







- To help address California's high rates of poverty and deep poverty, Governor Brown signed AB 1520 in 2017. It directed the California Department of Social Services to convene the Lifting Children and Families Out of Poverty Task Force ("Task Force").
- The Task Force consisted of 36 members from state and local community organizations, county representatives, state justice officials, and state agency representatives.

CALIFORNIA LIFTING CHILDREN AND FAMILIES OUT OF POVERTY TASK FORCE

The Lifting Children and Families Out of Poverty Task Force Report

Recommended Strategies to Address Deep Child Poverty and Child Poverty in California

NOVEMBER 2018

- The Lifting Children and Families Out of Poverty Task Force included 43 evidence-based recommendations aimed at reducing child poverty and eliminating deep child poverty in the state. To date, actions consistent with 38 of the 43 recommendations have been adopted in California.
- These actions, resulting in a combined investment of \$13 billion in ongoing state funds, have lifted 300,000 children out of poverty. This is in addition to the 650,000 children lifted out of poverty by federal actions taken over the past two years, including expanded child tax credits and multiple stimulus payments.
- However, the child poverty rate will partly rebound in 2022 and 2023 as federal and state one-time solutions fall away and many sectors of the economy continue to struggle in the post-pandemic era.
- To avoid such a rebound, further actions consistent with the Task Force's recommendations will be needed, including:
 - Expansion of the Young Child Tax Credit
 - Implementation of the Task Force recommendation to expand Promise Neighborhoods and related Cradle to Career networks
 - Permanent commitment to programs addressing California's enormous housing and homelessness challenges.

Task Force Background and Recommendations



Background

igh rates of poverty have been a chronic problem in California.

Using the California Poverty Measure (CPM), a measure that takes into account cost of living and state programs and resources, the Public Policy Institute of California (PPIC) calculated that 16.4% of Californians were living below the poverty line in 2019 and another 4.5% had incomes below 150% of the poverty line. Of those living in poverty, 17.6% were children.

To help diminish the number of young Californians experiencing poverty and deep poverty, in 2017 Governor Brown signed AB 1520 (Burke, Chapter 415, Statutes of 2017). The measure called for the development of comprehensive strategies aimed at addressing child poverty, and deep poverty, in California. It specifically directed the California Department of Social Services to convene the Lifting Children and Families Out of Poverty Task Force. The Task Force consisted of 36 members from state and local community organizations, county representatives, state justice officials, and state agency representatives.

In November 2018, the Task Force released its report, which

included 43 evidence-based recommendations aimed at reducing child poverty and eliminating deep child poverty in the state. The recommendations were made in major policy areas: the social safety net; early childhood; housing and homelessness; health care; education and workforce training; coordinated services; and special populations. Appendix Table 1 (pages 6-10) summarizes the recommendations included in the Task Force report by policy area, actions taken to-date by the Legislature, and the one-time and ongoing expenditure commitments made in each area.















Recommendations

To date, legislative measures have been adopted that are identical to or consistent with 38 out of the 43 Task Force recommendations. Of the 38 measures, 12 involve **one-time or limited term** solutions, primarily focused on dealing with the fallout of the COVID-19 pandemic. Key

one-time or limited term solutions include the Golden State Stimulus payments and major appropriations for housing and homeless assistance included in the 2019-20 and 2021-22 budgets. These one-time or limited term commitments exceeded \$14 billion in 2021-22. In the remaining

26 recommendations the California Legislature made permanent ongoing commitments, which total about \$11 billion in 2021-22, and will reach over \$13 billion annually within a few years when all programs ramp up.

¹ Poverty in California. Public Policy Institute of California.

² California Lifting Children and Families Out of Poverty Task Force Report.

Adopted Recommendations



Significant policy actions taken since 2018 that are consistent with Task Force recommendations include:

Social Safety Net

- Ongoing expansion of the California Earned Income Tax Credit (CalEITC) program and increases in California Work Opportunity and Responsibility to Kids (CalWORKs) grant levels and expansion of time limits.
- Permanent adoption of a \$1,000 Young Child Tax Credit (YCTC) for CalEITC-eligible filers with children six years old and younger and a universal school meals program.

