

## New Session, New Budget, New Advocacy Efforts for Californians' Health and Income

### Families, People with Disabilities, Seniors Lose in Budget

Governor Schwarzenegger's proposed budget for 2006-2007 put major new money in education, prepayment of loan obligations, reduction of student fee increases and other public works improvements. It does not include major cuts or program expansions in health care and it shortchanges aged, blind, and disabled Californians and families in the CalWORKS program.

The budget proposal includes several options to increase the number of insured children. It focuses on outreach, enrollment and retention of children into Medi-Cal and Healthy Families coverage.

The budget grants money to counties with high quantities of children who are eligible but not enrolled in Medi-Cal or Healthy Families Program and will make it easier for families to renew health insurance for their children by broadening access to electronic applications and providing outreach to parents about what is available.

Health advocates were disappointed that at least some of the new money did not expand eligibility to include more children in need.

The proposed Budget includes reduction to the CalWORKS Program – includ-

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### 2006 Session Includes Health Care, Human Trafficking, Wages

Senator Sheila Kuehl's SB 840, the California Health Insurance Reliability Act (CHIRA) is waiting in the Assembly Rules Committee until March '06 – having made it through the Senate and Assembly Health Committee this past year. A companion bill which outlines the financing mechanism is being introduced this session, but at press time it has not been given a number.

SB 840 would create a state wide health care system that puts all Californians into one insurance pool to share the risk and replace money currently going to administrative costs in private insurance programs.

The new health system would use federal, state and county monies already being spent on health care in addition to payroll and individual taxes that replace premiums and co-payments currently paid. Eligibility is based on state residency rather than on employment or income.

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### WE'VE MOVED!

Please make a note of our new address:  
1225 8<sup>th</sup> Street, Suite 590  
Sacramento, CA 95814

*Since 1987 JERICO has engaged the interfaith community throughout California in shaping state public policy that affects individuals and families living in poverty.*



## Editorial

This month I accompanied one of our sisters to New Orleans where she will work in Katrina recovery efforts for several months. From my few days there, the deepest impression with which I left was an overwhelming sadness at the unimaginable extent of damage and the fact that after six months there is so little recovery.

JERICHO Newsletter is published quarterly for members of JERICHO's two organizations.

JERICHO Education for Justice educates faith communities and others about California public policy as it affects poor people.

JERICHO A Voice for Justice through its registered lobbyist in Sacramento and statewide members actively engages in the development of legislation that promotes economic fairness.

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I imagine you, as I, followed the daily unfolding of the aftermath of Katrina. The faces of those left behind are indelibly imprinted somewhere in our psyches. The pictures of destroyed houses and aerial views of neighborhoods gave a taste of the dramatic destruction – brought on, not so much by the storm itself, but by the levy breaches that followed.

What any of the media coverage could not reveal is the extent of the destruction. Sister Eva and I drove miles and miles through wrecked neighborhoods – a different one every day. Between 200,000-300,000 homes are estimated to be lost. Those houses (mostly brick) that are still standing sit empty – either full of all that was in it before quite unrecognizable, or empty except for the black mold that covers everything, or empty and gutted to the studs in hopes of selling it or bringing it back. Piles of rubbish from the emptied houses still line the streets of block after block, mile after mile. The now famous 9th ward (with mostly frame little houses) looks like a war zone that bombs might have destroyed.

As I was waiting in line to board the plane home, a voice from behind me asked her friend, "Why should a farmer in North Dakota

have to pay for Katrina recovery?" The question startled me because it aimed at some of the most basic values I hold as a person of faith

*Why is a family more than an individual? Why is a community more than just a sum of families and individuals? Why are we as states united as one country?*

and as an American. I thought about it a good deal of the way home.

Why is a family more than an individual? Why is a community more than just a sum of families and individuals? Why are we as states united as one country?

I wondered if the question was reflective of the times we live in – a product of the so-called "me" society. Then I remembered a question from the Hebrew Scriptures: Am I my brother's keeper? – and I realized the question goes much further back.

Working at the Capitol I participate in the struggle to build a state that includes the concerns of all its people. For me it's a "given" that healthy families and individuals create viable communities and strong local communities build a thriving state. And the bottom line is that we do this by taking care of each other in one way or another. It's the only way we all get by.

**Sister Marti McCarthy, SSS**

## Health Care Reform Efforts

A majority of Californians, when asked, support universal health care. It has been a goal of JERICHO's efforts for the past 19 years and the subject of our workshops over the past four years. What we know from the research – and our own experience in the workshops – is that, although there is support for the *goal* of universal health care, there is no consensus regarding the *methods* of achieving universal health care in our state.

