

January 12, 2010

Dear President Obama, Speaker Pelosi, Senator Feinstein, Senator Boxer, and All Members of the California Congressional Delegation,

As the Senate and the House work to finalize a Jobs plan to address high unemployment and the weak economy, the undersigned California health and human services organizations are united in our request to the California Congressional delegation: We urge you to extend the assistance provided last year in the economic recovery act (ARRA) to families and to the State of California and to support targeted job creation. Governor Schwarzenegger has proposed a State budget for the next fiscal year which will at best deeply cut and at worst eliminate several core health and human services to help close an estimated \$20 billion shortfall. **It is critical that Congress act now to extend fiscal relief to States and families and to create jobs, in order to reduce the magnitude of these new cuts and their human impact on Californians.**

The recession has led to large State budget deficits nationwide, which California has closed largely by imposing several rounds of deep budget cuts, especially to health and human services. California is now facing another \$20 billion deficit for the current fiscal year and next, and desperately needs a "Family Recovery Plan" to create jobs and protect the safety net. Instead, the Governor is proposing the wholesale dismantling of California's long-standing investments in its people, including: eliminating CalWORKS grants for poor children and their families; eliminating In Home Supportive Services for people with disabilities and the elderly (and jobs for the homecare workers); eliminating the Healthy Families/SCHIP health care program for children; shredding Medi-Cal health coverage by cutting off hundreds of thousands of people and cutting essential health services; slashing benefits in foster care, food and other basic-needs for legal immigrants, investments in quality child care and other basic needs; and eliminating large numbers of health and human service-related jobs. These cuts will continue to cripple our economy, making it much harder for families to bounce back from the deepest recession in most of our lifetimes.

California's families and economy need additional federal assistance in three key areas. We urge you to:

1. Continue and expand unemployment benefits, COBRA health insurance, and supplemental nutrition assistance. Safety net spending not only sustains needy families, it also helps the economy by circulating cash into local communities, helping avert further job cuts.
2. Extend substantial fiscal relief to state and local governments to preserve needed health and human services and provide millions of jobs. In particular, maintenance of effort requirements for Medicaid and the enhanced federal Medicaid match (FMAP) must be extended beyond December 2010, and the time for the TANF Emergency Contingency Fund must be extended another year.
3. Directly create jobs that put people to work helping communities meet pressing needs, including in distressed communities facing severe unemployment. These initiatives must be designed so they maintain existing wage and benefit standards, include underrepresented workers, and do not displace existing jobs or simply exchange one group of unemployed workers for another.

The fiscal relief provided through ARRA in 2009 is working: it lessened the severity of the state budget cuts last year and the magnitude of jobs lost in California, and provided a stronger safety net for struggling California families. Economist Mark Zandi has found that a temporary increase in state and local fiscal relief has a high "multiplier effect," meaning that every \$1 spent by the federal government results in a \$1.41 increase in the gross domestic product. Your support to extend the safety net and state fiscal relief under ARRA, as well as create jobs, would go a long way in ensuring that state budget actions in 2010 don't weaken our already fragile economy and lead to further job losses and human suffering. Thank you for your time and consideration.

Sincerely,

Alliance of Californians for Community Empowerment
ACLU of Southern California
American Federation of State, County, and Municipal Employees (AFSCME)
The Arc of California
Asian Pacific Self-development and Residential Association
California Association of Food Banks
California Association of Public Authorities (CAPA)
California Association of Public Hospitals and Health Associations
California/Nevada Community Action Partnership
California Commission on the Status of Women
California Foundation for Independent Living Centers
California Church IMPACT
California Hunger Action Coalition (CHAC)
California Partnership
Californians for Disability Rights, Inc.
Congress of California Seniors
Health Access
Human Care Alliance
National Association of Social Workers, California Chapter
Professional and Technical Engineers, Local 21, AFL-CIO
St. Anthony Foundation
UDW Homecare Providers Union/AFSCME
Western Center on Law and Poverty