This annual report covers the activities of the Children’s Advocacy Institute between January 1, 2001 and December 31, 2001.

The Children’s Advocacy Institute is part of the University of San Diego School of Law. Contributions to CAI are tax-deductible to the extent the law allows.
# Table of Contents

2 EXECUTIVE DIRECTOR’S MESSAGE
8 HISTORY & PURPOSE
9 2001 ACTIVITIES & ACCOMPLISHMENTS
9 Academic Program
9 Child Rights & Remedies
9 Child Advocacy Clinic
10 Other CAI Student Intern Activity
10 James A. D’Angelo Outstanding Child Advocate Awards
11 Research Projects & Publications
11 California Children’s Budget 2001–02
14 Promotion of Children’s Budget Health Data
15 Children’s Regulatory Law Reporter
15 Children’s Legislative Report Card
16 Advocacy
16 In the Legislature
20 In the Courts
20 In Administrative Agencies
20 In the Public Forum
21 Collaboration & Leadership
21 Children’s Advocates’ Roundtable
21 Child Support Assurance Pilot Projects
22 Interaction with National Child Advocacy Organizations
22 Public Interest Law Summit
24 Treatise on Child Rights & Remedies
25 Special Projects
25 Lawyers for Kids
25 Price Child Health & Welfare Journalism Awards
26 Child Friendly Foundation
27 2001 Development Report
30 CAI Staff
32 CAI Council for Children
Three years ago, the Davis Administration announced it was going to create the “Era of Higher Expectations,” as promised in an extraordinary inaugural address. The Governor declared that the most fundamental of mankind’s purposes is to nurture the next generation. He eloquently, even poetically, acknowledged the profound debt we owe to those who came before us and our concomitant obligation to reciprocate for our children and grandchildren. And his Administration made some gestures in the stated direction. The punitive approach of the Wilson Administration to our new immigrants was somewhat moderated for medical care and other child-related safeguards. And some new investment was indeed planned for children in general, primarily in K–12 education. That education plan included new investment, required tests, and enhanced accountability. And federal money remained available to provide health care insurance for virtually all of the state’s children. Meanwhile, the growing economy reduced the number of families receiving TANF assistance, allowing breathing room.

But now the other shoe is about to drop. The state faces what appears to be a $20 billion deficit, and cannot print new money or otherwise engage in deficit spending. What the state is now debating involves substantial cuts in our commitment to our children. The overall picture is ominous, and includes the following aspects:

• The economic downturn is likely to increase the numbers of families requiring TANF assistance, just when the surplus TANF funds from prior caseload reduction is depleted.

• Insufficient funding will be available to finance the required work obligation and child care system of CalWORKs, as mandated by the federal 1996 Personal Responsibility and Work Opportunity Reconciliation Act.

• Over 500,000 California children will face federal funding cut-off as their parents pass the sixty-month lifetime TANF limit after 2002. And the children of immigrants—undocumented and legal—face particular dangers in a state with almost one-half of the nation’s new arrivals.

• Although Healthy Families has enrolled over 500,000 new children, about half as many children have lost Medi-Cal coverage, the state has improved its child coverage only marginally and almost 20% remain uncovered. The state will now send back to the federal jurisdiction over $500 million per year in money available at a one-third state match. In fact, it is delaying implementation of a waiver that would use more of it (for some working poor parents) in order to avoid spending state money in 2002–03.

• Child care remains inadequate. Availability for the working poor is marginal. Even the most favored population—those who have found jobs and left welfare—receive two years of help, after which continued assistance (and continued employment) become problematical. Supply of child care is skewed toward suburban neighborhoods and away from the most severe demand.
Quality of care is limited by weak regulation, few inspections, and one of the lowest compensation rates in the state’s economy. A new child care tax incentive has been enacted that is “refundable” and will reach the working poor—but it amounts to no more than 10% of the child care expense for a single child, and it is skewed to provide credits for parents with up to $70,000 in annual income, rather than providing a more significant boost to the working poor.

• Foster care children remain substantially unadopted and in “foster care drift,” moving from placement to placement. A substantial number of the over 100,000 neglected children under court supervision have been labeled “unadoptable.” About 80% of adoptions come from family foster care, but these providers receive one-eighth or less of the amount paid per child to the less personal group homes. Raising family foster care rates, increasing the number of family foster homes, setting up a certification program for family foster care providers raising special needs children (and providing them with an add-on stipend), creating a dedicated state office charged with increasing the quality and quantity of family foster care supply and quality at the state level, and related reforms have been at the top of the Children’s Advocacy Institute’s (CAI) legislative agenda for four straight years. And for four straight years, the Legislature has killed our measures in the fiscal committees’ “suspense files,” a device that allows meritorious bills to be terminated with prejudice but without any public vote.

• As if the treatment of foster care children is not shameful enough, the state as parent then “emancipates” them at 18 years of age, as would the most neglectful of parents. These kids do not have the option to live at home while they attend higher education, and they are assured of no tuition support. A symbolic program for transition housing assistance is provided, and that is about it. CAI-sponsored legislation would require the state to pay foster care (room and board) and tuition until the child is 23—as long as he or she is in an accredited vocational school, junior college, or university in good standing and making progress toward a degree or certification. This is nothing more than any competent parent would do. But the state is not a competent parent, and our legislation has been killed in suspense—we have difficulty finding legislators even willing to carry it.

• The Davis Administration has stated that education is its “first, second, and third priority,” consistent with polls showing it to be of foremost concern to the electorate. But much of the Governor’s program has been wasted on “I’m giving you some money, be grateful please” spending. Hence, $1,000 for every child who scores high on standard examina-
categorical denial of new revenue, whatever the need or circumstance—a denial that does not extend to tax benefits for the elderly or corporate interests with political money. This is not an issue of party—the Davis Administration and the Democrats in the Legislature show little sign of the kind of leadership children need, the kind our grandparents and parents provided for us.

California’s elderly did wonderful things for today’s adults. The state had the finest educational system in the land. Bar none. We had low child poverty—less than half of current levels. We had excellent health care and special education. We were able to afford our own homes. In 1988, Democrat Ann Richards of Texas lampooned Republican candidate George Bush because he was “born on third base and thought he hit a triple.” We all started out on third base, and not because any of us hit triples—we were there because our parents and their parents put us there. So what are we doing? Disinvesting and breaking the long chain of sacrifice that brought us what we have today.

Although we are wealthier than any of our predecessors, we plead poverty. We “cannot afford new taxes or new investment.” What self-indulgent drivel. We have reduced our taxes and increased the net wealth of our middle and upper classes to an unprecedented level. We now have 267 tax expenditure programs spending more than the projected $20 billion deficit. Each is enacted by majority vote and remains in effect unless affirmatively ended by a supermajority vote of two-thirds. Needless to say, the annual addition of these benefits is a major target for the state’s 1,050 registered lobbyists in Sacramento.

Through Proposition 13, we have rigged the property tax system so that those of us who bought our homes before 1980 pay a fraction of the tax burden for local services that must be assumed by young first-time homeowners. They will pay five to ten times our bill to receive the same services. And we have arranged real estate prices to allow home ownership for a declining percentage of them—while effectively expanding the mortgage deduction and reducing rent credits. Energy, auto insurance, and other basics for future Californians are expensive and growing more so.

Federally, we revealed our real priorities in the allocation of the projected “budget surplus” of over $1 trillion per year over the next decade—perhaps the most character defining moment of the millennium. Here is where the rubber meets the road. Where are we going to invest? In what tax expenditures? In which accounts? For what constituency? Three accounts subsume over 80% of the entire ten-year investment as enacted by the Congress: Medicare (even without prescription drug reform), Social Security, and private

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pension subsidies. In fact, the much ballyhooed federal education initiative involves primarily testing and accountability and virtually no significant new public investment.

We are taking for ourselves and rationalizing our selfishness in a thousand creative ways. And we have little political leadership in either party willing to issue the needed clarion call. Instead, we have liberals who refuse to confront reproductive irresponsibility and a continuing 30% unwed birth rate among adult women. Our liberals consistently confine their approbation to “teen pregnancies,” politically correct to condemn but a small part of the problem. The same liberals refuse to face the importance of a male presence and contribution to a family, and the subservience of reproductive license for both genders to a simple principle: Children have the right to be intended by two adults. Why should that be a controversial proposition? Were children to have the same politically correct power of almost any adult grouping, it would be an “of course” catechism.

Meanwhile, conservatives have raised selfishness into an art form by endorsing disinvestment in children, albeit in the usual disguise—the stated aversion to “government as big brother,” (with the military and police usually excluded). One suspects that it is partly—truth be told—a tactic to discourage reproduction by the underclass, who would otherwise then require disproportionate public investment. As one wit put it, the current group ascendant in the Republican party will staunchly defend and advance the rights of children “from conception...all the way to birth.”