With a grant from Blue Shield Foundation JERICHO has continued our work on this important issue. In the summer and fall we re-worked the material from our previous Health Care Reform workshops, conducted interviews of people who represented various viewpoints on the issue, and developed a

new format with a more focused outcome.

Past workshops have informed participants, generated discussion, and collated preferences regarding the various models.

This year we are looking for those elements *within each model* that generate consensus – or conversely, which elements are seen as so objectionable as to cause rejection of the model. We will collate responses and give feedback to workshop participants and interested parties, including the Legislature. We believe that this information will be useful in moving along the public discourse towards viable solutions.

If your group would like to host a workshop or if you are interested in participating in one, please contact us.

## November Ballot Workshops Clarified Issues

During September and October we facilitated 10 workshops around the state on the November ballot measures and the initiative process. We were outspoken regarding our opposition to Proposition 76 because of its serious implications for programs that assist low-income people. We tried (even with Proposition 76) to present a balanced presentation on the initiatives in the belief that well informed people will make better decisions.

We reached Republicans, Democrats, and Independents and provided opportunity for a good exchange of ideas. It seems that there are fewer and fewer “safe places” wherein citizens can explore their differences—even though that exploration is the basis of a healthy society.

We will offer workshops this fall for those who request them.

## Families, People with Disabilities, Seniors Lose in Budget

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ing Cost of Living Adjustments (COLA) for families needing assistance – reduces funding in county administered health and social services programs and further delays passing through the federally funded COLA for SSI/SSP grants received by seniors and Californians with disabilities.

*The SSI (Supplemental Security Income) Program is a federally funded program which provides benefits in the form of cash assistance to persons aged 65 or older, blind or disabled and to certain qualified blind or disabled children. The SSP (State Supplementary Payment) Program is California's cash supplement program which augments SSI. Both SSI and SSP benefits are administered by the Social Security Administration (SSA).*

Carla, age 44, was severely injured in a car accident and cannot work because of chronic and debilitating fibromyalgia. Edgar, 55, suffers from mental illness, lives in a downtown hotel, and for the most part takes care of himself. Carla and Edgar are two of the 1,213,258 Californians who depend on SSI/SSP benefits of about \$812 a month for all their basic needs.

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One in ten children is without health coverage. **SB 437 (Escutia)** and **AB 772 (Chan)** establish a California Healthy Kids program which coordinates existing children's health insurance programs – Healthy Families and Medi-Cal for Children – and enables all uninsured children access to health insurance by lowering the qualifications for coverage with a new premium tier for the children of families with incomes between 250% - 300% of the Federal poverty level.

AB 772 was passed by the Legislature this past year, but vetoed by the Governor. It was reintroduced this year.

### Human Trafficking

Within its large immigration population, California has one of the highest incidences of human trafficking in the country – the victims mostly being very poor women and children from third world countries. This past session **AB 22 (Lieber)** established trafficking of a person for forced labor or services as a felony punishable by state prison and allowed for civil action on the part of victims. The Governor signed the bill making it law. Communities of religious women were active on this issue

and together with other advocates moved the bill along.

This session Senator Sheila Kuehl will introduce a follow up bill to AB 22 which will provide much needed services to trafficking victims including psychiatric and health care. It will also provide training in life skills and help in getting through the immigration minefield to attain their T-Visa which was granted them through AB 22 as temporary asylum.

### Incarcerated Women

**AB 2066 (Lieber)** would codify the recommendations of the Department of Corrections Gender Responsive Strategies Commission. This commission was set up to investigate how women in prison should be treated differently than men due to their gender specific needs. These recommendations will address issues of health care, promotion of healthy connections to their children and family, substance abuse and mental health treatment, and the provision of opportunities to improve their socio-economic conditions through education and training so that they can support themselves after incarceration.

### Minimum Wage

In 2005 there were 1.06 minimum wage earners in California making \$6.75 an hour or \$14,040 annually. Most of these workers are adults who work in the service sector. Five bills have been introduced to raise the minimum wage to \$7.50 an hour.

**AB 1835 (Lieber)** would increase the wage to \$7.25 in July 2007 and then to \$7.50 in July of 2008. **AB 1844 (Chavez)** would do the same. Both of the bills index the minimum wage to inflation and would increase by that percentage each year. **SB 1162 (Cedillo)** would create an increase to \$7.25 in September 2007 and to \$7.50 in 2008. It includes indexing with the "method to be decided." Senator Perata introduced **SB 862** as a "place holder" for an increase but does not specify an amount or index.