Early Childhood

- One-time funding for workforce training improvements.
- Ongoing funding for paid family leave extension and 90% wage replacement for low-income workers; additional childcare slots; childcare and preschool rate reform and increases.

Housing and Homelessness

funding for the Housing and
Disability Advocacy Program
(HDAP); Homeless Housing
Assistance and Prevention
Program (HHAP); Bringing
Families Home Program (BFH);

- a newly established Homekey program with funds set aside for homeless youth; and eviction defense.
- Ongoing funding for the housing navigator; transitional housing; and THP-Plus supplement programs.
 Improved protections for families using rent vouchers.

Health Care

- One-time funding for ACEs (Adverse Childhood Experiences) screening in primary care offices and a major investment in a new behavioral health system over five years.
- Ongoing expansion of Medi-Cal to all income-eligible undocumented adults up to age 26 and over age 50.

Education and Workforce Training

- One-time or limited term funding for expansion of the High Road Training Partnerships (HRTP) initiative targeted at low-income communities.
- ongoing funding increases for schools with high concentrations of low-income or English learner students; greater student access to career and college prep coursework and training; and Cal Grant enrollment expansion.

Coordinated Services

 Ongoing investments in integrated cradle-to-career data systems (including horizontal integration of data across state agencies) and permanent increase in funding for home visitations.

Special Populations

Ongoing expansions of the child care bridge program; the housing navigator program; THP-Plus housing supplement programs. Expansion to the Youth Reinvestment Fund; support for post-secondary education for justice-involved students; creation of the Office of Youth and Community Restoration. Legislation enacted waiving fees and fines in courts, including juvenile courts.

Impact of Adopted Recommendations



Adopted recommendations have had significant impacts on California's poverty rate. However, these impacts are somewhat obscured by COVID-19 and one-time federal actions to address COVID-19 in the short term.

Figure 1 shows the interaction of these three factors:

- The COVID-19-related recession sharply increased unemployment, especially in low-paying industries, which in turn would have increased the child poverty rate by 300,000 children—to a total of \$1.95 million—absent any offsetting federal or state policy actions.
- Federal actions taken in response to the pandemic, mostly through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan (ARPA), reduced poverty by approximately 7%, or about 650,000 children, according to estimates from PPIC.3 Major federal actions included multiple stimulus payments to families, expanded unemployment benefits, and a one-time expansion of the child tax credit (CTC). These policies are largely one-time, so their future impacts will drop off sharply in 2022 and 2023 unless some federal provisions-

FIGURE 1: Estimated Impact of COVID-19 and Federal / State Policies on Child Poverty

	Impacts on Child Poverty (Number of Children Impacted)	
Factors	2020-21 and 2021-22	Longer Term
COVID-19 Recession and Sub-Par Recovery	+300,000	+500,000
Federal Actions	-650,000	0
State Actions Consistent with Task Force Recommendations	-300,000	-270,000
Total Number of Children Out of Poverty by Combined Actions	-950,000	-270,000

- such as CTC expansion—are extended through future congressional actions.
- State actions following release of the 2018 Task Force report are reducing poverty by over 3% in 2020-21 and 2021-22, and will continue to reduce the rate by about 2.7% in subsequent years. The ongoing percentage reduction translates into approximately 270,000 fewer children in poverty.

In summary, combined actions by the federal and state governments lifted 950,000 children out of poverty during 2020-21 and 2021-22. Absent further federal or state actions, virtually all of the federal spending will dry up, as will a significant portion of state funding, particularly in programs addressing housing and homelessness. As a result, it is likely that the number of children

in poverty will partly rebound even if the economy continues to recover from the pandemic-related recession.

Figure 2 (page 5) shows the combined impact of the economy, federal actions, and state actions on the total number of California children in poverty, both for recent history and projected over two years. It shows that, despite the pandemic-related economic downturn, the number of children in poverty actually declined in 2020 and 2021 because of the combined effect of federal and state actions. However, the rate will partly increase in 2022 and 2023 as federal and state one-time solutions fall away. This projection assumes that the economy continues to rally from the pandemic-related recession, albeit at an uneven pace as some sectors of the economy continue to struggle in the post-pandemic era.

³ Pandemic Aid Helped Lower Poverty in California.

