

AMENDED IN SENATE JANUARY 4, 2016

AMENDED IN SENATE APRIL 21, 2015

AMENDED IN SENATE APRIL 6, 2015

**SENATE BILL**

**No. 659**

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

February 27, 2015

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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 amended, Bates. Opportunity Grant Pilot Project.

Existing federal law provides for the 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, *in consultation with the County Welfare Directors Association of California*, no later than July 1, ~~2016~~, 2017, 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, in developing the pilot project, among other things, to develop a competitive review process for all grant proposals submitted, *to develop eligibility requirements for organizations seeking a grant*, 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 funds are expended in furtherance of the organization's program or other requirements established by the department. *The bill would require organizations receiving grant funding to contact the county welfare department upon being notified of the grant and to make a good faith effort to coordinate their programs with CalWORKs requirements.* 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~~ 2021. The bill would appropriate \$50,000,000 from the General Fund for the purpose of funding these provisions. The bill would make these provisions inoperative on July 1, ~~2021~~ 2022, and would repeal them on January 1, ~~2022~~ 2023.

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.

1 (b) California has the fifth largest Temporary Assistance for  
2 Needy Families (TANF) cash grant in the nation, and *the* second  
3 largest amongst the 10 largest states, yet poverty remains a  
4 persistent problem.

5 (c) We must recognize that California’s problems of poverty  
6 and inequality do not stem from a lack of safety net programs.

7 (d) California’s social safety net needs to invest in programs  
8 that elevate people out of poverty rather than helping people live  
9 better in poverty.

10 SEC. 2. Article 3.7 (commencing with Section 11337) is added  
11 to Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions  
12 Code, to read:

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Article 3.7. Opportunity Grant Pilot Project

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16 11337. (a) The State Department of Social ~~Services~~ *Services*,  
17 *in consultation with the County Welfare Directors Association of*  
18 *California*, shall, no later than July 1, ~~2016~~, 2017, design and  
19 implement a five-year pilot project under which monetary grants  
20 are provided to organizations operating programs that assist  
21 individuals receiving CalWORKs benefits achieve economic  
22 independence.

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

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

27 (2) Develop eligibility requirements for organizations seeking  
28 a grant. The eligibility requirements shall, at a minimum, require  
29 an organization’s program to include all of the elements specified  
30 in subdivision (d). The eligibility requirements for organizations  
31 seeking a grant do not affect an individual’s eligibility for  
32 CalWORKs benefits, as determined by the county.

33 (3) Develop an ongoing evaluation, utilizing objective criteria,  
34 of the effectiveness of an organization receiving grant funding in  
35 teaching its program participants the skills necessary to achieve  
36 economic independence. The evaluation criteria shall, at a  
37 minimum, include an examination of all of the following:

38 (A) The number and percentage of participants that complete  
39 the program.

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

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

5 (D) The number of program participants that obtain  
6 nonsubsidized employment of at least 20 hours per week by the  
7 time of program completion, with regular followup to determine  
8 if this minimum level of nonsubsidized employment is maintained  
9 for the duration of the ongoing evaluation required by this  
10 paragraph.

11 (E) The attainment of academic stability for the children of  
12 program participants. The department shall develop a definition  
13 of academic stability for purposes of this section.

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

16 (G) The average income of program participants at the time of  
17 program completion.

18 *(H) The number and percentage of program participants that*  
19 *achieve family reunification, when applicable.*

20 *(4) Develop a periodic progress report for the duration of the*  
21 *pilot project.*

22 (c) The department may enter into an agreement with an  
23 academic institution or other entity with sufficient expertise for  
24 the purpose of creating, performing, or both creating and  
25 performing the evaluation required by paragraph (3) of subdivision  
26 (b). The department and any academic institution or other entity  
27 the department contracts with to create, perform, or both create  
28 and perform the evaluation shall seek input from stakeholders  
29 during the development process.

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

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

34 (2) Mental health services.

35 (3) Employment training.

36 (4) Financial training.

37 (5) Parenting skills training.

38 (6) Life skills training.

39 (7) Child care services. *Each participating child care provider*  
40 *shall obtain a criminal record clearance pursuant to Section*

1 *1596.871 of the Health and Safety Code.* If the organization serves  
2 only pregnant women, the organization shall not be required to  
3 provide child care services to be eligible for grant funding.

4 (8) A clean and sober environment.

5 (9) Comprehensive, targeted case management to assist program  
6 participants.

7 (10) Ongoing monitoring of program participants for at least  
8 five years after they have completed the program for purposes of  
9 measuring long-term program effectiveness.

10 *(11) Trauma-informed social work.*

11 (e) An organization receiving a grant may utilize the grant funds  
12 in any reasonable manner, as long as the funds are expended in  
13 furtherance of the program elements or other requirements the  
14 department establishes. Housing, transportation, and child care  
15 expenses for program participants shall be considered an allowable  
16 use of grant funds.

17 (f) (1) The benefits an individual may receive through  
18 participation in a program receiving grant funding are in addition  
19 to any other public assistance benefits for which the individual  
20 may be eligible.

21 (2) Organizations receiving grant funding may set their own  
22 eligibility criteria for their programs as long as the eligibility  
23 criteria are consistent with the goals of this pilot project. The  
24 criteria for eligibility set by the organization do not affect an  
25 individual's eligibility for CalWORKs benefits, as determined by  
26 the county.

27 *(3) Organizations receiving grant funding shall contact the*  
28 *county welfare department upon being notified of the grant and*  
29 *shall make a good faith effort to coordinate their programs with*  
30 *CalWORKs requirements.*

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

33 (h) (1) No later than December 31, ~~2020~~, 2021, the department,  
34 or the academic institution or other entity the department contracted  
35 with pursuant to subdivision (c), shall send a report evaluating the  
36 effectiveness of the programs funded by the grants to the relevant  
37 policy and fiscal committees of the Legislature. The report shall  
38 also be posted on the department's Internet Web site.

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

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

6 11338. This article shall become inoperative on July 1, ~~2021~~,  
7 2022, and, as of January 1, ~~2022~~, 2023, is repealed, unless a later  
8 enacted statute, that becomes operative on or before January 1,  
9 ~~2022~~, 2023, deletes or extends the dates on which it becomes  
10 inoperative and is repealed.

11 SEC. 3. The sum of fifty million dollars (\$50,000,000) is hereby  
12 appropriated from the General Fund to the State Department of  
13 Social Services for purposes of funding the pilot program  
14 developed pursuant to Article 3.7 (commencing with Section  
15 11337) of Chapter 2 of Part 3 of Division 9 of the Welfare and  
16 Institutions Code.