



COUNTY WELFARE DIRECTORS ASSOCIATION OF CALIFORNIA
925 L Street, Suite 350, Sacramento, CA 95814
(916) 443-1749

CWDA

July 8, 2009

To: All County Social Service Directors and Fiscal Officers

From: CWDA Staff

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RE: State Budget Update #14 – Update on Recent Budget-Related Activity

We wanted to provide you an update of what has been going on with the budget over the past week. While there have been no additional budget votes in the Legislature as negotiations between the Legislative leadership and the Governor have continued, the Governor has been busy pushing his latest “reform” proposals before the public and in the press.

As you recall from the last CWDA State Budget Update #13, on June 28 the Governor released four new proposals related to CalWORKs, IHSS, program eligibility “modernization,” and state pensions. CWDA and CSAC immediately sent letters of opposition to the Governor and the Legislative leaders detailing the significant problems with the CalWORKs and program eligibility “modernization” proposals. For your information, the link to State Budget Update #13 and the two opposition letters is as follows: http://www.cwda.org/priorities/state_budget.php.

In addition, we sent you an email on June 29 requesting that you fax a letter of opposition to the Governor’s latest CalWORKs proposal from your county to Legislative leaders and the Governor (a sample letter and fax numbers were attached). **If you have not already sent your letter, it is not too late and we strongly urge you to do so.**

On July 1, the Governor held a press conference in which he declared a fiscal emergency and called the Legislature into special session to address it. During the press conference, he began in earnest attacking the CalWORKs and IHSS programs as riddled with fraud and abuse. On July 3, the *Los Angeles Times* ran an OpEd by the Governor that included significant misinformation and inaccuracies about CalWORKs, IHSS, and county eligibility operations and painted a distorted picture of the success of those programs. There is speculation that one of the forces driving the Governor in emphasizing fraud and abuse in these programs is a recent increase in his approval ratings.

In response to the program attacks, CWDA and CSAC developed a document to debunk the myths and fallacies described in the OpEd and provided that “Myths and Facts”

document to the Legislature and the media, where it has received widespread attention in the past couple of days. Copies of the OpEd and Myths and Facts document were also emailed to you on July 6.

Yesterday, CWDA, CSAC, and the Western Center on Law and Poverty held a CalWORKs press availability denouncing the recent comments by the Governor and his Administration questioning the efficiency of the CalWORKs program and misleading the public about the costs and success of the program. A copy of the subsequent press release was emailed to you yesterday, July 7. The press availability went very well and a number of media outlets throughout the state participated. The resulting press coverage has also been good. Following are links to some of the articles that have run so far. Of particular note is the article in the *Ventura County Star*, which best captured the essence of our press release.

<http://www.venturacountystar.com/news/2009/jul/08/welfare-as-we-knew-it/?partner=RSS>

http://www.pe.com/localnews/inland/stories/PE_News_Local_S_calworks08.37f626e.html

http://www.kionrightnow.com/Global/story.asp?S=10652511&nav=menu1591_2

http://www.pe.com/localnews/inland/stories/PE_News_Local_S_calworks08.37f626e.html

At noon today, July 8, the Governor will hold his own press conference, with California Health and Human Services Secretary Kim Belshé and California Department of Social Services Director John Wagner, to discuss his CalWORKs program “reform” proposal. We do not know specifically what will be discussed in the press conference, although we presume the Governor will receive questions reflecting the facts and data that CWDA and CSAC have released in the past couple of days. For your information, the press conference can be viewed on the Governor’s web site: www.gov.ca.gov.

In the meantime, negotiations on the budget between the Legislative leaders and the Governor (Big 5) have continued, although they have been strained. Assembly Speaker Karen Bass has been vocal about her frustrations with the discussions and the last-minute introduction by the Governor of new proposals, which she has characterized as worthy of discussion once the deficit is resolved, but not directly related to solving the budget problem. Her frustrations culminated in a boycott of Big 5 negotiations on Monday. The Governor, however, seems to be digging in and insists that his “reforms” be a part of any budget package sent to him.

As always, we will continue to keep you apprised of budget developments as they occur.