

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

ITEM # 3 Drug Felon Eligibility in California Work Opportunity and Responsibility to Kids
(CalWORKs)

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 on September 16, 2015, as follows:

Office Building # 8
744 P St. 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 September 16, 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:

CONTACT: Office of Regulations Development
California Department of Social Services
744 P Street, MS 8-4-192
Sacramento, California 95814

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CHAPTERS

Manual of Policies and Procedures (MPP), Chapters 40-000 and 44-000

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These proposed regulations implement Section 47 of Assembly Bill (AB) 1468 (Chapter 26, Statutes of 2014), which removes the ban on CalWORKs eligibility for people who have a prior drug felony conviction. Effective April 1, 2015, this population is no longer excluded by law from receiving CalWORKs.

In 1997, AB 1542 excluded drug felons, fleeing felons and people who were in violation of probation or parole from being eligible for CalWORKs. AB 1468 removes the drug felon provisions of AB 1542 by repealing and adding Welfare and Institutions (W&I) Code section 11251.3.

This policy change was initially implemented through All County Letter (ACL) 14-100. These proposed regulations will ensure that the state regulations are in compliance with the law and that people with a prior drug felony conviction are no longer excluded from eligibility from CalWORKs.

By removing the ban on people with a prior drug felony conviction from CalWORKs eligibility, this regulatory action may help people with a prior drug felony conviction successfully transition back into society, become self-sufficient and avoid recidivism by increasing the benefit amounts and economic security of their families.

The CDSS evaluated the proposed regulations for any inconsistency or incompatibility with existing state regulations and has found that these are the only regulations concerning Drug Felon Eligibility in CalWORKs programs. Therefore, the proposed regulations are neither inconsistent nor incompatible with other state regulations

Anticipated Benefits

The benefits of the regulatory action to the health and welfare of California residents, worker safety and the state's environment are as follows: by removing the ban on people with a prior drug felony conviction from CalWORKs eligibility, and thereby increasing the benefit amounts and standard of living for their families, this regulatory action may help people with a prior drug felony conviction successfully transition back into society, become self-sufficient and avoid recidivism.

COST ESTIMATE

1. Costs or Savings to State Agencies: The funding was budgeted at \$505,000 for the General Fund share of costs in FY 2014-15 and \$1,046,000 in FY 2015-16 in the 2015 May Revision, under the Drug Felon Eligibility premise.
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: The funding was budgeted at \$36,000 for the county share of costs in FY 2014-15 and -\$12,000 in FY 2015-16 for county share of savings in the 2015 May Revision, under the Drug Felon Eligibility premise.
4. Federal Funding to State Agencies: The funding was budgeted at \$5,942,000 for the federal share of costs in FY 2014-15 and \$20,827,000 in FY 2015-16 in the 2015 May Revision, under the Drug Felon Eligibility premise.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are no "state-mandated local costs" in these regulations which require state reimbursement under Section 17500 et seq. of the Government Code (GC) because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the GC.

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 was made based on the fact that allowing people with a prior drug felony conviction to be eligible for CalWORKs will, if anything, have a slight positive economic impact, by helping people with a prior drug felony conviction successfully transition back into society, become self-sufficient and avoid recidivism.

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.

SMALL BUSINESS IMPACT STATEMENT

The CDSS has determined 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.

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. The benefits of the regulatory action to the health and welfare of California residents, worker safety and the state's environment are as follows: by removing the ban on people

with a prior drug felony conviction from CalWORKs eligibility, and thereby increasing the benefit amounts and standard of living for their families, this regulatory action may help people with a prior drug felony conviction successfully transition back into society, become self-sufficient and avoid recidivism.

STATEMENT OF EFFECT ON HOUSING COSTS

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

STATEMENT OF ALTERNATIVES CONSIDERED

AB 1468 mandates that CDSS adopt regulations implementing the drug felon eligibility provisions of this bill by January 1, 2016. Prior to promulgating these regulations, CDSS implemented this policy change by ACL No. 14-100.

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

Sections 10533 and 10544 of the W&I Code grants CDSS the authority to develop the regulations and Section 11251.3 is being referenced to make the regulations more specific.

CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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