

California State Assembly



Informational Hearing Agenda

Assembly Budget Subcommittee No. 2 on Human Services

Assemblymember Dr. Corey Jackson, Chair

Wednesday, February 26, 2024
1:30 P.M. – State Capitol, Room 126
(Please note room change.)

Items To Be Heard		
Item	Description	Page
5180	Department of Social Services	5
Issues	<ol style="list-style-type: none">1. CalFresh for Aging Californians2. Proposal for a Food Insecurity Officer3. Guaranteed Income Pilot Program (GIPP)4. Emergency Food Bank and California Fruit and Vegetable Pilot Funding5. CalWORKs, Including Funding for Program Operations (called the "Single Allocation") and California's Participation in the Work and Family Stability Federal Pilot6. Immigration Services Programs7. Review of Federal Threats and Possible Impacts8. Disaster Response, Impact of Los Angeles Fires, and Related Governor's Trailer Bill Proposal9. Governor's Trailer Bill Proposal on Housing and Homelessness Complaint Resolution and Housing Plans10. Current Year and Budget Year Administrative Reductions Per Control Section 4.05 and 4.1211. Non-Presentation Issues – Related Governor's Budget Change Proposals	<ol style="list-style-type: none">513151720343842464851

Panels

5180 Department of Social Services (DSS)

Issue 1: CalFresh for Aging Californians

- Jennifer Troia, Director & Alexis Fernández Garcia, Deputy Director, Family Engagement & Empowerment Division, California Department of Social Services
- Becky Silva, Government Relations Director, California Association of Food Banks
- Trinh Phan, Director, State Income Security, Justice in Aging
- Keely O'Brien, Policy Advocate, Western Center on Law and Poverty
- Roshena Duree, Director of Self-Sufficiency, County Welfare Directors Association of California
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

Issue 2: Proposal for a Food Insecurity Officer

- Jennifer Troia, Director & Alexis Fernández Garcia, Deputy Director, Family Engagement & Empowerment Division, California Department of Social Services
- Marchon Tatmon, Associated Director, Policy and Advocacy, San Francisco-Marin Food Bank
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst's Office

Issue 3: Guaranteed Income Pilot Program (GIPP)

- Alexis Fernández Garcia, California Department of Social Services
- Mona Masri, Director of Strategic Initiatives, Economic Security California Action
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst's Office

Issue 4: Emergency Food Bank and California Fruit and Vegetable Pilot Funding

- Alexis Fernández Garcia, California Department of Social Services
- Becky Silva, Government Relations Director, California Association of Food Banks
- Grecia Marquez-Nieblas, Senior Manager, Fulwell
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst's Office

Issue 5: CalWORKs, Including Funding for Program Operations (called the “Single Allocation”) and California’s Participation in the Work and Family Stability Federal Pilot

- Jennifer Troia, Director, California Department of Social Services
- Carlos Marquez, Executive Director, County Welfare Directors Association of California
- Sandra Bowlan, Deputy Director, Riverside County Department of Public Social Services
- Andrew Cheyne, Managing Director of Public Policy, GRACE/End Child Poverty California
- Ambyr Baham, CalWORKs Advocate, Student Parents Are Reimagining CalWORKs (SPARC) and Student Trustee, Los Angeles Community College District
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Issue 6: Immigration Services Programs

- Eliana Kaimowitz, Director, Office of Equity, California Department of Social Services
- Bruno Huizar, Detention and Deportation Policy Manager, California Immigrant Policy Center
- Sally Kinoshita, Deputy Director, Immigrant Legal Resource Center
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst’s Office

Issue 7: Review of Federal Threats and Possible Impacts

- Jennifer Troia, Director, California Department of Social Services
- Andrew Cheyne, Managing Director of Public Policy, GRACE/End Child Poverty California
- Itzúl Gutierrez, Senior Policy Advocate, California Association of Food Banks
- Monica Saucedo, Senior Policy Fellow, California Budget & Policy Center
- Carlos Marquez, Executive Director, County Welfare Directors Association of California
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Issue 8: Disaster Response, Impact of Los Angeles Fires, and Related Governor’s Trailer Bill Proposal

- Jennifer Troia, Director, California Department of Social Services
- Shelby Boston, Board President, County Welfare Directors Association of California, Director, Sacramento County Department of Child, Family, and Adult Services, and Former Director, Butte County Department of Employment and Social Services (during the Camp Fire)
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Issue 9: Governor’s Trailer Bill Proposal on Housing and Homelessness Complaint Resolution and Housing Plans

- Hanna Azemati, Deputy Director, Housing and Homelessness Division, California Department of Social Services
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office
- Shannon McCaffrey, Managing Attorney, Legal Services of Northern California
- Carlos Marquez, Executive Director, County Welfare Directors Association of California

Issue 10: Current Year and Budget Year Administrative Reductions Per Control Section 4.05 and 4.12

- Yang Lee, Deputy Director, Finance & Accounting Division, California Department of Social Services
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Public Comment will be taken (in person only) after the completion of all panels and discussion, and this Public Comment will be for all issues covered in the hearing, including issues in the Non-Presentation part of the agenda (under Issue 11).

Thank you.

Items To Be Heard

5180 Department of Social Services

Issue 1: CalFresh for Aging Californians

CalFresh Rates and California’s Seniors. This proposal from the Chair seeks to examine CalFresh participation rates among California’s population, a particularly important issue given the state’s rapidly aging demographics. The Public Policy Institute of California (PPIC) in a recent report discusses the growth of California’s senior populations:

“By 2040, 22 percent of Californians will be 65 or older, up from 14 percent in 2020. The older population (aged 65+) will increase by 59 percent, while the working-age population (aged 20–64) will remain largely unchanged, and the child population (aged 0–17) will decrease by 24 percent. This shift will result in an old-age dependency ratio of 38 older adults per 100 working-age adults, up from 24 in 2020, and the highest ever recorded.” (PPIC, California’s Aging Population, January 2025).

Despite the growing need, CalFresh participation among seniors remains low due to various barriers. Many seniors in California struggle to access benefits due to limited access to online platforms, insufficient community-based outreach, and the spread of misinformation about the application process and eligibility requirements.

This proposal seeks to explore ways California can increase enrollment in CalFresh, including potential coordination with other programs. This may involve seeking federal waivers to simplify the application process and make enrollment more accessible for older adults. Additionally, this proposal aims to identify strategies for the state, community-based organizations, and local governments to enhance outreach and enrollment efforts, combat misinformation, ensuring that more eligible seniors can access the nutritional support they need.

CalFresh Overview. The following information was provided by the Legislative Analyst’s Office (LAO). CalFresh is California’s version of the federal Supplemental Nutrition Assistance Program (SNAP), which provides monthly food assistance to qualifying low-income households. To be eligible, households generally must earn less than 200 percent of the federal poverty level. CalFresh benefits can be used to buy most groceries and some prepared food at participating vendors, which include most grocery and convenience stores.

CalFresh is overseen at the state level by the California Department of Social Services (CDSS) and administered locally by county human services departments. Although CalFresh benefits are paid by the federal government, the costs to administer the program are shared by state, county, and federal governments. Under the Governor’s budget, there are no newly proposed major augmentations or solutions.

Monthly benefits per household vary based on household size, income, and deductible living expenses—with larger households generally receiving more benefits than smaller households

and relatively higher-income households generally receiving fewer benefits than lower-income households. In 2023-24, about 5.3 million Californians received a total of \$12 billion in CalFresh benefits, all of it federally funded, for an average monthly benefit of about \$189 per recipient. The federal government annually adjusts CalFresh benefits in accordance with changes in the cost of food, and in addition to this annual adjustment, made a major upward revision in 2021 when it revised the contents of the “Thrifty Food Plan” (the meal plan on which CalFresh benefits are based) to account for developments in nutritional science.