If this contract from hell between the two parties could be broken into one serving children it would need to reverse the thesis of each: Reproduce when two are ready to have a child, and then when there are problems or set-backs notwithstanding a bona fide effort, step in and provide help in strong measure. Meanwhile, invest heavily in the education of all children. We are a long way from that, and we’re moving in the wrong direction while loudly proclaiming fealty to all of our children.

As in prior years, CAI has its work cut out for it. We need to lobby much more extensively. We need to be more voluble before the state’s agencies. We need to litigate aggressively. We need to take no prisoners. We need to stop being nice—the typical posture of child advocates over the last thirty years. It has been and continues to be a failure. While it makes life a great deal more pleasant for us, it does not benefit those we represent.

We shall publish our California’s Children’s Budget 2002–03. For more than ten years, this document has served as a detailed compilation of census and other data on the status of children, a discussion of new caselaw and statutes, and a presentation of actual adjusted spending from 1989 for all state accounts, including local and federal monies, in eight substantive child-related subject areas.

We shall continue to publish our California Children’s Regulatory Law Reporter to make more visible the rulemaking and related decisions made within the executive branch. This is where child advocacy is needed. Those with a profit stake in these decisions are well represented. Who is representing children before these important decisionmakers?

Starting in 2002, the answer to that question will be CAI—thanks to grants from The California Wellness Foundation and generous anonymous donors. Combined, they allow us to provide a litigator/regulatory advocate in Sacramento. We will try to obtain a two-to-one match from the Proposition 10 Commission, for which advocacy is a top priority. Although proper representation would require five to seven attorneys before each of the six major departments or agencies making decisions about children, we would then have three doing so—a start and one likely to bear substantial returns for children. A single change in a regulation may determine whether 2,000 or 200,000 children benefit from a public program—as legislatively intended.

Our litigation agenda, resources permitting, will include the lawful implementation of the rent and utility voucher safety net assurance for children affected by TANF penalty cuts to their families, and a possible suit to assure lawful compensation for medical specialists who treat impoverished children—now at levels increasingly precluding treatment.
We are participating as amicus curiae in pending proceedings, including In Re Zeth S. now before the California Supreme Court—an important case considering the ability of a child’s advocate to bring new facts to the attention of the court (Supreme Court No. S099557).

We shall continue to press for our highest priority legislation, including foster care reform and child care quality and supply.

We shall continue to publish the California Children’s Legislative Report Card to highlight important legislative proposals that would help improve the health and well-being of our children, and to present our legislators’ public votes on those measures.

The Children’s Advocates Roundtable will continue to meet under our sponsorship, to plan joint and common action among the 175 participating advocacy organizations which are concerned about children.

Our academic and clinical programs will continue, including the introductory law course on child rights, and two child advocacy clinics, one enabling our students to represent abused and neglected children in San Diego juvenile dependency court (under the supervision of attorneys from the Public Defender’s Office), and one providing students with the opportunity to engage in policy advocacy on a statewide level.

And we expect to publish a substantial text during 2002: Child Rights and Remedies (Clarity, 2002). Available by early Fall, the text is designed for use in law schools, as well as graduate schools of social work, political science, public health, and education. The text includes coverage of child advocacy and the systemic barriers to representation of child interests in legislatures, agencies, and courts. It includes national census data on the status of children, combined with leading cases, questions for discussion and commentaries across the spectrum of child-related issues, including reproductive rights; rights to custody, support, emancipation; child civil liberties; criminal prosecution or involuntary civil commitment; protection from abuse and rights as victims/witnesses; rights to property, contract and tort recovery; safety net sustenance; child care; education rights; health, safety and medical care; and special needs.

Even after we hire our new litigator/regulatory advocate, our staff remains skeletal, about one-half its needed critical mass. Our areas of greatest need include the following:

- Expansion of our Information Clearinghouse for Children, to make it a generator of media stories about the plight of children, to raise public consciousness. We need to increase attention to children beyond school shootings, and find the journalistic handles apparently necessary for public attention. Lacking votes and campaign money, that is our major available asset.

- Funding to conduct research and a comprehensive campaign on the obligations of the male gender to children.

- Funding of $300,000 would help launch a self-sustaining “Child Friendly” trademark program. Created as a separate entity, the Child Friendly Foundation would license its trademark for use on qualified products to indicate that the product is safe for children and is not made through
exploitive child labor. The Foundation would assist the marketplace, stimulate responsible corporate behavior, and generate licensing fees, the bulk of which would be given to child advocacy organizations.

- CAI and its parent organization, the Center for Public Interest Law, are seeking a grant to develop a Masters in Public Interest Law or in Child Advocacy at the University of San Diego School of Law, to increase the quantity and quality of public interest advocates (including child advocates), and to provide a unique educational experience for a wide range of attorneys—from recent law graduates to veteran practitioners who want to shift priorities in their later years.

- It remains our goal to convince a child-spirited attorney, business, or individual to endow the nation’s first child advocacy “chair” or faculty position. The holder of the chair—which would be named after the generous funder—would be a full-time advocate for children, and would engage in clinical teaching of future child advocates. Such a position would leverage impact by training advocates as well as through litigation and advocacy for children in the year 2010. And it would still be there plugging away for children in the year 2110, and 2210, and 2310. A portion of the endowment would generate income which would add to the base, to accommodate inflation and maintain a viable presence in perpetuity. How would it be possible to leave a more important permanent legacy?

In order to continue our efforts, CAI depends on the generosity of others. In 2001, CAI received assistance from many persons and organizations, to whom we are most grateful. This list includes the members of our own Council for Children, whose dedication and support we appreciate tremendously. We also thank The ConAgra Foundation, Inc., the Rosenberg Foundation, The Leon Strauss Foundation, The Ryland Group, Inc., The California Wellness Foundation, our extremely generous anonymous grantors and donors, and numerous individuals as acknowledged in CAI’s 2001 Development Report. We are also eternally grateful to Sol and Helen Price—who have provided us with a continuing legacy of support which allows us to function.

Robert C. Fellmeth, Executive Director
Children’s Advocacy Institute
Price Professor of Public Interest Law
In 1989, Professor Robert C. Fellmeth founded the Children’s Advocacy Institute as part of the Center for Public Interest Law (CPIL) at the University of San Diego (USD) School of Law. Staffed by experienced attorneys and advocates, and assisted by USD law students, CAI works to improve the status and well-being of children in our society by representing their interests and their right to a safe, healthy childhood.

CAI represents children—and only children—in the California Legislature, in the courts, before administrative agencies, and through public education programs. CAI educates policymakers about the needs of children—about their needs for economic security, adequate nutrition, health care, education, quality child care, and protection from abuse, neglect, and injury. CAI’s aspiration is to ensure that children’s interests are effectively represented whenever and wherever government makes policy and budget decisions that affect them.

CAI’s prior legislative work has included revision of the state’s regulation of child care facilities; the requirement of children to wear helmets when riding bicycles; a series of laws to improve the state’s collection of child support from absent parents; a law assuring counsel for abused children in need of legal representation; a law assuring counsel for abused children in need of legal representation; a law assuring counsel for abused children in need of legal representation; a swimming pool safety measure; the “Kid’s Plate” custom license plate to fund children’s programs; and others. CAI’s litigation work has included intervention on behalf of children’s groups to preserve $355 million in state funding for preschool child care and development programs, and a writ action to compel the Department of Health Services to adopt mandatory safety standards for public playgrounds. CAI annually publishes the California Children’s Budget, a 650-page analysis of past and proposed state spending on children’s programs. Other CAI publications include the Children’s Regulatory Law Reporter, presenting important child-related rulemaking proposals under consideration by state agencies and indicating their potential impact on children, and the Children’s Legislative Report Card, highlighting important legislative proposals that would improve the health and well-being of our children, and presenting our legislators’ public votes on those measures. Since 1996, CAI’s Information Clearinghouse on Children has worked to stimulate more extensive and accurate public discussion of children’s issues.

In 1993, CAI created the Child Advocacy Clinic at the USD School of Law, to help provide child advocates to the legal profession. In the Clinic, law student interns practice law in dependency court, representing abused children under special certification, or engage in policy advocacy at the state level, drafting legislation, research and writing reports, and assisting in litigation projects. Many graduates of this program have gone on to become professional child advocates.

CAI’s academic program is funded by the University of San Diego and the first endowment established at the University of San Diego School of Law. In November 1990, San Diego philanthropists Sol and Helen Price contributed almost $2 million to USD for the establishment of the Price Chair in Public Interest Law. The first holder of the Price Chair is Professor Robert Fellmeth, who also serves as CAI’s Executive Director. The chair endowment and USD funds combine to finance the academic programs of both CPIL and CAI; to finance advocacy activities, CAI professional staff raise additional funds through private foundation and government grants, test litigation in which CAI is reimbursed its attorneys’ fees, and tax-deductible contributions from individuals and organizations.

