC 11320.3(b)(6))
- 7) Provides that any individual not required to participate in WTW activities may choose to participate voluntarily, and may end that participation at any time without loss of eligibility

for CalWORKs aid, if their status has not changed in a way that would require participation, as specified. (WIC 11320.3(c))

- 8) Prohibits sanctions from being applied for failure or refusal to comply with program requirements for reasons related to employment, an offer of employment, an activity, or other training for employment for specified reasons, including for violation of the CalWORKs recipients rights, and others, as provided. (WIC 11320.31)
- 9) Provides that a recipient is exempt from participating in WTW activities because the recipient has primary responsibility for personally providing care to a child 24 months of age or younger, as specified. (WIC 11454.5(a)(7))
- 10) Establishes the Cal-Learn Program, and requires CalWORKs recipients who are under 19 years of age and are pregnant or custodial parents to participate in the program until they earn a high school diploma or its equivalent. (WIC 11331.5 et seq.)
- 11) Allows for a Cal-Learn Program participant who maintains satisfactory progress in school to receive a \$100 supplement to the amount of cash aid paid to the participant, as specified, as well as a \$500 supplement for a participant who successfully completes high school or a California high school equivalency examination. Requires a participant who fails to demonstrate that they have made adequate progress in school, as prescribed, to be sanctioned from the amount of cash aid that the participant would otherwise be paid. (WIC 11333.7(a)-(b))
- 12) Requires, when a Cal-Learn Program participant who is subject to a sanction for a case manager to do all of the following: a) Fully inform teenage parents of the consequences of continuing to fail to comply with the program, b) make reasonable efforts to secure a face-to-face meeting with the teenage parent before initiating a sanction, and c) make reasonable efforts to reach the teenage parents who they believe are in danger of continuing to fail to make satisfactory or adequate progress or not attending school. (WIC 11333.7(e)(1-3))
- 13) Requires the Cal-Learn Program case manager of a participant who fails or refuses to comply with the program requirements without good cause to inform them of the consequences of nonparticipation and to provide the participant with specified contact information for the local welfare rights organization or legal aid society should they need further assistance. (WIC 11333.7(g))
- 14) Prohibits a parent or caretaker relative from being eligible for aid when they have received aid from California or any state under the TANF program of Title IV of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), for a cumulative total of 60 months, except as provided. Further requires all months of aid received under this chapter to be applied to the 60-month time limit as described. (WIC 11454 et seq.)
- 15) Requires a county to verify and to exempt a teenage parent from the Cal-Learn Program when any of the following conditions occur:
 - a) The teenage parent is expelled from school and obtains verification that no other school in the district will permit him or her to attend, and the case manager cannot arrange for enrollment in an alternative school.

- b) The teenage parent cannot receive payment for child care or transportation expenses due to lack of program funding.
 - c) Child care is necessary and unavailable.
 - d) Public or private transportation is necessary and unavailable.
 - e) A foster care payment is made under this chapter on behalf of the teenage parent.
 - f) The teen parent has an illness, injury, or incapacity, as determined by a doctor's verification, that substantially deprives the teen parent of the ability to meet program requirements or to be successful in earning a high school diploma or its equivalent, and an alternative education program cannot be arranged. (WIC 11331.5(c))
- 16) Provides that each person between the ages of 6 and 18 years who is not an exempt person is subject to compulsory full-time education. Requires each person subject to compulsory full-time education and each person subject to compulsory continuation education and not exempted to attend public full-time day school or continuation school or classes and for the full time designated as the length of the schoolday by the governing board of the school district in which the residency of either the parent or legal guardian is located, as provided. (EDC 48200)
- 17) Requires the California Community Colleges (CCC) and the California State University (CSU), and encourages a satellite campus of these systems and the University of California to provide reasonable accommodations on their respective campuses for a lactating student to express breast milk, breast-feed an infant child, or address other needs related to breast-feeding. Further, requires them to provide specific reasonable accommodations, as provided. (EDC 66271.9 et seq.)

