



California Immigrant Welfare Collaborative

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CIWC UPDATE **FINAL BUDGET ANALYSIS FOR 2006-2007**

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IMMIGRANT PROGRAMS PRESERVED IN 06-07 BUDGET- FINAL PLAN REFLECTS MODEST INVESTMENTS IN HEALTH AND HUMAN SERVICES

The Governor signed a \$131 billion spending plan for California on Friday, June 30, 2006. Although advocates have a lot to be thankful for in this budget, the state's investments in health care and social services are modest in light of a record-setting budget surplus. The Governor explained that he will use the surplus to pay down debt and to increase funding for public safety and education. For more information about the budget, visit: www.dof.ca.gov or call Jeannette Zanipatin at 916.448.6762, ext. 202.

Some of the final budget proposals affecting immigrants and low-wage families are described below:

IMMIGRANT PROGRAMS

CASH ASSISTANCE PROGRAM FOR IMMIGRANTS, CAPI

The Governor proposed the addition of five years of sponsor deeming to the ten-year waiting period already required under the Cash Assistance Program for Immigrants (CAPI) for seniors and persons with disabilities who entered the United States on or after August 22, 1996. Under sponsor deeming the sponsor's income is added to the immigrant's in determining eligibility, even when the immigrant receives nothing from the sponsor. The Legislature rejected the Governor's proposal and did not extend the deeming period for immigrant seniors and immigrants with disabilities in this year's budget.

NATURALIZATION SERVICE PROGRAM (NSP)

The final 06-07 Budget allocates \$3 million for the Naturalization Service Program (NSP). NSP provides funding to local governments and community-based organizations to assist immigrants in obtaining citizenship. Services provided by the program include: outreach, intake and assessment to determine eligibility for citizenship, preparation for citizenship testing and interviews, assistance with completing citizenship applications, follow-up assistance with US CIS, and referrals to English as a Second Language (ESL) and citizenship classes.

The Human Services trailer bill AB 1808 (Laird) also codifies the Naturalization Service Program. For ten years, the NSP program has been funded in the state budget, yet it has never been codified. CIWC's sponsored bill AB 2060 (De La Torre) would also codify NSP and make it a permanent program.

PUBLIC HEALTH

COUNTY HEALTH INITIATIVES (CHI)- In California, more than 18 counties have programs that are available to all children, including those who are ineligible for Medi-Cal or Healthy Families in families earning up to 300% or 400% of the federal poverty level. Currently, many of these

county programs have waiting lists that are expected to grow to 24,000 children statewide by the end of the year. The Governor's May Revision included a proposal to increase the state's investments in local county health initiatives. The May revision proposed \$23 million in General Fund, and added 3 positions within the Managed Risk Medical Insurance Board (MRMIB) to improve access to health coverage for children on these waiting lists. This proposal was expected to enroll 22,000 children in 06-07, which would have provided health insurance to approximately 3% of the uninsured children in California. **The final 06-07 Budget does not include this proposal, after certain legislators objected to using state funds to cover undocumented children.**¹

CERTIFIED APPLICATION ASSISTERS- To help improve retention in public health programs, **the final budget includes an increase of \$2 million to serve as an incentive** payment to certified application assistants (CAA's). The Administration projects that by increasing the rate paid to CAA's, an additional 20,000 children in California will receive and maintain health coverage.

FUNDING FOR COUNTY OUTREACH ACTIVITIES-

The Budget allocates **\$22.6 million to counties that perform outreach and enrollment activities** to increase the enrollment of children in health care programs. Currently, about 428,000 children are eligible for Healthy Families or Medi-Cal but are not enrolled.

HEALTHY FAMILIES PROGRAM-

The budget also includes \$1 billion in funding, **an increase of \$129.4 million**, which is expected to cover the increased caseload projection for the program for 06-07.

STREAMLINING ENROLLMENT FOR CHILDREN-The budget includes **\$9.6 million to simplify children's enrollment in the Healthy Families program (HFP)**. The increased in funding will be used to encourage the use of the electronic application, "Healthy-e-App," to increase enrollment and retention in the HFP.

SOCIAL SERVICES

CALWORKS-The final budget includes additional funding for the CalWORKs program to help increase the state's work participation rates due to changes mandated by the Federal Deficit Reduction Act of 2005. Below is a summary of the changes made to the CalWORKs program for 06-07:

- **CALWORKS IMPROVEMENT INITIATIVE-** The budget includes **\$90 million for counties to implement strategies to increase work participation rates**. The Improvement Initiative would be based on local needs assessments and would require the counties to develop comprehensive plans to engage CalWORKs recipients earlier in the process, re-engage recipients who are not in compliance or in sanction status, or increase participation rates for recipients participating less than full time or who are "in between" activities.
- **PAY FOR PERFORMANCE** -The budget reflects a grant savings of \$1.8 million resulting from implementation of the "pay for performance program," which rewards counties

¹ Legislative leaders have indicated that they plan to introduce separate legislation this year that would cover all children in low or moderate-income families. CIWC will keep you apprised of any developments.

that meet specific caseload outcomes. The pay for performance program seeks to enhance the focus on work, and to reward county efforts to assist recipients in achieving self-sufficiency. The budget also includes a **\$40 million reserve for incentive payments under CalWORKs.**

- **COUNTY ADMINISTRATION AUGMENTATION**-The budget includes \$140 million to help counties dedicate more resources to case management, transportation and employment services to help increase work participation rates.
- **CALWORKS RESERVE**-The budget includes \$15 million reserve to address any future changes or improvements to help California meet the increased work participation rates.
- **HOMELESS ASSISTANCE**-The budget includes \$5 million to increase temporary shelter rates to prevent homelessness for CalWORKs recipients. Stabilizing a family's living situation will support efforts to become and remain self-sufficient.

SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTAL PAYMENT (SSI/SSP)-The budget includes a restoration of the federal SSI cost of living adjustment (COLA) for the first three months of 2007. SSI Recipients will receive their COLA on January 1, 2007.

For more information regarding the 2006-2007 State Budget and the May Revision, please visit www.dof.ca.gov. If you have any questions regarding this update, contact Jeannette Zanipatin at 916.448.6762, ext. 202.