The Children’s Advocacy Institute is guided by the Council for Children, a panel of distinguished professionals and community leaders who share a vision to improve the quality of life for children in California. CAI also functions under the aegis of the University of San Diego, its Board of Trustees and management, and its School of Law.
ACADEMIC PROGRAM

CAI administers a unique, two-course academic program in child advocacy at the University of San Diego School of Law. The coursework and clinical experience combine to provide future lawyers with the knowledge and skills they need in order to represent children effectively in the courts, the Legislature, and before administrative agencies.

Child Rights & Remedies

Students must complete Professor Robert Fellmeth’s three-unit course, Child Rights and Remedies, as a prerequisite to participation in the Child Advocacy Clinic. Child Rights and Remedies surveys the broad array of child advocacy challenges: the constitutional rights of children, defending children accused of crimes, child abuse and dependency court proceedings, tort remedies and insurance law applicable to children, and child property rights and entitlements.

Child Advocacy Clinic

The Child Advocacy Clinic offers law student interns two options: (1) in the dependency court component, they may work with an assigned attorney from the San Diego Office of the Public Defender, representing abused or neglected children in dependency court proceedings; or (2) in the policy project component, students may engage in policy work with CAI professional staff involved in state agency rulemaking, legislation, test litigation, or similar advocacy. In addition to their field or policy work, all Clinic interns attend a weekly seminar class.
In the Spring 2001 semester, four law students (Amy Garcia, Tamara McCormic, Eva Turella, and Sonia Williams) were enrolled in the policy section with Professor Robert Fellmeth. Each student worked on semester-long advocacy projects; the semester’s focus included foster care reform, analysis of Proposition 21 and the lawsuits challenging it across the state, streamlining the appeals process in dependency court proceedings, researching child-related condition indicators for CAI’s *California Children’s Budget 2001–02*, and helping to organize the Public Interest Law Summit (hosted by CAI’s parent organization, the Center for Public Interest Law). Also during the Spring 2001 semester, eleven law students (Lindsey Anderson, Steven Andreacola, David Boertje, Caroline Clark, Kathleen Cullinan, Sapna Iyer, Lynnae Lee, Chong-He Marquez, Mary Rocco, Tiffany Salayer, and Victoria Weiss) participated in the Clinic’s dependency section. In addition to working at the Public Defender’s Office assisting attorneys in the representation of abused and neglected children in dependency court proceedings, all of these students attended weekly classroom sessions conducted by Professor Fellmeth.

In the Fall 2001 semester, four law students (Lindsey Anderson, Linda Keck-Quiroz, Ji Kwon, and Meredith Mahan) participated in the Clinic’s dependency section. One law student (Melissa Cheney) was enrolled in the policy section with Professor Robert Fellmeth, and performed research and advocacy in support of CAI-sponsored foster care reform legislation.

**Other CAI Student Intern Activity**

In addition to the interns involved in the Child Advocacy Clinic, several other students provided valuable assistance to CAI’s professional staff during 2001. The projects on which these students worked included researching statistical information for the *California Children’s Budget*, analyzing child-related regulatory proposals introduced by state agencies, and researching the status of dependency court proceeding confidentiality laws across the nation. CAI is especially grateful to the following students for their hard work and dedication during 2001: Amanda Bargallo, Amy Garcia, Jennie Morgan, Heather Boxeth, and Jonathan Yates.

**James A. D’Angelo Outstanding Child Advocate Awards**

On May 25, 2001, the USD School of Law held its Graduation Awards Ceremony in Shiley Theatre. At that time, CAI had the pleasure of awarding the James A. D’Angelo Outstanding Child Advocate Awards to three graduating law students for their exceptional participation in CAI’s Child Advocacy Clinic.

Steven Andreacola and Caroline Clark were recognized for their exemplary participation in CAI’s Dependency Clinic, where they effectively represented abused and neglected children in San Diego County. These students worked directly with an assigned attorney from the Dependency Section of the San Diego Office of the Public Defender, representing abused or neglected children in dependency court proceedings. It is difficult, often heartbreaking work, and it requires special care, since the future of a child usually hangs in the balance. According to the attorneys to whom they were assigned, Steven and Carrie performed their work with the utmost compassion, dedication, and professionalism.

Eva Turella was recognized for her outstanding work in CAI’s Policy Clinic, where she engaged in two semesters of work focusing on improving the state’s foster care system. Research she conducted is currently being used by CAI’s Senior Policy Advocate in Sacramento in support of two CAI-sponsored bills, AB 1330 (Steinberg), which would increase the rate of reimbursement to licensed foster family homes, and AB 636 (Steinberg), which would enact the Child Welfare System Improvement and Accountability Act of 2001.

The award is a tribute to Jim D’Angelo (BA ’79, JD ’83), who passed away in April 1996. Funding for the award is made possible by generous donations from several USD School of Law alumni. CAI is grateful to Hal Rosner (JD ’83) and all of Jim’s classmates for their generous gifts.
A June 26, 2001 press conference in the State Capitol sponsored by Assemblymember Jackie Goldberg, CAI released its ninth annual California Children’s Budget. The California Children’s Budget 2001–02 is a 650-page analysis of condition indicator data; legislative and court developments; major child-related federal/state/local spending from 1989, adjusted for inflation and population; the Governor’s proposed budget as revised in May; and recommended spending.

According to the report, California’s 2001–02 budget constitutes a twelfth straight year of disinvestment in children most in need, neglecting a substantial underclass of impoverished children. The report notes the long-term effects that the state’s energy crisis—as well as state and federal tax and budgetary decisions—will have on children. “California’s children will be paying the real price for our energy overcharges,” according to CAI Executive Director Robert C. Fellmeth, the principal author of the report and the Price Professor of Public Interest Law at the USD School of Law. The Budget outlines how children will pay, including higher utility rates for impoverished families already hard hit by welfare reform safety net reductions. “PUC’s rate structure protects only the first several days of a typical home’s conservative monthly usage; the higher rates assured by the long-term contracts improvidently entered into by the state will double and triple those bills beyond cost-based justification,” according to Fellmeth, who specialized in utility regulation prior to his current position.

The Children’s Budget cites other momentous costs, including:

- $14 to $20 billion in bond indebtedness to repay the state for excessively priced power, which becomes a substantial portion of state borrowing capacity (revenue bond based);
- The requirement to pay not merely the amount paid the out-of-state generators, but interest over twenty years; and
- The loss of general fund revenue from interest deductions the bondholders will obtain.

“The Governor asked policy committee chairs to pass out no new legislation with a price tag unless previously in his budget, and which itself is being pared considerably from its January levels,” noted Fellmeth. “Whether they obey it or not, all bills will be stuck in what is called the ‘suspense’ file in the appropriations committees, and will be killed there without a single negative vote, and without a public veto. Children are quietly in a kind of secret Gulag of disinvestment,” he continued. “For example, the Democratic leadership of the Assembly announced a $300 million investment in the state’s own foster children, whom we have been shamefully neglecting for the last decade. We may get $18 million, if we’re lucky.”

The Children’s Budget lauds the Administration and Legislature for some of its increased investment in K–12 education, and for its Cal Grant scholarship expansion in 2000, but concludes that on the whole, the 2001 budget continues—and even accelerates—the disinvestment in children characteristic of the last decade. The Budget cites the failure to reduce class sizes in grades 4–12, even after test results indicate the success of reductions in grades K–3 under the previous administration. California remains the second worst in the nation in class size, and spending per pupil is still substantially below the national average. The Budget urges less money on “general dispensation” such as tax credits to all teachers or $1,000 awards to any student who scores high in statewide testing, and more on targeted improvements in teacher supply/quality and smaller classes. “We need to say ‘no’ to transparent gratitude-generating policies which insult our intelligence,” Fellmeth commented.

The Budget especially cites the lack of higher education capacity in the state. “It does not help to give Cal Grant scholarships to more kids or assure admission to the top 4% of high school graduates if enrollment does not increase faster than population,” said Lupe Alonzo-
Diaz, CAI’s Senior Policy Advocate. The Budget documents that the number of slots at schools of higher education is lower in relation to population than in 1990. “Our youth need higher education for the jobs of the future, but we are not investing in it,” warned Alonzo-Diaz. “And as each year of failure to invest in class size goes by, an opportunity is lost for our youth.”

The Children’s Budget warns that the retraction in child poverty in California is modest, and that numbers remain near historical highs, counting 2.6 million as below the 2001 federal poverty line of $14,630 per year for a family of three. Almost half of the state’s children live below or near the poverty line, according to Budget data, and unless investment is forthcoming, will become an intractable underclass. “This is not the legacy we should be leaving,” claimed Fellmeth. “Our parents and grandparents invested more heavily in us, and we have an obligation to pass it down the line.”