FISCAL EFFECT: According to the Senate Appropriations Committee on May 5, 2023:

- The California Department of Social Services (CDSS) estimates one-time automation costs to be \$293,250 (General Fund) to administer the provisions. CDSS does not anticipate a significant fiscal impact from eliminating sanctions in the Cal-Learn Program.
- Cost to counties for administration would be potentially reimbursable by the state, subject to a determination by the Commission on State Mandates.

COMMENTS:

Background: *CalWORKs* is the state's primary cash assistance program. More specifically, *CalWORKs* implements the federal TANF program which is a federal flexible block grant with the objective of providing income and support to families with children. *CalWORKs* provides eligible low-income families with cash grants and supportive services aimed at helping them to secure education, training, and employment. Among others, the supportive services include mental health counseling, substance use disorder treatment, or domestic violence services; job skills training; attendance in a secondary school or in a course leading to certificate of general educational development.

Unless deemed exempt or otherwise not required to participate per CalWORKs rules, parents are required to develop and participate in a WTW plan. CalWORKs-approved WTW activities can include public or private sector subsidized or unsubsidized employment; on-the-job training; community service; secondary school, adult basic education and vocational education and training when the education is needed for the recipient to become employed; specific mental health, substance use disorders, or domestic violence services if they are necessary to obtain or retain employment; and a number of other activities necessary to assist a recipient in obtaining unsubsidized employment.

CalWORKs grant amounts generally are adjusted for family size, income level, and region. Grant amounts are set and adjusted based on assistance unit (AU) size –larger AUs are eligible to receive a larger grant amount– to account for the increased financial needs of these families. In 2022-23, the maximum monthly grant for a family of three on CalWORKs (one parent and two children), if the family has no other income and lives in a high cost-of-living county, is \$925. The same family living in a lower cost-of-living county would be eligible for up to \$878 per month. However, the average monthly cash grant for the family is estimated to be \$717. Many families earn some income, or live in a lower cost-of-living county, and do not qualify for the maximum grant amount. About 398,400 families are projected to receive CalWORKs benefits in Fiscal Year 2022-23.

Cal-Learn is a required statewide program for pregnant and parenting teenagers (under 19 years old) that receive CalWORKs assistance. According to CDSS, “It is designed to encourage pregnant and parenting teens to graduate from high school or its equivalent, become independent, and form healthy families. Three coordinated services help teens become self-sufficient adults and responsible parents:

- Intensive case management assists teen parents to obtain education, health and social services.
- Supportive services such as child care, transportation, educational expenses, to enable pregnant/parenting teens to attend school.
- Bonuses and sanctions to encourage school attendance and good grades. Four \$100 bonuses per year may be earned based on report card results, and a one-time \$500 bonus for graduating or attaining an equivalent high school diploma. Sanctions are applied if satisfactory grades are not maintained, and/or timely report cards are not submitted.”

A teen parent is required to participate in the Cal-Learn Program until the end of the month in which the teen parent turns age 19 (or 20 if the teen parent is a volunteer), or until either a high school diploma or its equivalent is earned. The teen parent must assist in the development of their case plan, which includes a schedule for the submission of their report cards. The teen parent is also required to submit a current, quarterly report cards or progress reports to their Cal-Learn case manager within 10 working days from the date it is issued.

If a teen parent fails to make adequate progress or submit a report card as required, within 10 working days from that date, the case manager sends a written notification to the teen parent, make reasonable efforts to reach the teen parent, and secure a face-to-face meeting.

This bill expands the list of required conditions exempt from participating in Cal-Learn to include a situation or crisis that is destabilizing their family. These situations or crises include, but are not limited to:

- Homelessness or imminent risk of homelessness.
- A lack of safety due to domestic violence.
- Untreated or undertreated behavioral needs, including mental health or substance use disorder related needs.

CalWORKs Welfare-to-Work Requirement. Unless deemed exempt, an adult in a one-parent assistance unit is required to participate in WTW activities for an average of 30 hours per week or, in the case of someone who is pregnant or parenting a child under age six, an average of 20 hours per week, monthly. In a two-parent assistance unit, one or both adults must participate in WTW activities for a combined average of 35 hours per week. WTW activities include participation in subsidized and unsubsidized employment, community service, adult basic education, community college, job skills, training, mental health counseling, substance use disorder treatment, domestic abuse services, or other activities necessary to assist recipients in obtaining employment. If a CalWORKs recipient who is not exempt from participation does not meet the WTW requirements, the recipient may be sanctioned, and that recipient's portion of the family's grant may be subtracted from the amount provided to the family.

