

**Introduced by Senators Bates, Gaines, Huff, Nguyen, Nielsen, and
Vidak
(Principal coauthor: Senator Stone)
(Coauthors: Senators Berryhill, Cannella, Fuller, and Morrell)**

February 27, 2015

An act to add and repeal Article 3.7 (commencing with Section 11337) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, relating to public social services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 659, as introduced, Bates. Opportunity Grant Pilot Project.

Existing federal law provides for allocation of federal funds through the federal Temporary Assistance for Needy Families (TANF) block grant program to eligible states. Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which, through a combination of state and county funds and federal funds received through the TANF program, each county provides cash assistance and other benefits to qualified low-income families.

This bill would require the State Department of Social Services, no later than July 1, 2016, to design and implement a 5-year pilot project under which monetary grants are provided to organizations operating programs that assist individuals receiving CalWORKs benefits achieve economic independence. The bill would require the department, among other things, to develop a competitive review process for all grant proposals submitted, and to develop an ongoing evaluation of the effectiveness of an organization receiving grant funding in teaching its program participants the skills necessary to achieve economic independence. The bill would authorize the department to enter into an

agreement with an academic institution or other entity with sufficient expertise for the purpose of creating, performing, or both creating and performing the evaluation. The bill would authorize an organization receiving a grant to utilize the funds in any reasonable manner, as long as the they are expended in furtherance of the program elements or other requirements established by the department. The bill would require the department, or the academic institution or other entity the department contracted with, to send a report evaluating the effectiveness of the programs funded by the grants to the relevant policy and fiscal committees of the Legislature by December 31, 2020. The bill would appropriate an unspecified sum from the General Fund for the purpose of funding these provisions. The bill would make these provisions inoperative on July 1, 2021, and would repeal them on January 1, 2022.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
2 following:
- 3 (a) California is expected to spend \$142 billion on health and
4 human services programs this year, which is by far the largest state
5 budget expenditure, while total education spending for
6 kindergarten, grades 1 to 12, inclusive, and higher education
7 programs is only \$80 billion per year.
- 8 (b) California has the fifth largest Temporary Assistance for
9 Needy Families (TANF) cash grant in the nation, and second
10 largest amongst the 10 largest states, yet poverty remains a
11 persistent problem.
- 12 (c) We must recognize that California's problems of poverty
13 and inequality do not stem from a lack of safety net programs.
- 14 (d) California's social safety net needs to invest in programs
15 that elevate people out of poverty rather than helping people live
16 better in poverty.
- 17 SEC. 2. Article 3.7 (commencing with Section 11337) is added
18 to Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions
19 Code, to read:

1 Article 3.7. Opportunity Grant Pilot Project

2
3 11337. (a) The State Department of Social Services shall, no
4 later than July 1, 2016, design and implement a five-year pilot
5 project under which monetary grants are provided to organizations
6 operating programs that assist individuals receiving CalWORKs
7 benefits achieve economic independence.

8 (b) In developing the pilot project described in subdivision (a),
9 the department shall, at a minimum, do all of the following:

10 (1) Develop a competitive review process for all grant proposals
11 submitted and a methodology to determine grant amounts.

12 (2) Develop eligibility requirements for organizations seeking
13 a grant. The eligibility requirements shall, at a minimum, require
14 an organization program to include all of the elements specified
15 in subdivision (d).

16 (3) Develop an ongoing evaluation, utilizing objective criteria,
17 of the effectiveness of an organization receiving grant funding in
18 teaching its program participants the skills necessary to achieve
19 economic independence. The evaluation criteria shall, at a
20 minimum, include an examination of:

21 (A) The number and percentage of participants that complete
22 the program.

23 (B) The number and percentage of program participants that
24 begin the program with a high school diploma or equivalent.

25 (C) The number and percentage of program participants that
26 achieve a high school diploma or equivalent while in the program.

27 (D) The number of program participants that obtain
28 nonsubsidized employment of at least 20 hours per week by the
29 time of program completion, with regular checks to determine if
30 this minimum level of nonsubsidized employment is maintained
31 for the duration of the ongoing evaluation required by this
32 paragraph.

33 (E) The attainment of academic stability for the children of
34 program participants. The department shall develop a definition
35 of academic stability for purposes of this section.

36 (F) The number and percentage of program participants still
37 receiving CalWORKs benefits upon completion of the program.

38 (G) The average income of program participants at the time of
39 program completion.

1 (c) The department may enter into an agreement with an
2 academic institution or other entity with sufficient expertise for
3 the purpose of creating, performing, or both creating and
4 performing the evaluation required by paragraph (3) of subdivision
5 (b). The department and any academic institution or other entity
6 the department contracts with to create, perform, or both create
7 and perform the evaluation shall seek input from stakeholders
8 during the development process.

9 (d) In order to be considered for a grant, an organization shall,
10 at a minimum, include all of the following elements in its program:

11 (1) Education focused on the attainment of a high school
12 diploma or its equivalent.

13 (2) Mental health services.

14 (3) Employment training.

15 (4) Financial training.

16 (5) Parenting skills training.

17 (6) Life skills training.

18 (7) Child care services.

19 (8) A clean and sober environment. A program may utilize
20 random drug testing in order to ensure a clean and sober
21 environment.

22 (9) Comprehensive, targeted case management to assist program
23 participants.

24 (10) Ongoing monitoring of program participants for at least
25 five years after they have completed the program for purposes of
26 measuring long term program effectiveness.

27 (e) An organization receiving a grant may utilize the grant funds
28 in any reasonable manner, as long as the funds are expended in
29 furtherance of the program elements or other requirements the
30 department establishes. Housing, transportation, and child care
31 expenses for program participants shall be considered an allowable
32 use of grant funds.

33 (f) (1) The benefits an individual may receive through
34 participation in a program receiving grant funding are in addition
35 to any other public assistance benefits for which the individual
36 may be eligible.

37 (2) Organizations receiving grant funding may set their own
38 eligibility criteria for their programs as long as they are consistent
39 with the goals of this pilot project.

1 (g) Participation in a program administered by an organization
2 receiving grant funding pursuant to this section is voluntary.

3 (h) (1) No later than December 31, 2020, the department, or
4 the academic institution or other entity the department contracted
5 with pursuant to subdivision (c), shall send a report evaluating the
6 effectiveness of the programs funded by the grants to the relevant
7 policy and fiscal committees of the Legislature. The report shall
8 also be posted on the department's Internet Web site.

9 (2) The report required by paragraph (1) shall not reveal the
10 identity of any program participant, nor shall it contain any
11 personally identifiable information.

12 (3) The report required by paragraph (1) shall be submitted in
13 compliance with Section 9795 of the Government Code.

14 11338. This article shall become inoperative on July 1, 2021,
15 and, as of January 1, 2022, is repealed, unless a later enacted
16 statute, that becomes operative on or before January 1, 2022,
17 deletes or extends the dates on which it becomes inoperative and
18 is repealed.

19 SEC. 3. The sum of ____ dollars (\$____) is hereby appropriated
20 from the General Fund to the State Department of Social Services
21 for purposes of funding the pilot program developed pursuant to
22 Article 3.7 (commencing with Section 11337) of Chapter 2 of Part
23 3 of Division 9 of the Welfare and Institutions Code.