According to the report, if today’s adults were giving the same percentage of personal income on general fund spending for children as our parents did 22 years ago, Californians would be spending $5.5 billion more than was proposed in the May Revise.

The Children’s Budget also includes an analysis of the Bush Administration’s federal tax and surplus expenditure decisions as enacted by the Congress, claiming that the nation’s overall resources are being diverted away from investment in children and toward the elderly. The Budget finds the actual cost of these decisions to be not $1.35 trillion over eleven years, but $2.3 trillion, with $4.3 trillion in the following ten-year period. Of this sum, virtually none is invested in impoverished children.

Further, one of the major federal funding initiatives is the State Child Health Insurance Program, which has yet to insure California’s children. The California Children’s Budget recommends “automatic eligibility” of uninsured children, criticizing the state’s fourteen separate programs all designed to keep out the 5.7% of children who are uncovered and ineligible. “We should bring every child in, and then bill post hoc the parents of those over 250% of the poverty line on a sliding scale,” noted Alonzo-Diaz.

The Budget lauds the President for his fatherhood and marriage enhancing spending, but charges that overall investment is missing. Even in education, another major federal funding area, the actual increase is 2.9%, less than the average increase in that budget over the last five years. “Accountability is fine,” stated Fellmeth, “but how about investment so we can have results beyond PR?”

California’s share of the federal tax spending will be about $218 billion per year in new money, going almost entirely to the wealthy, upper middle class, and elderly. The total new investment in impoverished children amounts to 2.1% of that total; this count does not include Social Security and Medicare prescription spending still being planned.

The California Children’s Budget 2001–02 recommends a Child Advancement Fund of $13.1 billion ($11.2 billion of which is from the general fund). The Fund augmentations would include the following major elements:

- A substantial and continuing public education campaign on the right of a child to be intended by two adults prepared for his or her arrival.
- An assured safety net for children, with focused training for TANF employment.
- Inclusion of all children, regardless of immigration status, within that assured safety net.
- A substantial state Earned Income Tax Credit supplement, to help pull the children of working parents above the poverty line.
- Child care for the working poor in a seamless system, including tax subsidies for space provision in the neighborhoods of the working poor.
- Investment in enhancing child care quality and wage enhancement.
- Assured medical coverage for all California children, with post hoc assessment of parents earning over 250% of the poverty line on a sliding scale, and a tax credit for employers who cover dependent children of employees below 250% of the poverty line.
- Classroom reduction for grades 4–8 (full funding for the first year of a required three-year effort).
• Long-overdue rate increases for family foster care providers.
• Truancy prevention increases and parenting education.
• The beginning of major capacity expansion of vocational schools and community colleges.
• The beginning of major capacity expansion of the university and state college systems.
• Substantial adoption assistance funding and assistance to foster children who turn 18 years of age in both transition help, support, and vocational training/higher education up to the age of 23.

According to the Children’s Budget, parents of one generation ago taxed their incomes to produce $7.35 in general fund spending (predominantly for children) per $100 in personal income. Applying the same burden on our more comfortable personal incomes would produce $85.1 billion for 2001–02, $5.5 billion more than is currently proposed.

Generating funds to invest in children would be helped by the revision of California’s anomalous constitutional principle requiring a two-thirds vote to spend general fund monies, and requiring a two-thirds vote to end a tax deduction or credit. But beyond procedural reform, numerous opportunities exist to raise the required funds. Some suggestions include:

1. Redistribute Some Child Accounts: $1.5 billion. The granting of wholesale tax credits to teachers based on years in service is too unfocused a benefit to warrant inclusion vis-a-vis the other elements in the Children’s Budget. Similarly, the $118 million to be expended annually on the “Governor’s Merit Awards” to students who score high on standardized tests lacks a nexus to a socially defensible outcome. A large proportion of these beneficiaries do not need the reward as an incentive, and are not part of the impoverished population at risk.

2. State Adjustment to Federal Disinvestment in Children: $13 billion. As discussed above, the current federal imbalance effectively restricts new child investment in the state from federal sources to under $1 billion, while affording California senior citizens, corporations, and wealthy residents about $27.3 billion per annum over the next ten years, a figure which will increase thereafter.

California is not barred from effectively adjusting the federal changes using California assessments consistent with the values of its citizenry. For example, where the Congress subtracts 2% from the personal income upper income bracket, California could add 1% of it back onto its rate (which would still leave it below recent levels) and produce about $1 billion. Similarly, increase the state estate tax to produce at least half the revenue foregone on the federal side. The Children’s Budget proposes the fair option of taking the $27.3 billion, scheduled to benefit almost entirely senior citizens and the wealthy, and divide it in half. One half as allocated by the Congress, and one-half for our impoverished children. Each federal alteration could be so adjusted at the state level, to allow for a sharing of benefit and allow the inclusion of children who need investment.

3. Tax Corporate Profits One Percent: $8 billion. California corporations are now making record profits, with $630 billion reported in 1999 and projected levels approaching $800 billion. A one percent additional tax on profit will by itself produce most of the revenue needed for the Child Advancement Fund. Corporations have benefitted from public spending in a variety of ways. Moreover, their long-range interests requires a large and prosperous middle class, starting with employable youth.

4. Tax Alcohol Equitably: $2 billion. California has one of the nation’s lowest alcohol tax rates. That dispensation is not on the merits, but is rather the result of the industry’s well-known political influence. Beer and wine are taxed at 20 cents a gallon in California. The tax amounts to 4 cents for a bottle of wine, less than 1%. The taxes on alcohol could be increased by a factor of ten with very little impact on sales. A $2 charge per gallon translates to 40 cents for a bottle of wine.
5. Roll Back Unjustified or Obsolete Tax Expenditures: $3 billion. The state should review its tax expenditure budget of $28 billion in the same way it appropriates direct spending. They are two sides of the same coin. No deduction or credit should last more than three years—all should sunset in staggered format to allow for their required re-enactment. Rather than allowing a majority vote to create a tax loophole and requiring a two-thirds vote to end one, the reverse should prevail.

A critical review of the current tax expenditure budget should find at least 10% of existing subsidies appropriate for termination or further limitation.

6. Leverage State Spending to Fully Use Available Federal Funds: $2 billion. Based on current projections and plans, the state stands to send over $400 million a year in State Child Health Insurance Program funds back to the federal government. The Children’s Budget includes a proposal to expend all $857 million per year. In addition, the state stands to lose substantial TANF funds, penalties for child support computer system failure, and other deductions.

7. Impose an Excess Profits Energy Tax: $1 billion; $20 billion saved. California should impose an “excess profits” tax which would operate on a sliding scale as energy prices exceed 10% of 1999–2000 market levels. The tax should be levied at 100% of any revenue collected beyond a charge more than 30% above 1999–2000 levels. That tax should have an exception for unavoidable, pass-through, out-of-pocket costs to generators. This technique essentially imposes an externally specified limit on the spot market, indirectly accomplishing a wholesale cap notwithstanding FERC’s refusal to impose it.

The California Children’s Budget 2001–02 was distributed to every member of the California Legislature and, as with previous Children’s Budgets, became a valuable resource document for state budget negotiations. Funding for research, publication, and dissemination of the California Children’s Budget 2001–02 was provided in part by grants from The ConAgra Foundation, anonymous donors, and The California Wellness Foundation (TCWF). (Created in 1992 as an independent, private foundation, TCWF’s mission is to improve the health of the people of California by making grants for health promotion, wellness education and disease prevention programs.) For a copy of the California Children’s Budget 2001–02 or the Executive Summary, contact CAI at (619) 260-4806. The document is also available on the Internet at www.sandiego.edu/childrensissues.

Promotion of Children’s Budget Health Data

Funding from TCWF also enabled CAI to expand and intensify our analysis of the growing need with regard to child health and safety programs, as well as the state’s spending trends for these important programs. Among other things, CAI utilized the funds to engage the services of a leading expert in health care policy to research and draft significant portions of the California Children’s Budget 2001–02, publish the document, and publicize its important health-related data through its Information Clearinghouse on Children, Children’s Advocates Roundtable, and direct contact with several key California policymakers. For example, CAI professional staff engaged in several high-profile discussions of child health issues, including the following:

- CAI staff met with Assemblymember Rebecca Cohn, a member of the Assembly Health Committee, to brief her on a variety of children’s health issues. This meeting was scheduled at the request of Assemblymember Cohn, who asked her chief of staff to bring in three health experts to brief her on the issues.
• CAI staff participated in the Proposition 10 Commission’s Children with Disabilities Forum, which was convened in order to brief Commissioners and staff on what to include in its “Children with Disabilities Strategic Plan.” CAI was one of the few children’s advocacy organizations to participate in this forum, as most of the other participants represented either parents or providers.