California Food Assistance Program (CFAP). In 1996, Congress passed a welfare reform bill that, among other things, restricted federal food assistance for certain noncitizens. Most notably, legal permanent residents were rendered ineligible for federally funded nutrition assistance until they had resided in the country for five years. The federal government gave states the option to provide state-funded food assistance to populations affected by the 1996 policy change (such as legal permanent residents who arrived less than five years ago). In response, California established CFAP, which provides benefits through the same EBT and SAWS system as CalFresh. Because CFAP operates through the EBT system, the federal government is directly responsible for depositing funds into the accounts of participating households, and the state reimburses the federal government for these costs. In addition, the federal government charges California for all associated administrative costs. CFAP benefits, which equal those provided by CalFresh, also vary based on household size, income, and deductible living expenses. In 2023-24, CFAP benefits were \$114 million General Fund (\$174 average monthly benefit per person).

CalFresh Expansion, also called the “Food for All” Initiative. Some immigrants, such as those who are undocumented, are currently ineligible for CFAP based on immigration status. Recent spending plans included funding to expand CFAP to all income-eligible noncitizens aged 55 and older, regardless of immigration status. Implementation of the expansion was expected in October 2025. However, as a budget solution, the 2024-25 spending plan delayed the expansion implementation by two years. Automation for the expansion is now expected to begin in 2026-27, with benefit distribution to begin in 2027-28 (for newly eligible recipients).

CalFresh and CFAP Budget and Caseload Overview. The Governor’s budget proposes \$15.4 billion in total funds (\$1 billion General Fund) for the CalFresh and CFAP programs in 2025-26, representing net increases of \$163 million total funds (1 percent) and about \$7 million General Fund (1 percent) compared to the revised 2024-25 budget. This overall increase is the effect of higher underlying costs from growing caseload and increased maximum benefit allotments (after implementation of a federal cost-of-living adjustment on October 1, 2024).

CalFresh/CFAP caseload, as of November 2024, increased 60 percent since the beginning of 2019-20, although annual rates of growth have varied from year to year. Multiple factors likely contributed to this growth. First, starting in 2019-20, Supplemental Security Income/State Supplementary Payment recipients became newly eligible to receive CalFresh benefits. Due to this policy change, and a decades-long effort to increase CalFresh enrollment, CalFresh caseload was at a then historic high prior to the COVID-19 public health crisis (about 2.2 million households in February 2020). Second, the COVID-19 public health crisis and consequent economic downturn likely led to further caseload increases. Finally, as mentioned, maximum benefit amounts increased in the last five years. This increase in benefits also may have made

the program more attractive to recipients relative to the administrative requirements to enroll, making some recipients potentially more likely to enroll or maintain enrollment. In November 2024 (the month for which data are most recently available), CalFresh and CFAP served approximately 3.3 million total households. Caseload continues to increase in 2024-25, although initial data suggests growth may be slowing.

The following charts from the LAO include more detail on the CalFresh and CFAP budget, a breakdown of people served and CalFresh spending across counties, and how CalFresh/ CFAP caseload increased over the last five years.

CalFresh and CFAP Budget Summary

(Dollars in Millions)

	2024-25	2025-26 Proposed	Change From 2024-25 to 2025-26 Proposed	
			Amount	Percent
CalFresh Households	3,194,500	3,228,200	33,700	1%
CFAP Households	28,900	29,800	900	3
Benefits				
CalFresh Benefits ^a	\$12,602	\$12,746	\$144	1%
CFAP Benefits ^b	130	133	4	3
Subtotals	(\$12,732)	(\$12,880)	(\$148)	(1%)
Administration				
Federal Share	\$1,228	\$1,238	\$10	1%
State Share	902	905	3	—
County Share	348	350	3	1
Subtotals	(\$2,478)	(\$2,493)	(\$15)	(1%)
Totals	\$15,210	\$15,373	\$163	1%

^aCalFresh benefits are 100 percent federally funded. The Governor’s budget estimates an average monthly benefit of \$328 per household. CalFresh benefits also include replacement benefits. SUN Bucks benefits are excluded from this figure and are included in Figure 3.

^bCFAP benefits are 100 percent General Fund. The Governor’s Budget estimates an average monthly benefit of \$372 per household. CFAP benefits also include replacement benefits.

CFAP = California Food Assistance Program.

CalFresh/CFAP Enrollment/Spending by County

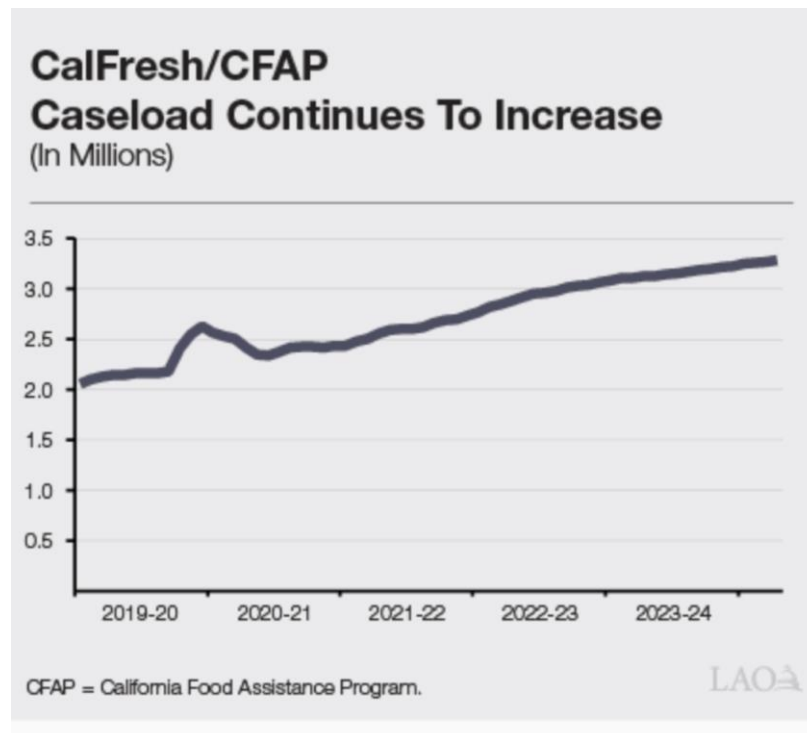
2023-24 (Dollars in Millions)

County	Number Enrolled in CalFresh/CFAP (Individuals, Monthly Average)	Percentage of County Population Enrolled in CalFresh/CFAP	CalFresh/CFAP Assistance Spending From All Funds
Alameda	162,487	9.9%	\$371.5
Alpine	178	15.3	0.4
Amador	4,320	10.8	9.3
Butte	40,847	19.8	94.8
Calaveras	6,372	14.3	13.9
Colusa	2,832	12.9	5.6
Contra Costa	101,608	8.8	231.6
Del Norte	6,299	23.7	13.9
El Dorado	14,251	7.5	32.9
Fresno	238,741	23.4	529.2
Glenn	4,330	15.1	8.8
Humboldt	29,224	21.9	68.4
Imperial	49,765	27.1	102.3
Inyo	2,109	11.3	4.6
Kern	201,833	22.2	449.8
Kings	29,531	19.3	62.3
Lake	16,746	25.0	35.4
Lassen	4,089	14.6	9.5
Los Angeles	1,591,004	16.2	3,699.7
Madera	34,935	21.7	75.8
Marin	15,335	6.1	36.8
Mariposa	3,146	18.7	6.9
Mendocino	16,602	18.6	38.5
Merced	63,163	21.8	139.3
Modoc	1,977	23.3	3.9
Mono	710	5.5	1.6
Monterey	56,145	12.9	127.1
Napa	9,458	7.0	20.2
Nevada	11,348	11.3	26.8
Orange	305,679	9.7	681.7
Placer	25,434	6.1	55.9
Plumas	2,322	12.3	5.1
Riverside	326,126	13.3	739.4
Sacramento	247,567	15.6	559.3
San Benito	6,841	10.4	15.2
San Bernardino	375,762	17.2	843.8
San Diego	382,196	11.6	851.0
San Francisco	102,783	12.3	229.5
San Joaquin	121,015	15.2	262.8
San Luis Obispo	25,502	9.2	58.7
San Mateo	32,399	4.4	71.6
Santa Barbara	52,959	12.0	124.5
Santa Clara	125,991	6.6	288.3
Santa Cruz	29,459	11.2	69.6

