

California Assembly Passes AB 1058

A Cost Effective Way to Strengthen Working Families and Streamline CalWORKs Eligibility Program
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Sacramento, CA - Today, the California State Assembly passed AB 1058 (Beall/Fuentes), a bill sponsored by the New America Foundation, to allow low-income families to build the savings they need to permanently exit welfare. If enacted, the bill would repeal the \$2,000 asset limit in CalWORKs for current recipients and eliminate the \$4,650 vehicle limit from eligibility rules.

"This legislation will help get people who are down on their luck back on their feet faster," said **Assemblymember Jim Beall**, the lead author of the bill. "AB 1058 removes unnecessary, bureaucratic impediments for the good of CalWORKS families and the state."

Currently, families on CalWORKs find their progress restricted by an asset limit which confines them to not more than \$2,000 in savings and a car worth no more than \$4,650. The asset limit penalizes those who do save with a loss of benefits and forces individuals who are working their way off of public assistance to not save-or worse, to hide their savings.

"By no longer requiring county eligibility workers to determine the assets of recipients or the value of an applicant's car, the state could potentially save millions by reducing county administrative eligibility activities," said **Olivia Calderon**, California Legislative Director of the Asset Building Program at the New America Foundation.

Other states have successfully moved in this direction-three states have eliminated the asset test, and twenty seven states exclude vehicles owned by families applying for or participating in the welfare-to-work program.

"AB 1058 restores the stated goal of the CalWORKs program," said Calderon. "It encourages work by allowing caseworkers to focus their time on getting people back to work while enabling families to become self-sufficient by allowing them to maintain a reliable car necessary to find work, stay employed, and save their way out of poverty."

About the California Asset Building Program

The purpose of New America's Asset Building Program, established in 2002, is to

significantly broaden savings and assets ownership in America, thereby providing all Americans both with the means to get ahead and with a direct stake in the overall success of our economy. This major, new direction in public policy promises to be as successful in the 21st century as the Homestead Act and GI Bill were in previous centuries.

About the New America Foundation

The New America Foundation is a nonprofit, nonpartisan public policy institute that invests in new thinkers and new ideas to address the next generation of challenges facing the United States.

Learn More About: [Olivia Calderon](#)

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