• CAI staff has been working closely with Genie Chough, Assistant Secretary for Programs and Fiscal Affairs at the California Health and Human Services Agency, on its Health Care Options Project Symposia, a process by which the Agency submits health care coverage recommendations to the Administration and Legislature. The project has accepted nine different policy proposals as potential policy options, and the Agency held four statewide forums to gather public input. CAI staff will continue to provide Agency staff with the child health-related data from the Children’s Budget in order to help shape future policy decisions.

• CAI staff helped Assemblymember Wilma Chan and the new Assembly Select Committee on School Readiness prepare for three statewide hearings.

Children’s Regulatory Law Reporter

Another of CAI’s unique publications is the Children’s Regulatory Law Reporter, which focuses on an often ignored but very critical area of law: regulations adopted by government agencies. For each regulatory proposal discussed, the Children’s Reporter includes both an explanation of the proposed action and an analysis of its impact on children. The publication is targeted to policymakers, child advocates, community organizations, and others who need to keep informed of the actions of these agencies.

In 2001, CAI released the fifth issue of the Children’s Reporter (Vol. 3, No. 1), which discussed over forty proposed and pending California regulatory changes which affect children. Among other things, the issue discussed rulemaking proposals on California’s new permanent amusement ride safety inspection program, the standard of care on screening for childhood lead poisoning, high school exit examination, minimum standards for local juvenile detention centers, and the adoption assistance program.

The current and back issues of the Children’s Reporter are available on CAI’s website at www.sandiego.edu/children
disissues.

Children’s Legislative Report Card

Yet another unique and informative CAI publication is its Children’s Legislative Report Card, an annual document which presents California legislators’ votes on child-friendly bills.

Last November, CAI published the 2001 edition of its Children’s Legislative Report Card, which includes a narrative description of the major child-related issues considered by the Legislature in 2001, as well as detailed descriptions of 23 child-friendly bills in the areas of economic security, child support collection, health, injury prevention, child care, education, and child abuse prevention and intervention.

The Report Card also includes a chart documenting each legislator’s floor votes on these bills. Through their votes on important bills, legislators can make a real difference in the lives of California’s children. All too often in the political arena, legislators “take a walk” rather than stand up for children—and children suffer as a result. The Report Card provides a record of children’s policy progress in the legislative session, and the votes that made it happen.

CAI is pleased to announce that 32 legislators received 100% marks for the 23 bills graded in the 2001 term. Of the 120 legislators participating in the 2001 legislative session, 62 received grades of A (90%–100%), 8 received grades of B (80%–89%), 7 received grades of C (70%–79%), and 4 received grades of D (60%–69%). Unfortunately for the children of California, 39 legislators—almost one-third of the entire Legislature—received failing grades of F (59% and below).

The current and back issues of the Children’s Legislative Report Card are available on CAI’s website at www.sandiego.edu/children
disissues.
During her first year as CAI’s Senior Policy Advocate, Lupe Alonzo-Diaz faced a daunting challenge: securing legislative victories for children in the face of a slowing economy, the state’s emerging energy crisis, and the aftermath of the events of September 11. The following summarizes some of the key areas in which she and her fellow child advocates focused their efforts during 2001:

Foster Care

For the first time in legislative history, Assembly Democrats agreed to make foster care their number one legislative priority during 2001. Republican legislators and the media also took an interest and generally acknowledged that the state, as the guardian of foster children, deserved a failing grade for the treatment and care of its most vulnerable children. Foster care reform was one of the few issues to receive widespread bipartisan support in 2001–02. The Assembly Democrats carved out a package of eleven bills, called the “Speaker’s Package,” and funded it at over $330 million over the next five years. The following bills were included in the Speaker’s Package:

- AB 1119 (Hertzberg) provides continued assistance to foster youth who emancipate out of the system;
- AB 1261 (Migden) extends the age of eligibility for transitional housing for foster youth to 21 years;
- AB 1449 (Keeley) compromises the obligor debt for a parent who reunifies with his/her child;
- AB 636 (Steinberg) creates an accountability and review system;
- AB 705 (Steinberg) includes sibling relations as a factor to consider in the placement of children;
- AB 899 (Liu) states the rights of foster children;
- AB 1330 (Steinberg) would have increased the rates for foster family homes;
- AB 1105 (Simitian) would have provided child care assistance for foster family homes;
- AB 364 (Aroner) would have reduced the caseload ratio for social workers in Child Welfare Services;
- AB 557 (Aroner) would have funded recruitment and retention programs for foster family homes; and
- AB 1395 (Ashburn) would have provided post-adoption counseling services to children and families.

Most of these bills received overwhelming bipartisan support. Unfortunately, the energy crisis and resistance by the Governor to commit to ongoing expenditures resulted in only two bills surviving the budget process—AB 1119 and AB 1261. Four of the other bills—AB 636, AB 705, AB 899, and AB 1449—made it through the legislative process and were signed by the Governor.

The foster care reform proposals were diminished from a $330 million package to less than $18 million for legislative initiatives.

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$10 million to fund transitional housing programs for emancipated foster youth;

$6.5 million to provide continued rate assistance to emancipated foster youth who are pursuing an education or training;

$1.5 million for an Internet-based health and education passport system for emancipated youth;

$64.5 million for COLAs to foster family homes, foster family agencies, and group homes effective July 1, 2001; and

$878.7 million total for child welfare services which fully funds the child welfare program.

Although cuts were not imposed on foster care children, long-sought (and badly-needed) increases, including some which would net revenue for the state in the long-run, were defeated or put in the ubiquitous suspense file, where they will die without vote and legislative accountability. Unfortunately, those who pay the direct price of this legislative failure are the 120,000 children in foster care, for whom the state remains a neglectful parent. The state continues to underfund family foster care, leading to an undersupply of the most common route to adoption; it does not effectively create stable placements, does not educate foster care children, and substantially abandons its children to the streets at age 18.

Child Care and Development

In Spring 2000, Governor Davis requested a review of the State’s child care policies, with the stated goal of determining how existing resources may be more efficiently used to equitably serve the state’s neediest families. The resulting report, Child Care Fiscal Policy Analysis: Analyzing Options to Focus the State’s Existing Resources to Serve the State’s Neediest Families, released in May 2001, did not provide specific recommendations but laid out seven different scenarios, each of which make it more challenging for working poor families to become and remain self-sufficient.

Further complicating matters, Governor Davis vetoed $44 million from Stage 3 child care, setting aside $24 million of that amount pending enactment of legislation that “reform[s] the State’s subsidized child care programs in a manner that...use[s] existing resources...more effectively and revise[s] inequitable access policies that currently disadvantage low-income populations who have not received public assistance through CalWORKs.” Given that less than two-thirds of the children in working poor families receive the child care assistance for which they are eligible, the $44 million veto does not seem to make for “equitable” policies.

In light of Governor Davis’ actions, the Women’s Caucus set out to develop options for making child care more equitable and accessible. One option that should have received attention and legislative support is the state’s potential use of Title IV-E foster care funds. Federal law allows states to add the cost of child care to the state’s basic foster care rate. In essence, Title IV-E of the Social Security Act provides a 50% federal matching grant for payments made to licensed child care for foster children. While the Child Care and Development Fund (CCDF) is a block grant, IV-E is an uncapped entitlement. According to the Department of Education, more than 10% of children sampled in alternative payment programs are foster children. Moving these foster children to IV-E would free up CCDF funds to be made available to other children on the wait list. This concept was embraced in a CAI-supported measure, AB 1105 (Simitian), which was unfortunately relegated to the Senate Appropriations Committee’s Suspense File, where it is expected to die without further consideration or public vote.

The Children’s Roundtable, convened by the Children’s Advocacy Institute and chaired by Alonzo-Diaz, worked extensively with the Women’s Caucus and other child care advocates during 2001 to advocate for certain principles that should be in place when the Administration reviews potential options.

Other child care and development services funded that were a priority for the Legislature included:

- Stage 1 child care: $586 million total for families entering a job search;
- Stage 2 child care: $522 million total for families where employment has stabilized or who are transitioning off aid;
- Stage 3 child care: $236 million total for families receiving diversion services, in long-term training, or who are
receiving a wage that does not exceed 75% of the state median income and are regularly employed;

- $3 million for the “development and validation of assessment instruments” to measure school readiness in young children as part of the School Readiness Initiative; and
- $17.5 million restored to the Child Care Facilities Financing Program.