Opportunities for Further Progress



The projections shown in **Figure 2** suggest that more actions will be needed if California is to sustain, and build on, its recent reductions in childhood poverty. At the federal level, an extension of the expanded child tax credit would make a major difference. According to PPIC, the expanded CTC would reduce childhood poverty by about one-third in California.⁴

At the state level, the Legislature has not acted on the Task Force recommendation that 20 Promise Neighborhoods (PN) be created and supported across the state. Existing PNs have been highly effective in ensuring that a coordinated continuum of services reach children and their families in

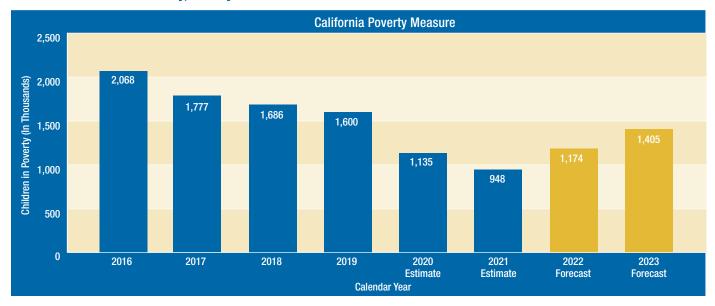
high-poverty neighborhoods. This is evidenced by a variety of positive academic and social indicators for children and families in targeted neighborhoods covered by existing PNs and regional Cradle to Career networks.

While the state has devoted multiple billions of dollars to policies aimed at increasing the housing supply and providing related support services, most state spending has been one-time allocations out of the surplus. Given the enormity of the challenge, success on this front will likely require ongoing and sustained commitments.

Additionally, while the government has taken important steps at addressing deep poverty through increases in CalWORKs grants,
CalEITC, and the Young Child
Tax Credit, further targeted
expansions in these areas would pay
major dividends. Specific Task
Force-related policies having
significant impacts on poverty, and
especially deep poverty, include
expanding eligibility for the YCTC to
families with children up to 18 years
of age, elimination of the earnings
requirement for claiming the benefit,
and increasing the grant size.

The state has made major strides in moving children out of poverty, especially deep poverty, during the past three years. However, there are opportunities to build on the substantial progress that has been made since the Task Force report was released in 2018.

FIGURE 2: California Children in Poverty, History and Forecast



⁴ How the Expanded Child Tax Credit Reduces Child Poverty.

Task Force Recommendations, Actions, and Expenditures



Task Force Recommendation	Actions Taken	One-time or Limited Term Expenditures (Total Amounts)	Ongoing Expenditures (Annual Amounts)
Social Safety Net			
Expand CalEITC	Expanded CalEITC (2019-20)	_	\$300 million
Establish a targeted child tax credit	 \$1,000 YCTC for CalEITC filers with children 6 and under (initially enacted in 2019-20 and expanded to ITIN filers in 2020-21) One-time state-funded stimulus grants in 2021-22 	\$11.8 billion (Golden State Stimulus)	\$500 million
Increase CalWORKs grant levels to end deep poverty	 Grant amounts increased to at least 50% of the Federal Poverty Level 	_	\$422 million
Align CalWORKs time limits with federal limits	Time limit expanded to 60 months beginning in 2020-21	\$140 million	\$70 million
Fund summer lunch program and develop EBT pilot	 Established universal school meals – free breakfast and lunch to all students starting in the 2022-23 school year Other COVID-19-related expansions (federally funded) 	_	\$650 million
Expand community eligibility provision for schools	Covered by universal school meals	_	(Included in above total)
Increase SNAP benefits (\$30/family)	COVID-19-related federal increases	Federal funds	_
Eliminate SNAP sanctions for families with children ages 0-5	 Sanctions temporarily suspended due to pandemic 	Federal funds	_
Early Childhood			
Parental leave: 100% wage replacement for low-income workers	 Paid family leave extended to 8 weeks and 90% of wage replacement for low-income workers (2019-20) 	_	\$750 million (financed by disability insurance payroll tax)
Guarantee access to child care for low-income families	 Increase in child care slots enacted in 2019-20 and 2021-22 Agreement of additional 80K child care slots by 2025-26 	_	\$3 billion annual cost by 2025-26
Tiered reimbursement structure for child care	 Adopted rate reform to align all child care and preschool programs to the regional market rate 	_	\$1.1 billion
Workforce training and improvement	\$195 million investment in workforce training for early care and education, spread over 4 years	\$195 million	_