(Continued)

County	Number Enrolled in CalFresh/CFAP (Individuals, Monthly Average)	Percentage of County Population Enrolled in CalFresh/CFAP	CalFresh/CFAP Assistance Spending From All Funds
Shasta	30,085	16.7	62.2
Sierra	330	10.5	0.7
Siskiyou	9,323	21.7	19.8
Solano	50,767	11.4	117.6
Sonoma	37,000	7.7	86.1
Stanislaus	91,942	16.7	199.5
Sutter	14,781	14.8	32.1
Tehama	12,042	18.6	25.4
Trinity	3,086	19.5	7.2
Tulare	127,797	26.6	294.0
Tuolumne	6,457	12.2	13.9
Ventura	74,421	9.0	171.7
Yolo	25,432	11.4	62.3
Yuba	18,757	22.3	41.5
Totals	5,383,766	13.7%	\$12,211.1

Note: Data are from DSS reports, county fiscal letters, DOF population estimates, and our office's own analysis.



More information on Food Assistance programs administered by DSS, including on the SUN Bucks program and the transition to chip/tap-to-pay cards for the Electronic Benefits Transfer (EBT) system, is included in the recent publication from the LAO available [here](#).

Panel

Questions for the Panel:

- ◇ What are the most recent enrollment rates in CalFresh?
 - ◇ What barriers do California seniors face when enrolling in CalFresh?
 - ◇ What are the most effective strategies that the state, local governments, or community-based organizations can use to overcome these barriers?
 - ◇ Why doesn't California have a Combined Application Project (CAP) to streamline the application process? Is there a pending waiver request with the federal government?
 - ◇ Please describe the efforts toward implementation of the CalFresh/Food for All expansion and the expected operative date. What is the Administration's feedback to the advocacy effort to expand to all ages by October 1, 2027?
- Jennifer Troia, Director & Alexis Fernández Garcia, Deputy Director, Family Engagement & Empowerment Division, California Department of Social Services
 - Becky Silva, Government Relations Director, California Association of Food Banks
 - Trinh Phan, Director, State Income Security, Justice in Aging
 - Keely O'Brien, Policy Advocate, Western Center on Law and Poverty
 - Roshena Duree, Director of Self-Sufficiency, County Welfare Directors Association of California
 - Emily Marshall, Finance Budget Analyst, Department of Finance
 - Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

LAO Comments

The LAO is raising the following issues for Legislative consideration regarding CalFresh:

Continue Monitoring Disaster CalFresh Operations Underway in Los Angeles Region. As mentioned in a [prior post](#), victims of natural disasters may be eligible for Disaster SNAP (referred to locally as Disaster CalFresh). Disaster CalFresh, which is federally funded, provides a month of food benefits to certain income-eligible victims of natural disasters who are not already receiving CalFresh (income requirements are generally slightly higher for Disaster CalFresh than for standard CalFresh). Additionally, during and following a natural disaster, certain existing CalFresh recipients affected by the disaster may receive short-term increases to their benefits (up to the maximum allotment amount) or replacement of lost benefits. It is [the LAO's] understanding that Disaster CalFresh efforts are currently underway in response to the January 2025 wildfires in the Los Angeles region (although data on related program usage are not yet available). The Legislature could consider requesting regular updates from the administration on the wildfire-related Disaster CalFresh efforts and program usage.

Continue Monitoring EBT Card Security Improvements and Benefit Theft Rates. As discussed above, the administration projects significant benefit theft replacement savings in 2025-26 as a result of the implementation of the new chip/tap-to-pay EBT cards. While savings associated with decreased benefit theft replacements are certainly possible after the implementation of the new EBT cards, the administration has not provided the Legislature or our office with information on how its savings estimates were reached. [The LAO recommends] the Legislature ask the administration for this information, as well as for routine updates on the rollout of the new EBT cards (including data on the number and percentage of total cards distributed and activated) and on benefit theft rates throughout and after the rollout. This information would provide the Legislature greater clarity on the implications of the new EBT cards so it can have a fuller picture of possible short- and long-term outcomes.

Staff Comments

The Chair has asked for this issue of aging Californians' access to food benefits against a larger backdrop of CalFresh. Dr. Jackson is interested in what concrete, actionable steps the state can take to assure that more aging Californians have access to CalFresh benefits.

SNAP/CalFresh is our nation and California's most effective and important tool to fight hunger, reaching over 40 million children, parents, older adults, disabled people, workers, and other low-income people each month, or about 1 in 8 people in the U.S., including 1 in 5 children. Research shows that SNAP reduces food insecurity and is linked to improved health, education, and economic outcomes and to lower medical costs for participants. It also supports workers in low-paid jobs and has ripple effects in the overall economy, with a multiplier effect of \$1.54 for every \$1 spent, according to the USDA Economic Research Service.

The figure on the next page is from a [January 13, 2025 report from the Center on Budget and Policy Priorities](#).

Additionally, last year the Legislature, with agreement from the Administration, adopted Supplemental Report Language (SRL) that outlined various reporting on the EBT transition to the new chip/tap cards and replacement benefits. The Subcommittee may wish to consider requesting assistance from the LAO on drafting updated SRL with regard to future reporting on implementation. All SRL can be found [here](#).

SNAP Linked to Better Health, Lower Care Costs

SNAP improves food security, reduces the stress of not getting enough to eat, helps participants afford more nutritious food, and frees up money for them to buy medicine and engage in other healthy activities. Studies link SNAP to improvements in such areas as:



Current health

SNAP participants report better health than low-income non-participants and have fewer sick days.



Long-term health

Pregnant mothers with SNAP access have improved birth outcomes. SNAP participation in early childhood is linked to better health in adulthood.



Medical care

SNAP participants are less likely to forgo needed medical care, while elderly SNAP participants forgo medicine due to cost less than similar non-participants.



Hospitalization

SNAP may help low-income seniors live independently and avoid hospitalization.



Health care costs

Adults in SNAP incur \$1,400 — nearly 25 percent — less per year in medical care costs than low-income non-participants.

Note: SNAP = Supplemental Nutrition Assistance Program (formerly food stamps). Results generally adjust for differences in demographic, socioeconomic, and other characteristics between SNAP participants and non-participants.

Source: Steven Carlson and Brynne Keith-Jennings, "SNAP Is Linked with Improved Nutritional Outcomes and Lower Health Care Costs," CBPP

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Staff Recommendation: Hold all CalFresh issues open.

Issue 2: Proposal for a Food Insecurity Officer

Food Insecurity and Data Reporting. This proposal from the Chair aims to strengthen California's efforts to address food insecurity, a challenge that continues to impact many Californians. In 2024, AB 518 (Wicks, Chapter 910, Statutes of 2024) was approved, which directs the Department of Social Services (DSS) — in partnership with community advocates and counties — to develop a methodology for estimating the CalFresh participation rate and identifying characteristics of Californians who are eligible for but not receiving CalFresh benefits.

Building on this foundation, this proposal seeks to create a comprehensive plan to reduce food insecurity and designate a person in charge of implementing that plan. This proposal aims to better position the state to address the needs of those experiencing food insecurity.

Under current law per the recently chaptered bill, DSS has discretion in selecting the characteristics used to estimate CalFresh participation rates. This proposal calls for adding specific criteria to capture additional data, providing a clearer picture of Californians eligible for but not receiving CalFresh benefits.