**Education**

In January 2001, Governor Davis proposed $1.4 billion over the next three years to extend instructional time in middle grade schools (grades 7 and 8 and grades 6 or 9), increasing the academic year by 30 days to 210 days total for participating schools. Funding would have been conditioned upon schools using standards-aligned textbooks for the purpose of strengthening math and reading skills. However, research does not confirm that extending middle grades works, as opposed to enhancing quality through smaller classes and better teachers.

The May Revise dropped the proposal and instead opted to provide $220 million to low-performing schools. During final budget negotiations, the Legislature reduced the allocation to $200 million, convened a conference committee to evaluate six pending related bills dealing with low performing schools, and took a proactive role in the allocation of those funds.

Many legislators took a keen interest in the issue. Bills included AB 312 (Wesson), AB 336 (Goldberg), AB 481 (Diaz), AB 961 (Steinberg), SB 466 (Ortiz), and SB 508 (Vasconcellos). Priority for the $200 million would be granted to those schools currently participating in the Immediate Intervention/Underperforming Schools Program (II/USP) and ranked in the lowest five deciles of the Academic Performance Index (API). Prioritizing funds will likely be more successful given the characteristics of the schools. For example, schools in the lowest three deciles of the API serve children and families with striking characteristics: a high percentage are low-income (85% free/reduced meals); Latino (75%) and other ethnic groups (16%); and English Language Learners (48%). As such, more targeted resources are necessary to ensure that these children do not face additional barriers imposed on them by poverty and other related socio-economic factors.

Unfortunately, in November Governor Davis proposed to “delay” the funds. Subsequent legislative action deleted the $200 million for low-performing schools.

This $200 million allocation was also done in conjunction with an augmentation to the II/USP, another initiative that was widely supported by the Legislature. The Legislature approved $47.2 million to increase the implementation grant funding from $168 to $200 per pupil. Other significant budget actions that were taken include:

- An increase in per pupil spending by $324 from $6,678 to $7,002 (a 4.9% increase);
- $80 million for the Math and Reading Professional Development Program;
- $92.9 million to fund the Cal Grant expansion;
- $118 million to continue the Governor’s Scholarship Program;
- $10 million for the High-Tech High Schools;
- $29.7 million for after-school programs;
- $40 million for school equalization; and
- $250 million for school energy costs and conservation efforts.

Regarding higher education, the state opened the way for many poorer students to attend through its important year 2000 expansion of Cal Grants. However, even if all tuition and room and board were to be provided, opportunity is limited by higher education capacity. Each major institution has long waiting lists. In this critical area of expansion, the state is failing by not increasing the proportion of children with higher education access at a time when the jobs of the future will require it. California’s international labor niche is not on an assembly line or in the fields.
Health Care

Parental expansion of the Healthy Families Program for parents with an income up to 250% was one of 2001’s signature marks for the Legislature. In January 2001, the Governor proposed the Healthy Families expansion only to those parents with an income under 200% FPL. Even though this clearly went beyond the intent of the Administration, the Legislature included language in the budget which funds Healthy Families for all parents with eligible children with an income under 250% FPL. This language was included in the final Budget Act. Total parent enrollment is expected to be 663,000 by June 30, 2002. Even though it was noteworthy for the Legislature to extend Healthy Families to parents up to 250% rather than 200%, some details should be considered.

During the Budget Conference Committee, the Administration relayed to the conferees that it would be amenable to a Healthy Families parental expansion up to 250%, if the asset test for Medi-Cal were retained. (The asset test, which saves the Administration $8.5 million, is an onerous bureaucratic barrier facing the working poor who apply for Medi-Cal.) Previous to the budget Conference Committee, the Legislature had also adopted $10 million for express lane and the coverage of 19- and 20-year-olds in Medi-Cal and/or Healthy Families. However, the latter two were also pawns in the budget negotiations and were eliminated in order to spare the Governor the embarrassment of having to veto laudable public health services using federal monies that will now have to be returned to Washington, D.C. Instead of making the Governor take a public stand on measures, the Legislature produced a health care budget which leaves more than two million children uninsured in California, notwithstanding federal funds available to finance 67% of their coverage costs.

Although the Governor seemed set against earmarking tobacco settlement funds for health care, the Budget Act created just such a Fund following threats of litigation if these monies were to be diverted. Unfortunately, while advocates hoped that the fund would pay for new programs, the vast majority of the money will be used to pay for existing programs such as youth tobacco cessation programs and cancer research and treatment. The Tobacco Settlement Fund will also pay for the Healthy Families parental expansion. For the 2001–02 fiscal year, a total of $401.9 million will be deposited into the fund.

Other health care issues funded through the budget include:

- $5 million for Medi-Cal and Healthy Families outreach proposed from the Proposition 10 Commission;
- $23.5 million General Fund for the Expanded Access to Primary Care program which provides health care to “vulnerable populations”; and
- $8.5 million for the Childhood Lead Poisoning Prevention.

Child Safety

During 2001, CAI worked closely with Kids ‘N Cars—a nonprofit organization that pur-
sues a greater level of public safety by addressing vehicle-related non-traffic incidents that lead to injury or death when children are left unattended in or around a vehicle—to secure the enactment of SB 255 (Speier) (Chapter 855, Statutes of 2001), a bill drafted by CAI’s Bob Fellmeth. It makes it an infraction, punishable by a fine of $100, for the parent, legal guardian, or other person responsible for a child who is six years of age or younger to leave that child inside a motor vehicle, without being subject to the supervision of a person who is twelve years of age or older, and where there are conditions that present a significant risk to the child’s health or safety, or when the vehicle’s engine is running or the vehicle’s keys are in the ignition, or both. This bill authorizes the court to reduce or waive the fine if the defendant is economically disadvantaged and attends a community education program. This bill provides that the infraction provision and a related infraction provision do not apply if an unattended child is injured or medical services are rendered.

Additionally, CAI is participating as amicus curiae in pending proceedings, including In Re Zeth S. now before the California Supreme Court—an important case considering the ability of a child’s advocate to bring new facts to the attention of the court (Supreme Court No. S099557).

In Administrative Agencies

One of the few child advocacy organizations with expertise in the regulatory forum, CAI represented children before various administrative agencies during 2001. For example, CAI has been a regular participant in the regulatory workgroups of “The P3 Project” (Program, Policies, and Procedures) of the new Department of Child Support Services (DCSS) to implement the state’s major child support reform laws. CAI has also advocated extensively before the Department of Social Services and DCSS regarding the implementation of child support assurance in California.

The grants secured in 2001 will greatly enable CAI to expand its presence before regulatory agencies as they consider important child-related decisions—especially decisions impacting the health and safety of children—and will ensure the continuation of CAI’s publication chronicling these activities, the Children’s Regulatory Law Reporter (discussed above).

In the Public Forum

In 1996, CAI instituted the “Information Clearinghouse on Children” (ICC), with the goal of stimulating more extensive and accurate public discussion on a range of critical issues affecting the well-being, health, and safety of children. Supervised by CAI professional staff, the ICC provides a research and referral service for journalists, public officials, and community organizations interested in accurate information and data on emerging children’s issues. The ICC has an extensive mailing list of media outlets, public officials, and children’s advocacy organizations, and distributes copies of reports, publications, and press releases to members of the list, as appropriate.

CAI is grateful to The California Wellness Foundation and the Maximilian E. & Marion O. Hoffman Foundation, Inc. for their past support of the Information Clearinghouse on Children.
COLLABORATION & LEADERSHIP

Children’s Advocates’ Roundtable

During 2001, CAI continued to coordinate and convene the Children’s Advocates’ Roundtable monthly meetings in Sacramento, thanks in part to the financial support of the Sierra Health Foundation. The Roundtable, established in 1990, is an affiliation of roughly 175 statewide and regional children’s policy organizations, representing over twenty issue disciplines (e.g., child abuse prevention, child care, education, poverty, housing, juvenile justice). The Roundtable is committed to providing the following:

- a setting where statewide and locally-based children’s advocates gather with advocates from other children’s issue disciplines to share resources, information, and knowledge, and strategize on behalf of children;

- an opportunity to educate each other about the variety of issues and legislation that affect children and youth—facilitating prioritization of issues and minimizing infighting over limited state resources historically budgeted for children’s programs;

- an opportunity to collaborate on joint projects that promote the interests of children and families; and

- a setting to foster a children’s political movement, committed to ensuring that every child in California is economically secure, gets a good education, has access to health care, and lives in a safe environment.

Although many Roundtable members cannot attend each monthly meeting, CAI keeps them up-to-date on Capitol policymaking and what they can do to help through “Roundtable FAXblasts” of meeting minutes and e-mail updates. The Roundtable also maintains an updated directory of California children’s advocacy organizations and is exploring other joint projects, such as a dedicated page in the statewide children’s newspaper, the Children’s ADVOCATE. Unlike many collaborations which seem to winnow away with age, the Children’s Advocates’ Roundtable has grown in membership and influence with policymakers each year.