Task Force Recommendation	Actions Taken	One-time or Limited Term Expenditures (Total Amounts)	Ongoing Expenditures (Annual Amounts)
Housing and Homelessness	Housing and Homelessness		
Protection and landlord incentives for families using Section 8 and other rent vouchers	SB 329 (Mitchell) signed into law in 2019-20	_	\$0.6 million state costs
Fund shallow rental subsidies	 One-time housing and homelessness grants 	\$5.05 billion over three years	_
Implement rent stabilization and set housing supply provisions in jurisdictions falling short of low-income housing goals and/ or experiencing rent increases in excess of inflation	 Various one-time budget and policy bills adopted focused on increasing housing supplies AB 1482 (Chiu) enacted in 2019 (Tenant Protection Act of 2019) One-time grant of \$650 million to local governments to fund homeless programs 	Total of \$2.3 billion allocated in 2019-20 and 2021-22	_
Expand Bringing Families Home (BFH) statewide	 New limited-term funding for BFH totaling \$185 million over two years 	\$185 million	_
Long-term subsidies for homeless families and youth	 Mostly one-time funding to the Housing and Disability Advocacy Program (HDAP) totaling \$300 million, along with waiver of county matching requirements and authorization to use funds for prevention 	\$300 million	\$25 million
Eviction defense and related legal services to low-income households	 \$80 million federal funds over three years to fund legal aid for renters and homeowners to avoid eviction and foreclosure 	\$80 million (Federal funds)	_
Housing vouchers for young adults aging out of extended foster care	 \$2 billion over two years in the Homeless Housing, Assistance and Prevention Program (HHAP); a subset will go to young adults aging out of foster care \$2.75 billion over two years for the Homekey program, with 10% of HHAP and 8% of Homekey set aside for homeless youth (General Fund share is \$550 million) Ongoing \$22 million to support the housing navigator program, the transitional housing program, and the THP-Plus supplement program Ongoing \$8 million increase in number of slots in transitional housing programs and flexibility in SILPs 	\$2.75 billion, of which \$550 million is from the General Fund	\$30 million



Task Force Recommendation	Actions Taken	One-time or Limited Term Expenditures (Total Amounts)	Ongoing Expenditures (Annual Amounts)
Health Care			
Expand Medi-Cal coverage to all adults up to 138% of the FPL regardless of immigration status	 Medi-Cal permanently expanded to all income-eligible undocumented adults up to age 26 in 2019-20 Medi-Cal permanently expanded to all income-eligible undocumented adults age 50 or older in 2020-21 	_	Annual increases starting at \$98 in 2019-20, rising to \$1.4 billion by 2025-26
State funding for nonprofit federally qualified health centers	 Part of budget proposal in 2019-20 but not enacted 	_	_
Early intervention and primary intervention programs	 5-year investment in new behavioral health system for youth ages 0-25, \$880 million per year (2020-21) 5-year investment in new early intervention preschool grant, \$260 million per year (2020-21) 	\$1.140 billion per year over 5 years	_
Reimburse nonprofit health providers for care coordination case management	 One-time funding for ACEs (Adverse Childhood Experiences) screening in primary care offices (2019-20) 	\$143 million over 2 years	_
Education and Workforce Training			
Fund support services for low- income workforce and education program participants	 One-time funds for training, education, and "upskilling" opportunities supporting growth in critical industries, such as health, housing construction, and other "high road" industries (2020-21) 	\$1.2 billion, of which \$125 million is from the General Fund	_
Increase per-pupil spending on low-income children per Local Control Funding Formula	 Ongoing increase in LCFF concentration grant from 50% to 65% of the base rate, starting in 2021-22 Ongoing expansion in learning grants for beforeand after-school care and summer school for students in grades K-6, with grants based on the number of EL/low-income students (2021-22) 	_	\$2.9 billion
Prioritize parents living in poverty for workforce and training programs	 Expansion of High Road Training Partnerships (HRTP) targeted for low-income communities (2019-20 and 2020-21) 	Included in first Education and Workforce Training recommendation above	_



