



Golden State Opportunity is fighting to end poverty and build a society where we all have the means and resources to succeed and prosper.

Our Impact

In 2024...

- GSO helped lead statewide efforts that resulted in over **5.5M people claiming \$1.4 Billion from the CalEITC** - a record amount!
- CalEITC4Me received more than 1M website visits and 11M media impressions
- 3% increase CalEITC claims with ITINs
- Increase of more than 17% uptake for Foster Youth Tax Credit
- Created material in 13 languages providing easy-to-understand resources
- 35+ Community Connect partners working on Free Tax Prep, E&O, ITIN



Challenges to Financial Stability for Californians

Affordability is a problem

Housing costs are the biggest driver, but groceries, gasoline, and insurance rates are also getting more expensive.

Persistent inflation

Wages are not keeping up with the high cost of living challenges working families

Safety net eligibility is based on outdated measures

Struggling families are ineligible for safety net programs

Barriers to access

Complex process, language and cultural barriers, and lack of community resources

“(Poverty also affects the middle class. It's just really hard to survive. **Just because you have a job doesn't mean that you're living this luxurious life.** I mean, people struggle daily, especially if you have a lot of kids.” - Fresno

Work is Not Working: Wages Are Not Keeping Up

When we talk about struggling families in California, **focusing on those who are below the poverty line ignores the true scale problem.**

Instead, by utilizing United Way's **Real Cost Measures in CA** or the **National ALICE Measure** (Asset Limited, Income Constrained, Employed), we can see a more realistic picture of the struggles of working families in the state.

- One in three households—over 3.7 Million (34%)—do not earn sufficient income to meet basic needs in California.
- In Trinity County, **the number of households that are asset limited and income constrained is 43%**

“Everyone's got a side hustle now. It's the truth. Everyone's either doing Uber, selling stuff online, **doing something just to get by, especially in the high-cost areas like Orange County.”**

Safety Net Eligibility Based on Outdated Measures

Misalignment of safety net program thresholds with cost realities.

- A person working 40 hours a week at minimum wage in California would earn \$33,280. That would leave them ineligible for CalFresh assistance with a \$30,120 maximum income threshold. MediCal's income threshold level is \$20,783.

Tax credit programs like CalEITC are capped at \$30,950 per household.

- For households that qualify for CalEITC with dependents ages 0-18 years, **their tax refunds account for 12% of estimated annual earnings**; that number rises to 14% in households with children under five years.
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Barriers to Accessing Resources

Community Connect Experiences on Safety Net Programs

- **The process is confusing**
 - It's hard to know if you qualify
 - Programs have unique and separate requirements and applications
 - Technical language that requires assistance to understand
 - Fear of government
 - Opportunity Cost and Real Cost required during the application process (CalFresh, MediCal, CalEITC, etc.)
 - Convoluted process leads to errors, causing denial and lack of engagement
 - Lack of funding for community resources
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When Enrolled, Challenges Persist

SNAP

- Recertification for SNAP requires an application each year and an interview to validate income information. People must report increases in income within *10 days*.
- Work requirements are an additional burden; anticipate these becoming more stringent in coming years.

ITIN

- Federal actions like the **CAA moratorium** for ITIN applications created a yearslong backlog for those who needed an ITIN to access benefits or file taxes.
- **Public charge** rule causes confusion and requires additional support for immigrants to access public benefits.

MediCal

The recertification process for MediCal was suspended during pandemic for 3 years.

The “unwinding period” when recertification started back up showed nearly **90% of disenrollments were due to procedural issues**. These included failure to return a form on time.

- **15% of people initially disenrolled were later determined to still be eligible.**
- **Older adults and people with disabilities were more likely to be procedurally disenrolled.**

Reimagining Programs that Deliver

1. **Increase the CalEITC** so it provides a more meaningful income boost, further filling in where the **federal EITC** falls short;
2. Increase funding support for trusted messengers/community-based **free tax prep/VITA services**; and support for ITIN holders;
3. Fully fund outreach support for community enrollment in **CalKids, HOPE Accounts, CalSavers**
4. Maximize implementation of **IRS Direct File** to connect people seeking benefits directly to tax credits;
5. Expand **Guaranteed Income Programs** to provide economic stability and support people to meet their needs; and

**We need to reassess how we deploy support programs.
Living above the poverty threshold does not mean
your household is financially stable.**



Join us and put an end to poverty.

Amy Everitt
President

amy@goldenstateopportunity.org

Connect with us!

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