Child Support Assurance
Pilot Projects

During 2001, CAI continued its leadership role in promoting the implementation of quality child support assurance (CSA) programs, as authorized in AB 1542 (Chapter 270, Statutes of 1997), California’s welfare reform law, and as expanded in CAI-sponsored AB 472 (Chapter 803, Statutes of 1999). County child support assurance programs guarantee payment of a minimum level of child support for each child with an established child support order, which is assigned to the county. One model suggested in the law sets the monthly child support assurance payment as follows: $250 for the first eligible child, $125 for the second eligible child, and $65 for each subsequent eligible child, but counties are permitted to set different payment schedules. That way, if a child support payment is not forthcoming from the noncustodial parent, the county takes the hit, not the child. If child support is collected in excess of the guaranteed level of support, that money is also passed through to the custodial parent. This assures custodial parents employed in low-wage jobs of regular monthly child support payments to make ends meet without resorting to welfare.

Although the CSA concept provided a new and innovative way to reduce the number of children in poverty, many factors have been working against its full-fledged implementation. In addition to the cumulative years of slow appointments by the Governor, inadequate staffing, workload issues, and higher departmental priorities, fiscal constraints have virtually halted the implementation of CSAs in California. Because assured child support decreases the reliance on public assistance, CAI will continue to advocate for the implementation of the CSA model.

The Children’s Advocacy Institute is grateful to the Rosenberg Foundation for its support of CAI’s work on this project.
Interaction with National Child Advocacy Organizations

CAI remains actively involved in major national child advocacy organizations. As mentioned above, CAI Executive Director Robert Fellmeth serves on the Development and Bylaws committees of the National Association of Counsel for Children (NACC), and actively participates as a member of the NACC Board of Directors. Professor Fellmeth served on the NACC faculty in its October 2, 2001 annual conference and program. He and Margaret Brodkin of Coleman Advocates for Children in San Francisco presented a seminar on “Budget Advocacy for Children.”

Professor Fellmeth also serves as counsel to the Board of Directors of the National Association of Child Advocates, with chapters of advocates now in more than forty states. He is on the Board of Foundation of America: Youth in Action, and chairs the Board of the Maternal and Child Health Access Project Foundation, which advocates for the health of infants and pregnant women among the impoverished of Los Angeles.

Public Interest Law Summit

On March 23–24, 2001, CAI joined the leading public interest advocates from across the country at the Public Interest Law Summit, hosted by CAI’s parent organization, the Center for Public Interest Law and the University of San Diego School of Law. In addition to an opening luncheon address by Ralph Nader and a banquet address by California Attorney General Bill Lockyer, the Summit presented four public strategic planning sessions on the reform of campaign finance, Congress/legislatures, courts, and agencies, respectively.

The participants in this exceptional event included Scott Harshbarger, President and Chief Executive Officer, Common Cause; Frank Clemente, Director, Public Citizen Congress Watch; Charles Lewis, Executive Director, Center for Public Integrity; Nick Nyhart, Executive Director, Public Campaign; E. Joshua Rosenkranz, Executive Director, Brennan Center for Justice, New York University School of Law; Matthew Myers, President and Chief Legal Counsel, Campaign for Tobacco-Free Kids; Charles R. Halpern, Chairman of the Board, Demos: A Network for Ideas and Action; Gene Kimmelman, Co-Director, Washington D.C. Office of Consumers Union; Jamie Court, Executive Director, Foundation for Taxpayer and Consumer Rights; Wendy Wendlandt, National Political Director, National Association of State PIRGs; Robert Fellmeth, Price Professor in Public Interest Law, University of San Diego School of Law and Executive Director, Center for Public Interest Law and Children’s Advocacy Institute; Alan B. Morrison, Director Emeritus, Public Citizen Litigation Group; Nadine Strossen, President, American Civil Liberties Union and Professor of Law, New York Law School; Patricia Sturdevant, Co-Founder, National Association of Consumer Advocates; Theodore M. Shaw, Associate Director/Counsel, NAACP Legal Defense and Education Fund; Joan Claybrook, President, Public Citizen; David G. Hawkins, Director of Air and Energy Program, National Resources Defense Council, and Patricia M. Sullivan, Environmental Chair; Jim Hightower, Former Texas Agriculture Commissioner, radio journalist and consumer advocate; David A. Swankin, President and CEO, Citizen Advocacy Center; Sidney M. Wolfe, M.D., Director, Public Citizen Health Research Group; and David Vladeck, Director, Public Citizen Litigation Group.
Over the past twenty years, the unprecedented organization and fundraising by profit interests have forced the public interest movement onto the defensive. Consumers, children, and the environment have suffered serious setbacks in this country and abroad. Part of the problem has been the failure of our three branches of government to consider issues on the merits, properly balancing diffuse and future interests. Rather, public policy is increasingly dictated, in all three branches, by short-term proprietary interests. The Summit enabled public interest advocates to discuss ways to reform the ground rules to restore democratic values to the process, thus benefitting generations to come.

During the Summit, Assemblymember Darrell Steinberg’s Legislative Director, Kathryn Dresslar, presented the Center for Public Interest Law and Children’s Advocacy Institute with a California Legislature Assembly Resolution, commending CPIL and CAI for their significant accomplishments over the past several years. In addition to recognizing many of CPIL’s major achievements, the Resolution noted that CAI “has been a tireless and passionate voice, in the California State Legislature, state agencies, and the courts, advancing the economic, safety, health and educational interests of children and youth;...annually publishes the Children’s Budget, the Children’s Regulatory Law Reporter and the Children’s Legislative Report Card—meticulously detailed publications which provide an unvarnished view of what has been accomplished and what is left undone for California’s children; and...has been [a] reliable, credible source of information and passionate advocate for the most vulnerable and underserved population in California.”
Transcripts from the Summit proceedings are expected to be published in an upcoming issue of the San Diego Law Review, and are available on CPIL's website, www.cpil.org.

Treatise on Child Rights & Remedies

In 2001, CAI Executive Director Robert Fellmeth devoted a significant amount of time to drafting Child Rights and Remedies, a treatise designed for use in law schools, as well as graduate schools of social work, political science, public health, and education. The text includes coverage of child advocacy and the systemic barriers to representation of child interests in legislatures, agencies, and courts. It includes national census data and the status of children, combined with leading cases, questions for discussion and commentaries across the spectrum of child related issues, including reproductive rights; rights to custody, support, emancipation; child civil liberties; criminal prosecution or involuntary civil commitment; protection from abuse and rights as victims/witnesses; rights to property, contract and tort recovery; safety net sustenance; child care; education rights; health, safety and medical care; and special needs.

The book will be published in Summer 2002 by Clarity Press.
SPECIAL PROJECTS

Lawyers for Kids

Started by CAI in 1996, Lawyers for Kids offers attorneys the opportunity to use their talents and resources as advocates to help promote the health, safety, and well-being of children; assist CAI’s policy advocacy program; and work with CAI staff on test litigation by offering expertise in drafting *amicus curiae* briefs. Among other things, Lawyers for Kids members stand ready to assist CAI’s advocacy programs by responding to legislative alerts issued by CAI staff.

Price Child Health & Welfare Journalism Awards

In 1991, CAI created a nonprofit charitable corporation to administer the Price Child Health and Welfare Journalism Awards. These awards are presented annually for excellence in journalism for a story or series of stories that make a significant impact on the welfare and well-being of children in California and advance the understanding of child health and welfare issues in this state.

At a special luncheon on December 15, 2001, CAI honored the 2001 Award recipients. The first place award was shared by two entries. *The Fresno Bee*’s special report, “Hall of Shame,” written by Barbara Anderson, George Hostetter and Lesli Maxwell, and photographed by Kurt Hegre, exposed poor conditions at the Fresno County juvenile hall. The (Long Beach) *Press-Telegram*’s series titled “Homeless Kids, Invisible Victims,” reported by Wendy Thomas Russell and Ralph De La Cruz, and photographed by Brittany M. Solo and Steven Georges, chronicled the plight of homeless children.

In addition, Cheryl Romo of the *Los Angeles Daily Journal* was honored with a special award in recognition of her impressive compilation of compelling articles on the foster care system and the innocent children who are victims of its failures.

CAI gratefully acknowledges the dedication of the members of the selection committee who reviewed numerous submissions from California daily newspaper editors: Chair Gary Richwald, M.D., M.P.H.; Louise Horvitz, M.S.W., Psy.D.;
Children’s Advocacy Institute

Dana C. Hughes, M.P.H., M.S.; Lynn Kersey; and Alan Shumacher, M.D., F.A.A.P. CAI also thanks the accounting firm of Ernst & Young for its professional pro bono assistance.