The proposed additional criteria for the CalFresh participation rate methodology include:

- Food insecurity rates among key populations, such as seniors, families with children, individuals leaving incarceration, and formerly incarcerated individuals, where data is available.
- Overall enrollment rates for individuals and households eligible for CalFresh.
- Budget and policy recommendations to combat food insecurity across the state.
- Budget and policy recommendations to improve enrollment rates in state and federal food and nutrition programs.

For reference, Welfare and Institutions Code 18901.58 requires DSS to develop a methodology for estimating CalFresh participation rates by July 1, 2025. Specifically:

- DSS must work in consultation with advocate representatives, county human service agencies, and the County Welfare Directors Association of California.
- The methodology must identify characteristics of those eligible for but not receiving CalFresh, which may include race, ethnicity, preferred language, age, and location.
- DSS must identify existing public assistance or benefit data that can help identify eligible but unenrolled individuals.
- DSS is required to publish the CalFresh participation rate annually.
- An executive-level employee must be designated to report to the Director of Social Services on implementation efforts.

Panel

Questions for the Panel:

- ◇ What do the most recent data show about who is eligible for and enrolling in CalFresh?
- ◇ Does current law provide DSS with sufficient criteria to offer a comprehensive overview of CalFresh participation for the Legislature, policymakers, stakeholders, and advocates?
- ◇ Should DSS be required to report this data directly to the Legislature, or is the current requirement to publish the data sufficient?
- ◇ Once the new criteria are developed, how long will it take for DSS to post the updated CalFresh participation data?
- ◇ Where will this data be posted — on the DSS website or another platform?
- Jennifer Troia, Director & Alexis Fernández Garcia, Deputy Director, Family Engagement & Empowerment Division, California Department of Social Services
- Marchon Tatmon, Associated Director, Policy and Advocacy, San Francisco-Marin Food Bank
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

The Chair is interested in the possible costs and concerns regarding the approval and codification of a Food Insecurity Officer or like position within the Department of Social Services.

Staff Recommendation: Hold open.

Issue 3: Guaranteed Income Pilot Program (GIPP)

Guaranteed Income Program Expansion. This proposal from the Chair calls for the Legislature to explore alternative General Fund revenue streams to sustain and expand funding for California's guaranteed income programs. Specifically, it seeks to provide the Department of Social Services (CDSS) with additional revenue to continue administering the California Guaranteed Income Pilot Program and to ensure ongoing grants for eligible participants.

Guaranteed Income Pilot. AB 153 (Chapter 86, Statutes of 2021) established the Guaranteed Income (GI) Pilot Program. The 2021 Budget Act included \$35 million General Fund, available over five years, for the pilot program. CDSS awarded funding to seven local grantees to provide unconditional, regular monthly payments to pregnant individuals and youth exiting extended foster care at or after 21 years of age. These were the two categories for recipients set in the statute that authorized the program.

As of October 2024, the seven CDSS-funded pilot programs across California's major regions (all grantees) have completed enrollment, offering guaranteed income payments of \$600 to \$1,200 per month to nearly 2,000 individuals (as mentioned, former foster youth and pregnant people). These payments will continue through April 2026, supporting participants for 12 to 18 months.

The CDSS anticipates a final evaluation report for this program by the summer of 2028. The evaluation will examine the impact of the payments on health, financial well-being, housing security, food security, participation in benefits, employment, and education. Thus far, participants in focus groups appreciated the low-burden application process (application takes around 15 minutes). About one-third of applicants experience homelessness at baseline.

Guaranteed Income for Older Adults. As part of the 2024 Budget Act, CDSS received an additional \$5 million to expand the Guaranteed Income Pilot Program to include older adults as a priority population. This augmentation will serve adults 60 or older who are either eligible for or receiving a means-tested benefit. CDSS is currently in the early stages of program planning, including consultation with community partners. CDSS anticipates releasing a public Request for Applications (RFA) by spring of 2025 to enable eligible entities to apply for funds.

Panel**Questions for the Panel:**

- ◇ What do the most recent data show about the efficacy of the California Guaranteed Income Pilot Program?
- ◇ Do the current pilot programs provide adequate funding levels?
- ◇ If additional funding were made available, what would be the most effective way to allocate these resources?

- ◇ What other vulnerable populations should the state consider for guaranteed income support?
- ◇ What progress is being made to implement the \$5 million General Fund (one-time) provided in the 2024 Budget Act for seniors?
 - Alexis Fernández Garcia, California Department of Social Services
 - Mona Masri, Director of Strategic Initiatives, Economic Security California Action
 - Emily Marshall, Finance Budget Analyst, Department of Finance
 - Sonia Schrager Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

The Chair is interested in the outcomes of the Guaranteed Income Pilot Program’s investments and in ways to expand the scope of universal basic income across more vulnerable populations facing destitution, homelessness, and adverse human outcomes arising from poverty and lack of basic resources.

Staff Recommendation: Hold open.

Issue 4: Emergency Food Bank and California Fruit and Vegetable Pilot Funding

Emergency Food Bank Funding. Emergency food banks are currently funded with \$60 million General Fund through a program called CalFood, but this amount will reduce to the baseline amount of \$8 million General Fund on July 1, 2025 and ongoing in the absence of an additional augmentation. The one-time CalFood funding increase was provided to help ease the loss of numerous COVID-19 era programs. While it was clear that the one-time CalFood funding would end, the food banks report that return to the base-level funding of \$8 million annually will be a significant challenge, especially as many are still grappling with elevated demand.

In anticipation of reduced funding, many food banks have already started to adjust their operations. To stretch remaining resources, they have scaled back the amount of food distributed to each recipient. For example, CDSS has heard that distributions that once provided 20 pounds of fresh and shelf-stable food have been reduced to 15 pounds. More specifically, the California Association of Food Banks (CAFB) reported the following observations in January 2025:

- Close to 60% of food banks limited/reduced the variety of food provided to their neighbors.
- 50% of food banks limited/reduced the amount of food provided to each household.
- About a quarter of food banks scaled back programs, with several reporting the closing of food distribution sites, reducing their paid workforce, or turning away new partners or clients.

Today, food banks are experiencing near-record levels of need. As an example, the 41 members who make up the CAFB report serving approximately 6 million people each month – the same number they were serving at the height of the pandemic – reflecting the exceptionally high demand for food in nearly every California community. The number of Californians served by the federal program, The Emergency Food Assistance Program (TEFAP), administered by CDSS, has remained consistently high over the last four years. In federal fiscal years 2021-2023, the annual unduplicated count of persons served was around 2.1 million people in 690,000 households. In 2024, TEFAP served over 2.2 million individuals in 760,000 households.

CDSS reports that even as the broader economy begins to recover, the demand for food assistance remains high. Historically, low-income families are among the last to feel the effects of economic improvement. This pattern is evident in CalFresh enrollment trends over the years and is mirrored in the current demand for food bank services.

California Fruit and Vegetable Electronic Benefit Transfer (EBT) Pilot Funding. The CalFresh Fruit and Vegetable Pilot provides CalFresh households with up to \$60 per month in instant rebates when they buy fresh fruits and vegetables with their CalFresh benefits. This program is integrated into the state's electronic benefit transfer (EBT) system and can operate at grocery stores and farmers markets across the state.

It was originally funded in a prior budget with initial funding for incentives at \$5 million. The budget was augmented in 2023 with an additional \$9.2 million (\$7 million allocated to incentives), along with the extension of the pilot through January 1, 2027. The program went live on February

20, 2023 and due to its popularity and high demand, the funds were fully utilized by April 2024. The program ceased then, but then an additional amount of \$10 million was provided in the 2024 Budget, which enabled the program to restart in October 2024. Those funds were fully utilized by January 31, 2025 and the program has again ceased due to lack of funding.

As a result of the pilot, over 67,000 CalFresh households have earned incentives from participating retailers and farmers markets in 42 counties. The program operated at 92 grocery stores and one farmer’s market statewide. In its final month, CalFresh participants earned \$3.3 million in rebates for fruits and vegetables, many of which are grown by California farmers.

