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CALIFORNIA'S CHILDREN REACH A FORK IN THE ROAD

The Governor and Legislature remain in a stalemate over the budget. The Governor insists on reforms which will cut total aid to below 50% of the poverty line where parents do not work.

Recent data support much of the Governor's condemnation of private irresponsibility in the procreation decisions of some of the poor. Unwed births amount to 32% of the state's births and the median family income of a single mother with one or more children under six is \$7,000, while a married couple with the same number of children are at \$42,000. And the Governor is right to condemn the paternal abandonment of our children, with 85% of the 2.4 million absent fathers tracked by local agencies paying zero in child support.

But his remedy is baffling. It has little to do with work. The numbers are not even close. The Governor projects 380,000 new jobs being created in this record year. Replacement jobs are more than covered by new applicants appearing over the 12 months. Who will get the new 380,000 jobs? Over 1 million non-welfare unemployed are looking -- and they are better educated, speak better English, are healthier. Another 600,000 are looking for part time jobs. If parents on welfare captured their pro-rata share, less than 25% of them can be employed within two years -- no matter how hard they try. It is a game of musical chairs, and when the music stops, at least 500,000 parents and over 1 million children will be left standing in the streets.

The Republican Wisconsin Plan makes sense. Make people work, cut them off if they do not look or refuse an available job. If they cannot find work after a diligent try, provide public employment. But the catch-22 of Governor Wilson's proposal makes it a wildly radical creature, off the traditional Republican table of Goldwater and Reagan. The Governor, knowing there are jobs for only a small proportion who will be cut off, offers no alternative. His plan would cut all persons certified as able bodied from all TANF (welfare for families and children) aid who do not work at least 16 hours now. It would cut others off after two years, and new applicant families after one year. No public service jobs are assured; there is little spending for training. Even the vaunted child care additions will bring coverage up to about 6% of the number of parents subject to cut-off if they are not working.

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These cuts are not about making people work. Public service jobs would do that.

Here's the rub. Welfare reform designed to move people into jobs in good faith will cost more money than does the current system for at least the first three to five years. It is worth doing, and if it does discourage irresponsible births by single parents, will be worthwhile in the long run. But it cannot be done responsibly on the cheap, through the simple deprivation of over 1 million children.

Do we have the money to do it right?

Yes, because we have been cutting taxes for eight years and the economy has now turned around. The fact is, if we spent the same percentage of our personal income for the state general fund (most of which goes for children) as we did in 1989, we would be spending \$10 billion more.

We could fund public service jobs with those funds, and have enough left to make the really critical investments:

a tax cut for the poor: create a state counterpart to the federal Earned Income Tax Credit for the working poor with families, to allow them to move from the poverty line to a liveable wage without any subsidy -- based on work;

implement class size reduction not for two or three grades, but for all twelve grades, and move back into the national top ten in public schools where we belong, and computerize all of our schools;

begin the doubling of vocational, community college, and university capacity, and student loan financing, for state residents to train where the jobs are going to be.

We could do all of this ... and more, for \$8 of the \$10 billion we have cut from our burden. We could add in the \$800 million needed to assure health care coverage to every California child. At the same time, we could and should implement the Governor's preventive ideas involving mentoring, adoption assistance, child support collection, and responsible sex and birth decisions, except fund them beyond symbolic, "boutique" levels.

Each year since 1989, the state has maintained raw budget numbers and claimed to "hold the budget even," while allowing inflation and population to reduce spending by at least 3-5% each year. Even the class size reduction investment -- long overdue, will at present rates move California from last place in the nation to second-to-last. During the last seven years the state has announced annually "boutique" new programs with catchy acronyms affecting a small number of children, while cutting the large accounts; arranged new tax forbearance for the wealthy and well-organized; and created block grant-like accounts for counties and school districts, at lower levels, with fragmented cuts to be made in less visible venues. This devolution occurs while locals face local capacity to raise funds, a declining property tax resource base; and the subtraction of \$3 billion per annum in previous local government property tax revenues.

We need to stop strangling child-related accounts while opening the spigots for 24 new prisons. Any state that goes from 19,000 adult prisoners in 1977 to 150,000 in 1997 -- at \$40,000 each in operating and capital costs -- should see the relationship. If we want to live in a growing Apartheid society and support a large part of a generation in cages, we need only to "keep on 'trukkin.'"

Yogi Berra once said, "If you come to a fork in the road, take it." Enigmatic to be sure, but we have a fork to take right now. The legislature's job is to see that path and make that turn.

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