Child Friendly Foundation

At the suggestion of CAI Council for Children member Martin Fern, CAI staff has created the Child Friendly Foundation, a separate and stand-alone nonprofit organization not affiliated with CAI or the University of San Diego. The goals of the Foundation are to (1) promote child friendly products in the marketplace by licensing a trademark for use on qualified products to indicate that the product is safe for children and is not made through exploitive child labor; and (2) distribute the proceeds of its licensing program to child advocacy organizations throughout the country. Thus, the Foundation would assist the marketplace, stimulate responsible corporate behavior, and provide much-needed funding for groups focusing on substantive child-related issues. CAI is extremely grateful to Marty, as well as the other members of Child Friendly’s Board of Directors: Gary Redenbacher, Esq.; Tony Samson, Esq.; Marvin Ventrell, Esq.; Gary Richwald, M.D., M.P.H.; and Professor Robert Fellmeth.
CAI is grateful to Sol and Helen Price for their gift of the Price Chair Endowment, which has helped to stabilize the academic program of CPIL and CAI within the USD School of Law curriculum; to the Weingart Foundation for its 1992 grant enabling CAI to undertake a professional development program; and for generous grants and gifts contributed by the following individuals and organizations between January 1, 2001 and December 31, 2001:

- John H. Abbott and Vickie Lynn Bibro
- Laura Adams and Frank Partnoy
- Mr. and Mrs. Victor N. Allstead
- Anzalone & Associates, Inc.
- Maureen J. Arrigo
- Robert and Lucinda Brashares
- Anne M. Braudis
- Judy, Nathan, and Jake Bruner, in memory of June Munnecke
- The California Wellness Foundation
- Candace Carroll and Len Simon
- Prof. Nancy Carol Carter, in honor of the Fellmeths
- Center for Injury Prevention Policy and Practice
- Prof. Laurence P. Claus
- Joan B. Claybrook
- The ConAgra Foundation, Inc.
- Consumers First
- Hon. and Mrs. Peter D’Angelo, in memory of James A. D’Angelo
- Prof. Joseph J. Darby
- Robert and Julienne Fellmeth, in memory of June Munnecke
- Martin D. Fern
- Carol and Galen Fox, in memory of June Munnecke
- Mary E. Gates, M.D.
- Dr. and Mrs. Birt Harvey
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- Louise and Herbert Horvitz Charitable Foundation
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• Ralph Nader
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• Gary Redenbacher and Renae Fish
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• Sierra Health Foundation
• Owen Smith
• Prof. Allen C. Snyder and Lynne R. Lasry
• Prof. and Mrs. Lester B. Snyder, in memory of Robert Fellmeth
• The Leon Strauss Foundation

• Nancy Strohl, in honor of Lupe Alonzo’s work
• Caroline Tobias
• Roy M. Ulrich
• United Way of San Diego County
• University of San Diego Law Faculty Fund
• Prof. Edmund Ursin, in honor of Robert Fellmeth
• Elisa D’Angelo Weichel, in memory of James A. D’Angelo
• Margaret West, in memory of June Munnecke
• Richard and Joyce Wharton
• Kemi Williams, in memory of June Munnecke
• Carrie and Wayne Wilson, in memory of June Munnecke
• Prof. Fred Zacharias, in memory of Paul Wohlmutth
• Marge Zhou, in memory of June Munnecke
• Anonymous Donors to the Children’s Advocacy Institute

The Development Report includes all contributions received from January 1, 2001 through December 31, 2001. While every effort has been made to ensure accuracy, we ask readers to notify us of any errors and apologize for any omissions.

—The Editors
Robert C. Fellmeth is CAI’s Executive Director; he is also a tenured professor and holder of the Price Chair in Public Interest Law at the University of San Diego School of Law. He founded USD’s Center for Public Interest Law in 1980 and the Children’s Advocacy Institute in 1989. In the children’s rights area, he teaches Child Rights and Remedies and supervises the Child Advocacy Clinic. Professor Fellmeth has almost 30 years of experience as a public interest law litigator, teacher, and scholar. He has authored or co-authored 14 books and treatises, and is currently completing a law text entitled Child Rights and Remedies. He serves as a member of the Board of Directors of the National Association of Counsel for Children, the Maternal and Child Health Access Project Foundation, and Foundation of America: Youth in Action, and he is counsel to the Board of the National Association of Child Advocates.

Elisa Weichel is CAI’s Administrative Director and staff attorney. Among other things, Weichel directs all of CAI’s administrative functions, including fundraising, development, and outreach; oversees all of CAI’s programs and grant projects; serves as Editor-in-Chief of CAI’s California Children’s Budget and Children’s Regulatory Law Reporter; coordinates the drafting and production of the Children’s Legislative Report Card, CAI Annual Report, and CAI NewsNotes; staffs CAI’s Information Clearinghouse on Children, responding to requests for information from government officials, journalists, and the general public; collaborates with and assists other child advocacy and public interest organizations; serves as webmaster for the CPIL and CAI websites; and performs legal research, litigation, and advocacy. Weichel, a graduate of the USD School of Law (J.D., 1990), was 1989’s Outstanding Contributor to the Center for Public Interest Law’s California Regulatory Law Reporter. Before taking her current position with CAI, Weichel served for several years as staff attorney for CPIL.

Julianne D’Angelo Fellmeth is the Administrative Director of CAI’s parent organization, the Center for Public Interest Law (CPIL). She is responsible for all administrative functions of CPIL and all of its programs and grant projects. In addition to managing the master budget of CPIL/CAI, she...
team-teaches regulatory law courses with Professor Robert Fellmeth at the USD School of Law and coordinates CPIL’s academic program. D’Angelo Fellmeth is a 1983 *cum laude* graduate of the University of San Diego School of Law, and served as editor-in-chief of the *San Diego Law Review* in 1982–83.

Guadalupe (Lupe) Alonzo-Diaz is the Senior Policy Advocate in Sacramento for both CAI and its parent organization, the Center for Public Interest Law. In addition to conducting CAI’s legislative and policy advocacy, Alonzo-Diaz chairs the Children’s Advocates Roundtable, a network of 175 California child advocacy organizations representing over twenty issue disciplines (e.g., child abuse prevention, child care, education, child health and safety, poverty, housing, nutrition, juvenile justice, and special needs). Alonzo-Diaz previously served as a fiscal analyst for the Mexican American Legal Defense and Educational Fund (MALDEF) in Sacramento, and has substantial experience in the state budget and legislative process. She has a bachelor’s degree from the University of California at Berkeley and a master’s degree from the Lyndon B. Johnson School of Public Affairs at the University of Texas.

Stephanie Reighley performs bookkeeping and donor relations responsibilities in CAI’s San Diego office. She tracks revenue and expenses in over 20 CAI accounts, provides staff support services for CAI fundraising activities, and is responsible for all gift processing. She also staffs the semi-annual meetings of CAI’s Council for Children. Reighley has worked for CAI since 1994.

Louise Jones is CAI’s office manager in Sacramento, where she tracks legislation, monitors Sacramento office expenditures, and maintains communication with the San Diego office. She also staffs the monthly meetings of the Children’s Advocates’ Roundtable. Jones joined CAI in 1996.

Cindy Dana is CAI’s office manager in San Diego. She provides support services for Professor Fellmeth and for CAI’s academic and advocacy programs (including CAI student interns). Dana has worked for CAI since 2001.
CAI COUNCIL FOR CHILDREN

CAI is guided by the Council for Children, which meets semi-annually to review policy decisions and establish action priorities. Its members are professionals and community leaders who share a vision to improve the quality of life for children in California. The Council for Children includes the following members:

Thomas A. Papageorge, J.D., Council Chair, Head Deputy District Attorney, Consumer Protection Division, Los Angeles District Attorney’s Office (Los Angeles)

Martin D. Fern, J.D., Partner, Luce, Forward, Hamilton & Scripps, LLP (Los Angeles)

Birt Harvey, M.D., Professor of Pediatrics Emeritus, Stanford University (Palo Alto)

Louise Horvitz, M.S.W., Psy.D. (Los Angeles)

Honorable Leon S. Kaplan, Los Angeles Superior Court (Los Angeles)

Paul A. Peterson, of counsel to Peterson & Price, Lawyers; founding Chair of the CAI Board of Advisors (San Diego)

Gary F. Redenbacher, J.D., attorney at law (Santa Cruz)

Gary A. Richwald, M.D., M.P.H. (Los Angeles)

Blair L. Sadler, President and Chief Executive Officer, Children’s Hospital and Health Center (San Diego)

Gloria Perez Samson, Principal, Castle Park High School (Chula Vista)

Alan E. Shumacher, M.D., F.A.A.P., retired neonatologist; Past President of the Medical Board of California; President, Federation of State Medical Boards of the United States (San Diego)

Owen Smith, President, Anzalone & Associates (Sylmar)