Panel

Questions for the Panel:

- ◇ What are the trends in demand for emergency food and is the state able to address increasing hunger in California?
- ◇ What needs does the network of food banks and pantries have?
- ◇ What has been the reach and utilization of the CalFresh Fruit and Vegetable Pilot through its two cycles? What do the program and survey data show thus far about how CalFresh families are benefiting from this program?
- ◇ What would be the cost to continue the CalFresh Fruit and Vegetable Pilot at its current scale and with its current program design for the 2025-26 full fiscal year?
 - Alexis Fernández Garcia, California Department of Social Services
 - Becky Silva, Government Relations Director, California Association of Food Banks
 - Grecia Marquez-Nieblas, Senior Manager, Fulwell
 - Emily Marshall, Finance Budget Analyst, Department of Finance
 - Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

The Chair is interested in understanding what will occur with both programs covered under this issue given the expiration of one-time investments. The impact on hunger, poverty, and homelessness trends are of priority interest and inquiry.

The Subcommittee is in receipt of a letter from Assemblymember Alex Lee requesting \$63 million General Fund one-time to restart the CalFresh Fruit and Vegetable EBT Pilot, allowing it to operate continuously for 12 months and expand its reach, doubling the number of households it serves each month to a total of 111,000 households statewide, benefitting nearly 200,000 people and making healthy food more affordable for those in need. The anti-hunger advocates sponsoring this proposal state that starting and stopping the program, while clearly technically feasible, undercuts its potential impact. The intermittent nature of the program creates instability

for CalFresh families, places an administrative burden on CDSS, and makes the program less appealing to partner grocery stores and farmers' markets. In other words, the CalFresh Fruit and Vegetable EBT Pilot would have greater impact with less administrative headache if operated year-round.

The Subcommittee may wish to request that the Administration provide information to Assemblymember Lee in writing on the costs to continue the program for a full year, disaggregating the anticipated costs for fruit and vegetable supplemental benefits, administrative costs, costs for the grantee intermediaries, and any other cost categories. Assemblymember Lee has also asked for information about CDSS anticipating needing any additional resources for staffing, technological changes, or any other expenses if the pilot were extended for 12 months and if it were expanded to a modest number of additional retail locations.

Staff Recommendation: Hold open.

Issue 5: CalWORKs, Including Funding for Program Operations (called the “Single Allocation”) and California’s Participation in the Work and Family Stability Federal Pilot

CalWORKs Overview. The following information is from a recent analysis from the Legislative Analyst’s Office (LAO). The California Work Opportunity and Responsibility to Kids (CalWORKs) program was created in 1997 in response to 1996 federal welfare reform legislation that created the federal Temporary Assistance for Needy Families (TANF) program. CalWORKs is administered by counties and overseen by the California Department of Social Services (CDSS). The Governor’s budget proposes about \$7 billion in annual CalWORKs funding in 2024-25 and 2025-26. Under the Governor’s budget, there are no newly proposed augmentations or cuts (current- and budget-year CalWORKs reductions agreed upon in the June 2024 budget package are included).

CalWORKs grants vary based on region, number of eligible family members, and income. Families living in high-cost coastal counties such as Los Angeles and San Francisco receive grants that are about 5 percent higher than similar families living in inland counties such as Fresno and Shasta. In general, grant sizes increase as family size increases and grant sizes decrease as family income increases, however for about 60 percent of the caseload, there is an unaided adult and so the grant is “covering” the assistance unit (AU), which is comprised, in these cases, of only the children, and “plus one” meaning the unaided parent. In 2024-25, the administration estimates the average CalWORKs grant amount to be \$1,001 per month across all family sizes and income levels. CalWORKs recipients are often also eligible to receive supportive services and resources, such as subsidized child care, employment training, mental health counseling, and housing assistance.

Federal law allows for some state flexibility in the use of federal TANF funds. California receives \$3.7 billion annually for its TANF block grant (which does not change year over year), over \$2 billion of which goes to CalWORKs (the remainder helps fund aid for some low-income college students and various other human services programs). Unspent funds from the state’s annual TANF grant may be carried over to future years. To receive its annual TANF block grant, the state must spend a maintenance-of-effort (MOE) amount from state and local funds to provide services for families eligible for CalWORKs. This MOE amount is approximately \$2.9 billion annually (which can be spent directly on CalWORKs or other programs that meet federal requirements). State and federal CalWORKs funding generally is allocated to the 58 counties, all of whom directly serve eligible families.

Of the families receiving CalWORKs assistance, 84 percent are single-parent households with average monthly earnings of \$1,496, while 16 percent are two-parent households with average monthly earnings of \$1,618. The average family size is 2.6, with the average number of children in each family being two. 90 percent of program participants identify as female, 59.9 percent identify as Hispanic, 18.1 percent identify as White (Non-Hispanic), 16.7 percent identify as Black (Non-Hispanic), 3 percent identify as Asian (Non-Hispanic), and 2.3 percent identify as other.

CalWORKs Budget and Caseload Overview. As shown in the figure below, the Governor’s budget includes \$7.06 billion in total funds (\$660 million General Fund) for CalWORKs in the

current year, a net increase of \$64 million total funds (about 1 percent) relative to the 2024-25 spending plan. The increase is largely due to higher than expected caseload. The budget proposes \$7.08 billion in total CalWORKs funds (\$1.25 billion General Fund) in 2025-26, a net increase of \$20 million total funds (less than 1 percent) relative to the 2024-25 revision. This overall increase is largely due to projected caseload growth and the partial and full restorations of some one-time reductions, offset by projected decreases in employment services and family stabilization (FS) funding (due to projected decreases in employment services and FS caseloads), as well as a planned reduction in home visiting funding (as agreed upon in the June 2024 budget package).

CalWORKs Budget Summary

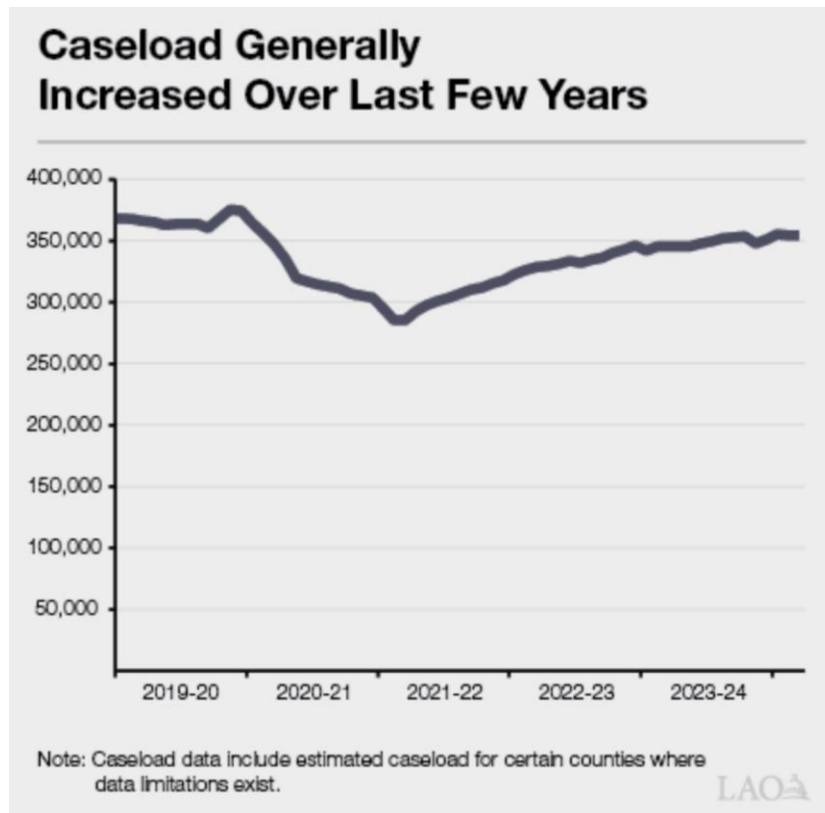
All Funds (Dollars in Millions)

	2024-25	2025-26 Proposed	Change From 2024-25 to 2025-26 Proposed	
			Amount	Percent
Number of CalWORKs Cases	359,786	361,834	2,048	1%
Cash Grants	\$4,348	\$4,375	\$27	1%
Single Allocation				
Employment services	\$1,207	\$1,162	-\$45	-4%
Cal-Learn case management	11	11	—	1
Eligibility determination and administration	444	444	—	—
Subtotals	(\$1,662)	(\$1,617)	(\$44)	(-3%)
Stage 1 Child Care	\$588	\$602	\$14	2%
Other Allocations				
Home Visiting Program	\$80	\$65	-\$16	-19%
Housing Support Program	95	95	—	—
Expanded Subsidized Employment	97	134	37	38
Family Stabilization	71	63	-9	-12
Mental Health and Substance Abuse Services	93	104	12	12
Subtotals	(\$436)	(\$461)	(\$24)	(6%)
Other^a	\$25	\$24	-\$1	-3%
Totals	\$7,059	\$7,079	\$20	Less Than 1 %

^aPrimarily includes various state-level contracts.