Prior to 2011, CalWORKs recipients could receive cash aid for up to 60 months, which aligned with federal rules. During recessionary state budget cuts, the maximum time on aid was reduced to 48-months and a 24-month time clock for WTW was created through SB 1041 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2012. However, AB 79 (Committee on Budget), Chapter 11, Statutes of 2020, restored the 60-month lifetime limit on receipt of benefits for qualified individuals and removed the 24-month limit on WTW activities. The changes made by AB 79 took effect on May 1, 2022.

This bill prohibits any month a teen participates in Cal-Learn from counting as a month of aid toward their cumulative, 60-month time limit for receipt of aid under federal and state law.

Welfare-to-work exemptions. CalWORKs participants may be granted exemptions that excuse them from WTW requirements. These exemptions can include, but are not limited to, pregnancy, domestic violence, a disability that will last 30 days or more, providing foster care, being less than 16 years of age (or less than 19 years of age if attending school full time) or more than 60 years of age, or for the care of an infant or a young child. If exempt, a person can still voluntarily participate in the program to be able to access supportive services offered through the WTW program. CalWORKs recipients exempt from WTW activities may choose at any time to voluntarily participate in WTW activities or choose to end this participation, without loss of eligibility for CalWORKs aid, as long as the recipient's exemption status does not change in a way that would require their participation. Currently, individuals receiving CalWORKs can receive an exemption from participation in WTW activities if they are a parent or other relative who has primary, personal responsibility for caring for an infant in the first 12 weeks, six months, or 12 months after birth.

This bill adds denial of reasonable accommodations for pregnant or parenting students, in violation of Title IX, to the list of reasons that may be considered good cause for not

participating in CalWORKs WTW activities. An example of an accommodation would include excused absences to attend child medical appointments.

Sanctions. Absent of WTW exemptions, recipients must participate in a WTW plan as described above. The state compels CalWORKs recipients by issuing sanctions as a “stick.” If a family has failed or refused, as defined by current law, to participate, without “good cause,” in the WTW plan arranged with their county, which is a condition of aid, then families face sanctions or penalties pausing their aid. In order to cease the sanction, a recipient must sign and agree to a plan and then execute the planned work-related activities which can be the same activities previously agreed upon, or new, appropriate ones for 30 days or the length of the activity, whichever is less.

For teen parents, the Cal-Learn program is their work requirement so if the parent participant fails or refuses to comply with program requirements without good cause, and the compliance process has failed, or the individual has not fulfilled the terms of their Cal-Learn case plan as agreed. For teen parents, the first sanction is \$100 and can be imposed up to four times in a 12-month period for each teen parent who fails to make adequate progress in his or her school program as described above. In FY 2020-21, 20 Cal-Learn participants were sanctioned. This bill eliminates the counties’ ability to sanction teen parents for non-participation in Cal-Learn.

Author’s Statement: According to the author, “Student parents pursue education to not only join the workforce but to financial security and a better future for their families. The cost of living is increasing in California and it’s our job as legislators to make sure everyone has a chance to continue their education as well as take care of their family without stressing about their financial needs. Unfortunately, pregnant, lactating, and parenting students cannot always balance their financial needs of their families with the demands of their coursework, and despite protections provided by Title IX, these student parents often face consequences from professors who don’t provide appropriate accommodations. While most students can appeal these decisions, students in CalWORKs and Cal-Learn risk losing critical benefits if they fail to meet coursework completion requirements. [This bill] provides a “good cause” exemption from CalWORKs sanctions for these lapses in academic performance resulting from, a lack of Title IX accommodations such as attending medical appointments or pumping breast milk. In addition, SB 521 removes sanction from Cal-Learn and adds conditions that exempt Cal-Learn recipients from participating in the program if they are facing a destabilizing event, such as homelessness, domestic violence or behavioral health issues. More importantly, when adequate progress is not met, Cal-Learn recipients won’t see a reduction in their CalWORKs benefits.”

