

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM #1 Participation Requirement Changes to the CalWORKs Welfare-to-Work Program

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held April 8, 2015, as follows:

Office Building # 8
744 P Street, Room 103
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on April 8, 2015.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below:

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California Department of Social Services
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CHAPTERS

MPP 42-300, 42-700, 42-800, 42-1000 and 44-100

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Senate Bill (SB) 1041 (Chapter 47, Statutes of 2012) made substantial changes to the California Work opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) program requirements that were effective January 1, 2013. The CalWORKs WTW program is the employment and training component of CalWORKs which is funded, in part, by the federal Temporary Assistance to Needy Families (TANF) Block Grant.

Federal welfare reform enacted the TANF program through the Personal Responsibility and Work Opportunity Reconciliation ACT (PRWOA) in 1996, limiting federally-funded cash aid to adult recipients 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 individuals within the adult CalWORKs population to aid them in achieving economic self-sufficiency within this timeframe.

SB 1104 (Chapter 229, Statutes of 2004) and SB 68 (Chapter 78, Statutes of 2005) established a requirement that adults in the WTW program must participate in at least 20 hours per week in specified core WTW activities that will provide them with the necessary training to obtain employment. The balance of their 32-or 25-hour per week participation requirement could be spent in other specified noncore activities.

These proposed regulations amend, adopt, and repeal WTW regulations to comply with SB 1041 by repealing the requirement that adults must participate in at least 20 hours in core WTW activities during a cumulative 24-month period; establishing more stringent participation requirements that are closely aligned with the requirements of the federal TANF Block Grant after exhausting the 24-month period; repealing specified young child WTW participation exemptions for adults and establishing a WTW reengagement process for affected adults; and establishing a new one-time young child exemption for adults with a child under 24 months of age.

This regulatory action will benefit the health and welfare of California residents by establishing a requirement that adults in the Welfare-to-Work Program can participate in any welfare-to-work activity they need, consistent with their assessments, during the Welfare-to-Work 24-month Time Clock period to provide them with the necessary training to obtain employment. Worker safety and the state's environment will not be impacted by these amended regulations. This regulatory action does not make changes to regulations involving worker safety or the state's environment. The amended and adopted regulations will increase the likelihood of stable employment and self-sufficiency for CalWORKs recipients resulting in a positive economic impact to the state.

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

The Department evaluated the proposed regulation for any inconsistency or incompatibility with existing state law and has found that these are the only regulations concerning participation requirement changes to CalWORKs Welfare-to-Work program. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations, but do fulfill the intent of the Legislature in enacting SB 1041.

COST ESTIMATE

1. Costs or Savings to State Agencies: The funding was budgeted at approximately \$3 million in the 2014-15 Appropriation, under the Employment Services and WTW Services/Reengagement premises.
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: There is no impact to the county share of cost for affected programs.
4. Federal Funding to State Agencies: The funding was budgeted at approximately \$86 million in the 2014-15 Appropriation, under the Employment Services and WTW Services/Reengagement premises.

LOCAL MANDATE STATEMENT

These proposed CalWORKs regulations changes do impose a mandate on local agencies, but not on school districts. The mandate is not required to be reimbursed pursuant to part 7 (commencing with Section 17500) of Division 4 of the Government Code or Section 6 of Article XIII B of the California Constitution because implementation of these regulations will, if anything, result in negligible savings.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

The CDSS has made an initial determination 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 is made based on the proposed regulatory action, which is designed to impact only the CalWORKs population in order to aid them in achieving economic self-sufficiency.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. This regulatory action is designed to impact only the CalWORKs population in order to aid them in achieving economic self-sufficiency.

SMALL BUSINESS IMPACT STATEMENT

The CDSS has made an initial determination that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies. The current determination is made based on the proposed regulatory action, which is designed to impact only the CalWORKs population in order to aid them in achieving economic self-sufficiency.

STATEMENT OF RESULTS OF 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. This regulatory action will benefit the health and welfare of California residents by establishing a requirement that adults in the Welfare-to-Work Program can participate in any welfare-to-work activity they need, consistent with their assessments, during the Welfare-to-Work 24-month Time Clock period to provide them with the necessary training to obtain employment. Worker safety and the state's environment will not be impacted by these amended regulations. This regulatory action does not make changes to regulations involving worker safety or the state's environment. The amended and adopted regulations will increase the likelihood of stable employment and self-sufficiency for CalWORKs recipients resulting in a positive economic impact to the state.

The documents relied upon in proposing this regulatory action are Senate Bill 1041, Chapter 47, Statutes of 2012; Senate Bill 855, Chapter 29, Statutes of 2014; and Assembly Bill 1471, Chapter 439, Statutes of 2012.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

In developing the regulatory action, CDSS did not consider any other alternatives because no alternatives were proposed. Additionally, the Legislature mandated that regulations be adopted for these amendments by SB 1041.

The 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 action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

AUTHORITY AND REFERENCE CITATIONS

The CDSS adopts these regulations under the authority granted in Sections 10553 and 10554. Subject regulations implement and make specific Sections 11265.45, 112565.46, 11265.47, 11265.48, 11320.3, 11322.63, 11322.8, 11322.85, 11322.86, 11322.87, 11451.5, and 11454.5 of the Welfare and Institutions Code [SB 1041 (Chapter 47, Statutes of 2012)].

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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Backup:	Sylvia Sotelo	(916) 657-2586

EMERGENCY STATEMENT

These regulations are to be adopted on an emergency basis. In order to allow interested persons an opportunity to submit statements or arguments concerning these regulations, they will be considered at public hearing in accordance with Government Code Section 11346.4.