Children of welfare recipients in California forced to pay for welfare debt

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20 December 2011

Children in California are being fined for debt payments their parents incurred while on welfare. The vindictive practice has been going on for years, as California welfare agencies collect money from family members living off of government assistance, even if a family member was a minor when the debt occurred.

Many of the debts were brought on by clerical error or fraud and therefore were especially no fault of the children. A lawsuit on behalf of two girls, Irene Ayers and Jamie Hartley, has been filed by two legal organizations, the Western Center on Law and Poverty and the Public Interest Law Project.

Patti Prunhuber, a lawyer from the Public Interest Law Project, told the WSWS that state agencies are barred from collecting payment or seeking criminal charges from cases that are more than four years old. However, according to Prunhuber, the state can still seek repayment for “extremely old” overpayments by intercepting income tax rebates and garnishing wages.

Clarence Ayers, a 75-year old man from Fresno, received a notice in the mail stating that his 14-year old great-grand-daughter Irene now owes nearly $3,000 to the state for welfare that her mother should not have received while she was pregnant with Irene. To make matters worse, Ayers’ current $334 per month in government aid to care for Irene is to be cut 10 percent until the debt is paid.

The notice Ayers received read, “Irene A. Lara was overpaid in another case, because that person is now a member of your family, the amount owed must be taken out of your cash aid amount.”

Ayers told ABC News in a video interview, “I never knew that. I knew they went after grown people, and people that don't pay child support, stuff like that, but not children.”

Inexplicably, the state now claims to have lost the case file and is unsure who or what caused Irene’s mother to be overpaid. "I cannot figure what in the world is going on," Ayers said. "They are going after a young child."

Ayers is not alone. Jamie Hartley of Riverside County was 16 when her family was overpaid a total of $766 in welfare benefits, and now the state has sent her a letter demanding that she pay it back. Now a student attending community college, Hartley’s wages and tax refunds are now being garnished.

"I have no idea how I can get through school while paying my mother's debts," said Hartley to the Associated Press, "I never knew this problem existed until the state started coming after me."

Riverside County was unable to collect money from Hartley’s mother because she lives on untouchable aid for the disabled. Therefore, the debt fell onto Jamie's shoulders, even though she was a minor when her mother applied for welfare.

Hartley argues the overpayment was the county’s fault but Administrative Law Judge Gilford Eastham ruled in April that she was still liable for the debt. The fact that she was a child when the debt occurred was immaterial to Judge Eastham because “she is no longer a minor.”

State welfare officials have said that any family members of welfare recipients can be made to pay for outstanding debt as a result of overpayment, including children who become adults, if the caregivers or guardians themselves are unable to make these payments.

Or, as spokesman Michael Weston put it, “The department is sensitive to this overpayment collection issue. However, state law does not allow for latitude when it comes to the recoupment of overpayments of public assistance benefits. Counties first seek recovery from the adults associated with the case. When those efforts are fully exhausted, the county is required to seek recoupment of overpayments from any individual that was an aided member of a family...”

Antoinette Dozier, a lawyer from the Western Center on Law and Poverty, spoke to the WSWS, citing California’s Welfare and Institutions Code 11004, “ There’s a provision that states if the family is no longer on aid that the department could attempt to recoup the overpayment from persons who were present in the assistance unit, and the department has interpreted that to mean they can go after the children who were in the assistance unit at the time that the overpayment was made, and in cases where the mother is pregnant at the time, that would include the fetus.”

Officials at the California Department of Social Services have said that they do not track the number of children who are being forced to pay for welfare debt brought on by their parents and bureaucrats, but attorneys for Hartley and Ayers who filed suit on Nov. 23 to end the practice say the number of young people paying the debt of their guardians or caregivers is in the tens of thousands. Of the 1.4 million Californians on welfare, 1.1 million are children.

CalWORKS, the state welfare program begun in 1997, was created by President Bill Clinton to “end welfare as we know it” by forcing welfare recipients to work, essentially a form of indentured servitude. The program, which distributes $267 million a month limits payments to 60 months.

According to reports issued by the Social Services Department, state agencies recoup $60 million in overpayments, mostly through reduced benefits. About a quarter of the recouped money is made through cash payments and “interceptions” of income tax refunds. The state’s 58 counties regained $61.5 million for the fiscal year ending June 30. Officials reported $133 million in overpayments for the same time period.

Dozier added that, “a lot of these debts are very, very old. We’ve seen hearings where the overpayment is four, five, ten years old. The children don’t receive the original notice relating to the overpayment. In a lot of cases they just receive the request for recoupment and because they’re from low-income backgrounds they don’t have the means to get legal representation to fight it. So a lot of them simply repay the money, or their tax refunds are simply taken and they don’t have a recourse for changing it, and so a lot of families and a lot of these people who are young adults simply have to endure losing their income, and losing their wages.”

Given that the state of California, under governors Arnold Schwarzenegger and now Jerry Brown, has cut billions from social services like CalWORKS for years, such a situation, whereby the weakest and most vulnerable sections of the population are expected to pay off huge debts, while obviously irrational and unjust, is not entirely surprising.

As part of the austerity budget passed last summer by the Democratic-controlled state legislature mandates, CalWORKS was be cut by $837 million. The overall state budget was reduced by $15 billion, with massive cuts to Medical, mental health services, education, and other vital services that millions of desperate Californians depend on.

The current scandal is a microcosm of what the state is attempting to do on a more colossal scale to California’s working class as a whole. Those who had no responsibility for the state’s fiscal crisis are now expected to foot the bill through the form of wage decreases and further reduced benefits.

The state goes to every effort to fleece ordinary Californians, even going so far as collecting welfare payments from children and young adults, but the wealth of the richest Californians is left untouched. At least 80 of the richest Americans live in California, with a combined wealth of $231.8 billion, a tiny fraction of which could pay for the state’s deficit overnight.