Need for this bill: This bill helps already struggling teen parents focus on their family without fear of sanctions by expanding the list of required conditions that a county must exempt a teen parent from participating in Cal-Learn to include a situation or crisis that is destabilizing their family. Further, this bill aligns federal and state law by prohibiting a county from sanctioning a parent from being unable to participate in WTW if they were denied reasonable accommodations.

Equity Implications: According to “*Harmful Obstacles: CalWORKs Work Participation Rate (WPR) Penalty*” by the Budget Center, CalWORKs parents face a labor market in which gender- and race-based discrimination is ongoing, as well as workplace expectations and practices that make it difficult for parents to balance work with caregiving responsibilities. These dynamics

significantly affect CalWORKs parents, who are predominantly women, people of color, and parents of young children.

The Public Policy Institute of California published *Supporting Student Parents in Community College CalWORKs Programs 2020 Report* and found that like others enrolled at community colleges, CalWORKs students may face many barriers by virtue of their low-income levels and parental responsibilities. CalWORKs students who are single parents need to balance their school work with the responsibilities of caring for their children and their jobs. The report noted that many CalWORKs recipients “have multiple barriers to employment that can make college success more difficult.” This bill removes infantilizing sanctions and allows parents to make choices best for their future.

RELATED AND PRIOR LEGISLATION:

AB 310 (Arambula) of the current legislative session, would make various changes to the current CalWORKs Act and WTW requirements including removing provisions related to work requirements for pregnant women. *AB 310 was set to be heard by the Senate Committee on Human Services, but the hearing was cancelled at the request of the author.*

AB 372 (Nguyen) of the current legislative session, would exclude specified income from apprenticeship or pre-apprenticeship programs for the purposes of determining CalWORKs eligibility. *AB 372 is on the Senate Committee on Appropriations suspense file.*

SB 65 (Skinner), Chapter 449, Statutes of 2021, established the “California Momnibus Act”, which, among other things, eliminated the mandatory requirement to work or participate in WTW for pregnant persons, and made participation voluntary for all pregnant people, regardless of whether the individual met prior exemption requirements.

AB 1004 (Calderon), Chapter 99, Statutes of 2021, deleted requirements that, in order to be exempt from being considered income under the CalWORKs program, income or stipends related to the decennial census must be earned on the year of or year prior to a census, so that all such income or stipends may be exempted, regardless of when it is earned, and made those changes effective immediately.

AB 79 (Committee on Budget), Chapter 11, Statutes of 2020, among other things, authorized a 60-month CalWORKs lifetime time limit and eliminated the 24-month time clock for certain WTW activities, effective May 1, 2022, or when CDSS notifies the Legislature that all necessary automation changes are complete.

AB 807 (Bauer-Kahan), Chapter 440, Statutes of 2019, exempted certain income, including certain scholarships and income for work on the decennial census, from being counted as income for purposes of determining CalWORKs eligibility and benefit amounts.

SB 1041 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2012, among other things, exempted from WTW activities on a one-time basis, a parent or other relative that has primary responsibility for personally providing care to one child from birth to 23 months.

AB 4 X4 (Evans), Chapter 4, Statutes of 2009, among other things, exempted parents or primary caretakers of a child age 12 months through 23 months, or two or more children under the age of six from participating in WTW activities.

AB 1542 (Ducheny), Chapter 270, Statutes of 1997, implemented the CalWORKs program, California's version of the federal TANF program.

REGISTERED SUPPORT / OPPOSITION:**Support**

Women's Foundation of California, Dr. Beatriz Maria Solis Policy Institute (SPI) (Sponsor)
AFSCME
American Association of University Women (AAUW) San Jose
American Association of University Women - California
BreastfeedLA
Building Skills Partnership
California Federation of Teachers AFL-CIO
Center for WorkLife Law
Children Now
Coalition of California Welfare Rights Organizations
Drug Policy Alliance
Ella Baker Center for Human Rights
Equal Rights Advocates
Michelson Center for Public Policy
National Association of Social Workers, California Chapter
The Children's Partnership
University of California Student Association
Western Center on Law & Poverty

Opposition

None on file

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