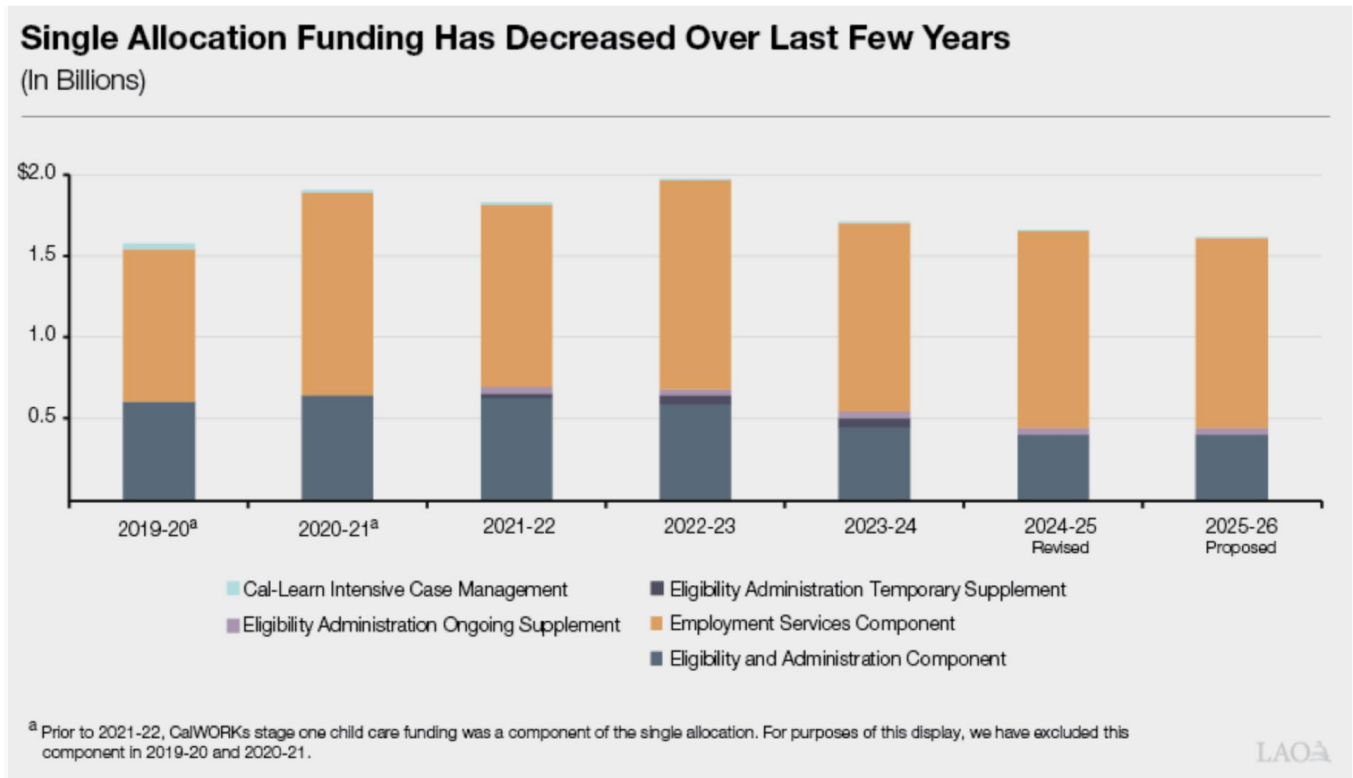
Caseload Continues to Increase. The next figure from the LAO shows how CalWORKs caseload has changed since 2019-20. Following the onset of the COVID-19 pandemic in spring

2020, CalWORKs caseload began what was a historically anomalous decrease, given high unemployment. (As the LAO discusses in their [prior posts](#), they conclude the decrease likely was related to extraordinary federal and state aid offered to low-income individuals in response to the pandemic.) This decline continued until September 2021, the month during which a federal bonus for Unemployment Insurance benefits expired. Caseload generally increased month over month (with few exceptions) from September 2021 to September 2024 (the most recent month for which caseload data are available). In September 2024, caseload was about 355,000 households (by comparison, caseload was about 364,000 immediately preceding the COVID-19 pandemic).



Adequacy of the CalWORKs Single Allocation and Impacts for Counties. The state provides counties with a “Single Allocation” to cover most costs associated with CalWORKs aside from cash assistance. The Single Allocation consists of three main components—eligibility determination and administration, employment services, and Cal-Learn case management (Cal-Learn provides additional services to pregnant and parenting teens participating in CalWORKs). Counties can shift funds between the multiple Single Allocation components. The eligibility determination and administration component (which is about one-third of the overall Single Allocation) increases or decreases in set increments based on caseload changes. This formula recognizes most administrative services are provided by full-time county employees and counties cannot rapidly change their staffing levels in response to changing caseload. Specifically, administrative funding changes occur when CalWORKs caseload increases or decreases by about 20,000 families.

The administration estimates a 3 percent decrease in Single Allocation funding from about \$1.66 billion in 2024-25 (total funds) to about \$1.62 billion in 2025-26 (total funds). This reduction is largely due to lower expected employment services caseload, partially offset by a projected increase in the Cal-Learn caseload. As shown in the figure below from the LAO, total Single Allocation funding has decreased year over year since 2022-23.



Assessment Was Conducted in 2024. CDSS is statutorily required to reassess the methodology for the eligibility and administration component of the Single Allocation every three years, however, CDSS is not required to make changes to the methodology following these reassessments. The first reassessment occurred in the spring of 2024. According to CDSS, findings from the reassessment included:

- Updating the eligibility worker rate to align with current local costs, as reported by counties, would have resulted in a 21.4 percent increase (\$160.3 million) in funding for the Single Allocation’s eligibility administration component in 2024-25.
- Updating the funding methodology to account for changes in the number of CalWORKs applications submitted (independent of changes in caseload) would have resulted in an additional 6.7 percent funding increase (\$48.8 million) in 2024-25.

Despite the 2024-25 reassessment findings, no updates were made to the eligibility administration funding methodology in the 2024-25 Budget Act (due to the budget deficit, according to CDSS). It appears that the administration’s proposal also does not incorporate the updates in 2025-26, with eligibility and administration funding remaining flat in 2025-26 at \$444

million (total funds) as compared to 2024-25 (with total Single Allocation funding decreasing year over year, as mentioned above).

Counties Requesting Funding To Address Shortfall and Adoption of Updated Methodology Going Forward. The County Welfare Directors Association of California (CWDA) is requesting inclusion of one-time \$245 million in 2025-2026 to make counties whole for the underfunding of the Single Allocation. This request aligns with the eligibility overspending from 2023-24, based on actual county expenditures that are unaccounted for in the current budget methodology. CWDA states that this amount would allow counties in the short-term to meet their mandated eligibility workload as well as ensure access to services and supports that help families overcome barriers to employment.

