TRANSMITTAL LETTER

November 15, 2018

Dear Governor Brown, Governor-Elect Newsom and Members of the California Legislature:

We present the attached report from the Lifting Children and Family Out of Poverty Task Force, with a great sense of both urgency and hope. The Task Force was established by Chapter 415, Statutes of 2017 (Assembly Bill 1520, 2017, Burke). AB 1520 called for the development of comprehensive strategies aimed at addressing deep child poverty and reducing child poverty in California and established the Task Force to accomplish this task. The Task Force further defined its goals as *ending* deep child poverty *as soon as possible* and reducing overall child poverty *by 50 percent*. The Task Force identified priority recommendations as those that: (1) directly and immediately reduce deep child poverty, (2) have a foundational immediate and longer-term impact on disrupting the cycle of poverty, and (3) have very substantial evidence in support of them or are innovative programs that have shown substantial promise.

The Task Force includes stakeholders who focus on family and child well-being, from pre-natal care to adulthood, including representatives from the state agencies responsible for health and human services, workforce, education, and housing, local governments, justice agencies, and state and local community organizations that work with and advocate for children and families. This report reflects months of work by the Task Force and its highly regarded researchers and contributors.

In developing the comprehensive recommendations the Task Force specifically followed, and strongly agreed with, the legislative directive to "build on the substantial foundation and progress that has been made in helping low-income Californians and addressing child poverty in the state, such as increases to the minimum wage, the elimination of the maximum family grant rule in the California Work Opportunity and Responsibility to Kids (CalWORKs) program, housing and utility support programs, school nutrition programs, the local control funding formula (LCFF) for K–12 education, state programs under the federal Workforce Innovation and Opportunity Act (WIOA), expansion of health care, investments in child development, the California Earned Income Tax Credit (CalEITC), and outreach and assistance with the federal earned income tax credit."

In addition, earlier this year the Legislature and Brown Administration took a substantial step in addressing deep child poverty in California by increasing CalWORKs grants, stating their intent to increase the grants to bring CalWORKs participants to at least 50 percent of the federal poverty line over the next three years, and to initiate a home visiting program for first-time

parents in CalWORKs. The Task Force built on that action to recommend the implementation roadmap that includes necessary measures to bring children out of abject poverty and foundational investments in early healthcare, early childhood care and education, and related services.

The Task Force recognized that while the existing safety net has prevented the number of Californians in poverty from becoming much higher, to substantially reduce California's highest in the nation levels of child and family poverty requires further very substantial comprehensive, coordinated steps.

In order to provide a road map for implementation of the necessary steps to substantially reduce child poverty, the recommendations are presented with suggested investments for Fiscal Years 2019-2029. Based on the best available research, data and lived experience, they are meant to provide a road map for consideration and refinement as part of the legislative process. In considering these new investments California will need to weigh its ability to sustain current programs and respond to economic uncertainties. Although the case has been made in this report for the long-term economic as well as human and societal benefits of these investments, the initial years implementing this roadmap may require increased revenues or reductions to other areas of the budget. The recommended ramp up of the investments is designed to provide time for that planning.

When implemented, these recommendations will end deep child and family poverty in California. California will become the first state in America to have done so and will provide a model for the country.

We thank you in advance for your consideration of this report and collaboration to achieve our shared goals.

Sincerely,

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Co-Chairs of the Task Force