**SB 1167 (Maldonado)** would increase the minimum wage to \$7.25 in September of this year and to \$7.50 in July 2007. It does not include indexing.

Advocates believe that indexing is a critical way in which low-wage workers have a chance to keep up with rising costs. Business is concerned that indexing will make future labor costs unpredictable.

## Oregon's Minimum Wage Boost Helps Low-Wage Workers Without Hurting Economy

Contrary to the doomsday predictions of minimum wage opponents, Oregon's annual cost-of-living adjustments in the minimum wage have not dampened job growth. Measure 25, adopted by voters in 2002, increased Oregon's minimum wage to \$6.90 on January 1, 2003 and established annual adjustments based on official cost-of-living calculations. On January 1, 2006 the annual adjustment increased the minimum wage to \$7.50 an hour, up from \$7.25 this year. At \$7.50 per hour a full-time worker will gross \$15,600 over the course of the year, or \$1,300 a month.

According to the Oregon Center for Public Policy (OCP), Oregon added 91,500 jobs between January 2003, when the minimum wage was first increased, and November 2005, the latest data available. Oregon's percentage growth in jobs over this period is the nation's ninth fastest.

OCP analysis also indicates that restaurants and farms have seen particularly rapid job growth since the passage of Measure 25. Restaurants and farms each have lobbying associations that have been outspoken critics of the annual inflation adjustments in the minimum wage and both indus-

tries have large concentrations of minimum wage workers.

Restaurant jobs increased by 7.7 percent between the first quarter of 2002 and the first quarter of 2005 - the latest data available - compared to a 4.1 percent gain for overall non-farm payroll employment. Total agricultural employment in Oregon was up 6.5 percent between 2002 and 2004, the OCP found.

### Meet Our New Staff Member: Lisa Lopez

Elizabeth "Lisa" Lopez joined JERICHO staff this past summer and is continuing as Public Policy Coordinator. Lisa is an experienced labor and employment attorney who comes with a commitment to improving the lives of people living in poverty. She is enriching our work this year.

#### Characteristics of California's Low-Wage Workers (2004)

	Low-Wage Workers	All Workers
<b>Age</b>		
16 to 19	16.8%	4.2%
20 to 24	23.5%	11.6%
25 to 64	59.7%	84.2%
<b>Gender</b>		
Male	50.4%	53.8%
Female	49.6%	46.2%
<b>Race/Ethnicity</b>		
Latino	57.1%	32.1%
White	26.5%	47.2%
Other	16.4%	20.7%
<b>Hours of Work</b>		
Full-time (35 or more hours per week)	59.1%	82.0%
Part-time		
20 to 34 hours per week	28.1%	13.1%
1 to 19 hours per week	12.8%	4.9%
<b>Industry</b>		
Educational and Health Services	10.0%	20.2%
Leisure and Hospitality	25.5%	8.7%
Manufacturing	11.2%	11.9%
Wholesale and Retail Trade	22.2%	14.8%
All Others	31.1%	44.4%

Note: Includes working population age 16 to 64. Low-wage workers are those with an hourly wage between \$6.75 and \$7.74 per hour.  
Source: CBP analysis of Current Population Survey data



## Interfaith Legislative Issues Briefing March 27-28

Senator Richard Alarcon will be the keynote speaker at the California Interfaith Coalition's Annual Legislative Issues Briefing on Tuesday, March 28, 2006 from 8 am to 3 pm at the Cathedral of the Blessed Sacrament, 11th Street and the K Street Mall, Sacramento.

His talk on the Master Plan to End Poverty in California will be followed by workshops on legislation and issues pending before the State Legislature and voters including health care, the death penalty and the 'Three Strikes' law, the impact of the initiative process,

living wage, and immigrants.

Afternoon lobbying will include visits to legislators representing key budget and policy committees in Sacramento.

Cost for the all-day event including materials and lunch is \$35. The student rate is \$20 to encourage youth to participate in this event.

Tuesday, March 27 from 6 pm to 8:30 pm, CIC will offer its second pre-briefing dinner with guest speaker Anuradha Mittal from the Oakland Institute. Ms. Mittal is a world-renowned authority on global

hunger who recently returned from the World Trade Organization meetings. She will speak on the impact of globalization on world food distribution and hunger.

For information contact the California Council of Churches at 916.488.7300 or email to [sholes@calchurches.org](mailto:sholes@calchurches.org).

**SAVE THE DATE**

**JERICHO'S 19th  
ANNUAL EVENING  
EVENT  
May 8, 2006**



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