In addition, CWDA requests that the Administration update the Single Allocation methodology for the eligibility component beginning 2026-27 and ongoing to reflect the true costs of eligibility workload. The methodology should be grounded in the reassessment completed by CDSS in 2023-24, which determined eligibility administration costs of specified components in the current budget methodology were underbudgeted by nearly \$210 million total funds. CWDA notes that this estimate is subject to change on an annual basis based on more recent worker cost data.

Program Outcomes Historically Measured Via Work Participation Rate. Under current law, most adults receiving CalWORKs assistance are required to be employed or participate in specified activities intended to lead to employment, known as “welfare-to-work” (WTW) activities. Counties have flexibility in what types of WTW activities and services they provide to participants. Historically, the federal government has measured program success through work participation rate (WPR) requirements. A state’s WPR is the percentage of adult participants engaging in required WTW activities. Under current federal rules, at least 50 percent of all families and 90 percent of two-parent families receiving TANF cash assistance must work or engage in WTW activities for 20 to 35 hours per week, depending on their family makeup. States that do not meet these WPR requirements may face federal financial penalties.

California Applied for and Was Recently Selected for Federal TANF Outcomes Pilot. The federal Fiscal Responsibility Act of 2023 authorized a five-state pilot project to test alternative performance measures to the WPR—largely focused on long-term employment outcomes and family well-being—in the TANF program. CDSS submitted the State’s pilot proposal, outlining the theory of change that leverages the State’s CalWORKs Outcomes & Accountability Review (Cal-OAR) system, centers family engagement, reduces family and county administrative burden, and supports local implementation, which will lead to improved family outcomes. California’s proposal relied upon the 26 Cal-OAR measures as well as the CalWORKs Take-Up Rate, which is a statewide estimate of the number of eligible families receiving CalWORKs. Additionally, the proposal identified various policy changes and strategies that may be considered for implementation during the pilot period to support improved outcomes on these measures, subject to budgetary and statutory adoption.

In November 2024, the federal Administration for Children and Families (ACF) notified the CDSS of California’s selection into the Work and Family Well-Being pilot (also referred to as the “Fiscal Responsibility Act (FRA) Pilot”), along with Kentucky, Maine, Minnesota, and Ohio. The pilot will

be in effect for six federal fiscal years, beginning October 1, 2024, and continuing through September 30, 2030.

Participating States Will Utilize Alternative Performance Measures to WPR. During the pilot, participating states will not be required to meet WPR requirements. Instead, performance of these states' TANF programs will be measured by the percentage of work-eligible individuals employed six months after exiting the program, the earning levels of those individuals six and 12 months after program exit, and other to-be-determined indicators of family stability and well-being. The pilot will be in effect for six federal fiscal years, beginning October 1, 2024. During the first year of the pilot (October 2024 through September 2025), participating states will work with ACF to establish benchmarks and targets for the new performance measures mentioned above. The performance metrics for the duration of the pilot will supersede the current requirement to meet WPR benchmarks.

CDSS Issued Policy Options Report in January 2025 Pursuant to Trailer Bill Adopted Last Year. As required by Section 10545 of the Welfare and Institutions Code (WIC), adopted with the 2024 Budget Act, CDSS consulted with legislative staff, representatives of county human services agencies, the County Welfare Directors Association of California, advocate representatives, and labor organizations that represent county workers to identify policy changes for consideration in connection with the Pilot. The policy options released by the Administration in January, summarized in the LAO chart below, are the options referenced in the State's pilot application to consider, subject to budgetary authority and enactment of corresponding statutory amendments, and include the elimination of the WPR penalty pass through referenced in paragraph (d) of WIC 10545 effective October 1, 2024 and for the duration of the pilot.

Reimagine CalWORKs Coalition Supports Maximizing the National FRA Pilot Opportunity. The Reimagine CalWORKs Coalition includes the California Partnership to End Domestic Violence, Coalition of California Welfare Rights Organizations, County Welfare Directors Association of California, End Poverty In California, GRACE/End Child Poverty California, Parent Voices, Service Employees International Union California, Student Parents Are Reimagining CalWORKs, and the Western Center on Law & Poverty. The Coalition urges the Legislature and Administration to adopt the reforms included in the January CDSS report in full. With the pilot's launch on October 1, 2025, it is critical to make maximum progress this year, as the CDSS report outlines that many policy changes will require statutory changes and automation. The Coalition highlights policies from the Department's report that affect families in the deepest poverty, and/or aid the greatest number of families, including:

- Focus on upfront engagement by eliminating Welfare-to-Work sanctions during first 90 days. Follows the evidence that sanctions are failed policy that only [push families into deeper poverty](#) and [child welfare system involvement](#).
- Modify the Welfare to Work fixed hourly requirements. This change is fundamental to reshaping participation and will restore grants for approximately 23,000 families each month.
- Simplify the Income Reporting Threshold (IRT). This change will monthly provide 7,258 families with higher grants and stop 3,567 families from losing aid. Aligning CalFresh and

CalWORKs IRT provides major simplification for families while preventing overpayments that are often considered “fraud” and lead to criminal prosecution.

- Streamline Appraisal Process. 11,600 families will benefit from replacing the invasive Online CalWORKs Assessment Tool with a simpler appraisal process.
- Deliver Robust and Ongoing Training, Technical Assistance, and Coaching to Counties. A reimagined CalWORKs is more than policy change, it requires deep program culture shift for counties and workers to move from a rigid compliance model to a supportive, tailored approach.

CDSS Pilot Policy Options and Estimated Costs

General Fund (In Millions^a)

Policy Options and Estimated Costs	CDSS Estimated Cost	
	Initial Year ^b	Ongoing
Centering Family Engagement		
Eliminate non-compliance sanctions and penalties during first 90 days in CalWORKs	\$1.9	\$1.7
Expand allowable WTW activities	—	—
Replace fixed hourly work requirements with individualized engagement requirements	93.5	93.5
Make job club optional as an initial WTW activity	—	—
Reducing Administrative Burden		
Eliminate the WPR penalty passthrough to counties	—	—
Replace Online CalWORKs Appraisal Tool with new alternate, streamlined appraisal tool	\$3.9	—
Eliminate applicant resource limit	16.7	\$30.1
Eliminate penalty for teens 16 through 18 who fail to attend school regularly ^c	0.2	0.2
Eliminate consideration of in-kind income in eligibility determinations	32.9	35.3
Simplify income reporting requirements	112.4	112.1
Suspend some current WTW data reporting requirements	—	—
Support Local Implementation		
Train and provide technical assistance to counties on pilot-related policy and programmatic changes	\$4.0	\$4.0
Provide grants to counties to implement program changes	2.0	2.0
Provide funding to counties for increased engagement with CalWORKs families	97.5	97.5
Total Cost of Options^d	\$365.0	\$376.4

County Savings

Possible county-level administrative efficiency savings - \$90.4

^aCalifornia’s annual \$3.7 billion federal TANF block grant can be used flexibly for the policy options. The TANF block grant is fully allocated within the existing and proposed state budgets. As such, new costs for the CalWORKs program are considered General Fund cost impacts. State General Fund costs may be mitigated to the extent TANF funding is not fully expended in any particular year, or if one of the CalWORKs subaccounts has sufficient revenue available to support CalWORKs assistance costs. No additional federal funds were provided for the pilots.

^bThe initial year of the pilot aligns with the federal fiscal year (October 2025 to September 2026). As such, if the options above were adopted, some initial year costs may fall in state fiscal year 2024-25 while others may fall in state fiscal year 2025-26.

^cOne-time automation cost is pending and not included in cost estimate.

^dTotal cost of policy options, including those supporting local implementation, before any county-level administrative efficiency savings.

CDSS = California Department of Social Services; TANF = Temporary Assistance for Needy Families; WTW = Welfare-to-Work; and WPR = work participation rate.

