

Building Communities. Changing Lives.

April 4, 2024

Assembly Member Alex Lee, Chair Assembly Human Services Committee California State Assembly 1020 N Street, Room 584 Sacramento, CA 95814

RE: <u>AB 2141</u> (<u>Gibson</u>) – Cash assistance programs (CalWORKs/GR/GA): direct deposit (SUPPORT)

Dear Mr. Lee:

On behalf of MidPen Housing, I am writing in support of <u>AB 2241</u> that will expand the availability of direct deposit to General Assistance beneficiaries. It would also require the county department of human assistance to inform all cash aid applicants, such as applicants for CalWORKs, Refugee Cash Assistance and GA/GR when they are applying for benefits that they can get their benefits through "direct deposit". Those who do not have direct deposit must be informed thereof during their annual redetermination interview.

Existing law does not authorize direct deposit for beneficiaries of General Assistance. It also does not require the counties to tell applicants and recipients that they can get their benefits through Direct Deposit at application or during their annual redetermination.

MidPen Housing is one of the nation's leading nonprofit developers, owners, and managers of high-quality, affordable housing and onsite resident services. Since MidPen was founded in 1970, we have developed over 130 communities and 9,400 homes for low-income families, seniors, and those with supportive housing needs throughout Northern California.

In the past two years, the skimming of cash aid benefits has been rampant in California. This includes cash aid beneficiaries for CalWORKs for families, cash aid for Refugees, cash aid for aged and disabled immigrants under the CAPI program and General Assistance. Many of the beneficiaries are not aware that they can use direct deposit for their monthly benefits and there are several virtual banks that do not require a minimum deposit or charge exorbitant fees.

The Social Security Administration used to send checks to beneficiaries. Several decades ago they change their business practice and now just about all SSA benefits, including SSI, are directly deposited in the beneficiary's account. Just about every business issues wages through direct deposit into the employee's bank account.

AB 2141 would extent the same opportunities for receiving direct deposit cash aid payments that is afforded to other beneficiaries of cash aid.



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It is for these reasons, MidPen Housing is pleased to support <u>AB 2141</u>. Thank you for your consideration and please feel free to contact Nevada V. Merriman, Vice President of Policy & Advocacy, at 650-477-6195 or nmerriman@midpen-housing.org.

Sincerely,

Matthew O. Franklin President and CEO

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CC: Nevada Merriman, Vice President of Policy & Advocacy