Task Force Recommendation	Actions Taken	One-time or Limited Term Expenditures (Total Amounts)	Ongoing Expenditures (Annual Amounts)	
Education and Workforce Training	Education and Workforce Training (continued)			
Create career pipeline opportunities for youth	 Ongoing increase in high school student access to career and college prep coursework and training (2021-22) Ongoing Cal Grant enrollment expansion (2020-21) Reboot of the middle-class scholarship to permanently expand and supplement non-tuition costs for Cal Grant students (2021-22) Ongoing investment in CTE programs (2019-20) 	_	\$750 million	
Increase access to occupational licenses and credentials	One-time funding for expansion of HRTPs (2019-20)	\$30 million	_	
Coordinated Services	Coordinated Services			
Improve data collection, applications, and database systems	 New ongoing investments made in integrated cradle-to- career data system 	_	\$19 million	
Expand home visiting for families in deep poverty	 Ongoing expansion in home visiting program beginning in 2019-20 	_	\$74 million	
Create 20 new Promise Neighborhoods	Legislation introduced in 2019-20 and 2020-21 but not enacted	_	_	
Strengthen integration and coordination of key state agencies (data sharing, vital records, education, human services, public safety, and health organizations)	 Ongoing investments made in integrated cradle-to-career data system and continued work in horizontal integration across state agencies (2019-20) 	_	Included in data collection recommendation above	
Special Populations				
Waive outstanding juvenile court fees and fines	 Juvenile court fees and fines permanently waived starting in 2019-20 Court administrative fees permanently eliminated (2020-21) 	_	\$118 million reduction in fine/ fee revenue	
Create safeguards for families being referred to juvenile court, prosecuted, and fined for truancy	 Legislation introduced but not enacted 	_	-	



Task Force Recommendation	Actions Taken	One-time or Limited Term Expenditures (Total Amounts)	Ongoing Expenditures (Annual Amounts)
Special Populations (continued)			
Expand child care bridge program	 Child care bridge program permanently expanded by \$10 million in 2019-20 	_	\$10 million
Ensure adequate housing for transition-aged youth and non-minor dependents	 \$22 million (ongoing) to provide housing in the housing navigator program, the transitional housing program, and the THP-Plus housing supplement program (2020-21); \$5 million set aside for foster youth \$13 million (ongoing) for THP placement increase; Legislation also enacted providing more flexibility for appropriate placement 	_	\$35 million total
Examine strategies to increase contacts between children and parents in local jails	 Legislation introduced but not enacted 	_	_
School stability for youth who have the right to remain in their school of origin	 Legislation introduced but not enacted 	_	_
Fully fund Youth Reinvestment Fund	 Youth Reinvestment Fund permanently expanded starting in 2019-20 	_	\$20 million
Facilitate post-secondary education for justice-involved and foster youth	 AB 421 (McCarty) authorizes community colleges to provide services in support of post-secondary education for justice-involved students 	_	\$10 million
Enhanced support for justice-involved youth	 Creation and ongoing funding of the Office of Youth and Community Restoration 	\$28 million	\$7 million
Create and expand kinship navigator programs	 Navigator programs permanently funded beginning in 2019-20 	_	\$5 million

About Us



GRACE and GRACE End Child Poverty Institute

GRACE (Gather, Respect, Advocate, Change, Engage) is a 501(c)(3) nonprofit charitable organization working to make a positive difference in the lives of low-income families and their children. GRACE was founded by the Daughters of Charity, who have been engaged in anti-poverty work in California since 1852.

GRACE dares to imagine a liberated future, free from systemic racism and poverty, in which all children experience a childhood of abundance, love, dignity, and opportunities to thrive. To achieve this vision, GRACE is building a joyful movement by centering communities,

building authentic partnerships, and advancing public investments that create transformative intergenerational change.

GRACE End Child Poverty Institute, a 501(c)(4) social welfare organization, was founded to further GRACE's mission, with the realization that political advocacy and government action are crucial for pushing for real change.

End Child Poverty California (ECPCA)

End Child Poverty California (ECPCA) is a campaign jointly sponsored by GRACE End Child Poverty Institute and GRACE to support public policy, partnerships, and community efforts to dramatically reduce child poverty in California.



Learn more about GRACE and ECPCA at endchildpovertyca.org.