The Coalition supports additional reforms, which are summarized in this Issue under “Staff Comments”, and requests to work with partners to develop trailer bill language to build on the Department’s application and report toward maximizing progress in 2025-26 Budget.

A Crisis of Homelessness in the CalWORKs Population. The following information was provided to the Subcommittee in response to an inquiry about the condition of homelessness amongst families receiving CalWORKs. Families and individuals who are extremely low-income and/or on fixed income are at risk of housing instability in California. Families who are seeking and receiving CalWORKs may be particularly vulnerable to experiencing housing challenges, including a lack of affordable housing and an increased cost of living.

Despite increases in grant amounts for CalWORKs, families in the CalWORKs program frequently struggle to afford housing. In 2024, the CalWORKs maximum aid payment was \$1,175 per month. Rent that would be affordable for a CalWORKs recipient would be 30 percent of income, or around \$352.5 per month for recipients without other income. Even setting aside the 30 percent affordability standard, only eight counties had a fair market rent below \$1,175 per month for a two-bedroom apartment in 2024 (https://nlihc.org/sites/default/files/2024_OOR.pdf). This statistic underscores the housing challenges that families in the CalWORKs program face. As such, housing continues to be a primary need for families applying for and participating in CalWORKs.

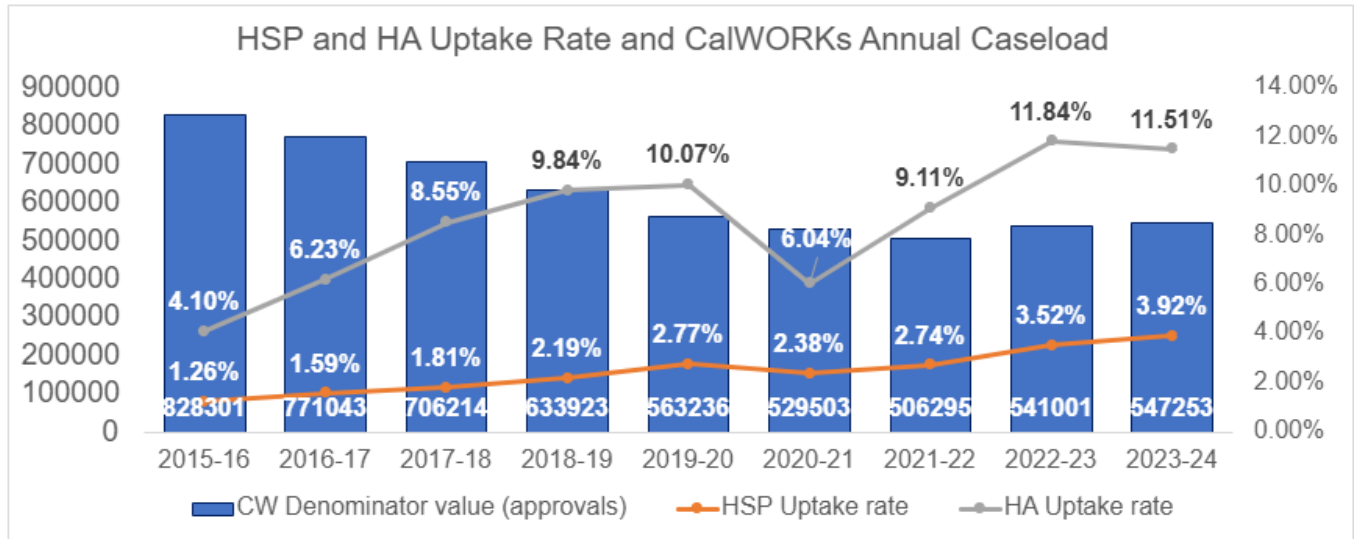
While there is some variability over time, in general there has been an upward trend in approvals for permanent CalWORKs Homeless Assistance (HA) and temporary HA year over year since the COVID-19 pandemic, with approvals in the last two years exceeding pre-pandemic figures. These trends likely indicate both increased housing needs amongst families as well as improved access to HA through legislative changes and other efforts.

Similarly, the increased demand for the CalWORKs Housing Support Program (HSP) over time is likely indicative of the rising underlying need for housing and homelessness services amongst families receiving CalWORKs. For HSP, increased demand may also be driven by the increase in the amount of funding: an initial \$20 million allocation in 2014-15, \$190 million one-time funding and \$95 million in ongoing annual funding in 2021-22, as well as \$190 million one-time funding and \$95 million in ongoing annual funding in 2022-23. Nearly all counties report they could use additional funding to further meet the needs of their community.

In an updated analysis using aggregate data over time, CDSS found that the proportion of families receiving CalWORKs approved for HA as well as the proportion of families receiving CalWORKs and receiving eligible referrals for HSP have tripled since 2015. Note that this analysis tracks HSP and HA trends separately as there is a high likelihood of duplicate program participants across these aggregate program datasets. HSP operators are encouraged to both accept referrals from HA programming as well as utilize HA for eligible families whenever possible to maximize the use of limited HSP funds.

The number of CalWORKs families approved for HA increased from 4.1 percent in 2015-16 to 11.5 percent in 2023-24. This represents approximately 63,004 families. This does not represent all issuances of HA in 2023-24 as it adjusts for potential duplicates. In 2023-24, a total of 67,789

instances of HA were issued to eligible families statewide. Meanwhile, the number of CalWORKs families eligible for HSP that were referred to the program increased from 1.3 percent in 2015-16 to 3.9 percent in 2023-24. This represents approximately 21,460 families. In addition, in 2023-24, there were 42,435 Family Stabilization (FS) program cases opened and approximately 25 percent or 10,640 families in FS cases received homeless support services.



It is important to note that the specific proportion of families receiving CalWORKs seeking these homelessness programs likely underestimates their experiences with homelessness and housing instability for a variety of reasons. For example, some families may seek alternative housing supports over HA and HSP, and many local providers may only refer to non-entitlement programs such as HSP when they know that the program has capacity to serve the family in need. A recent analysis conducted by CDSS comparing the fair market rent for two-bedroom units against average monthly expenditures for permanent housing found that the rental assistance provided increased in conjunction with the increase in the cost of fair market rent (FMR) in California. While the average FMR steadily rose for two-bedroom units, the average HSP full rental subsidies and HA rental assistance for permanent housing provided to families rose but has remained consistently below the average FMR.

Counties have shared that they are seeing more families apply for CalWORKs who are unstably housed and are facing a myriad of other complex challenges including behavioral health, substance use, and domestic violence. Counties also note that ongoing services are typically needed to sustain a successful transition from CalWORKs. Counties have also reported that the core components of CalWORKs HSP have supported families in addressing barriers to housing in a way that most families could not have done on their own while experiencing homelessness. Some counties have found that families who have success in the HSP had extensive utilization of intensive case management, family stabilization supports, and subsidized employment.

Statewide Information on CalWORKs Enrollment and Spending by County. Similar to information provided for the CalFresh issues (under Issue 1), the following charts from the LAO

include more detail on the breakdown of people served in CalWORKs and spending across counties.

CalWORKs Enrollment/Spending by County

2023-24 (Dollars in Millions)

County	Number Enrolled in CalWORKs (Individuals, Monthly Average)	Percentage of County Population Enrolled in CalWORKs	CalWORKs Spending From All Funds	CalWORKs Cash Assistance Spending From All Funds	CalWORKs Single Allocation Spending From All Funds	CalWORKs Other/ Ancillary Spending From All Funds ^a
Alameda	19,574	1.2%	\$176.4	\$90.4	\$55.8	\$30.2
Alpine ^b	—	—	0.4	0.1	0.3	—
Amador	518	1.3	4.1	2.4	1.0	0.8
Butte	5,772	2.8	49.2	26.6	12.8	9.7
Calaveras	583	1.3	5.2	2.7	1.8	0.8
Colusa	323	1.5	3.1	1.5	1.1	0.5
Contra Costa	15,579	1.4	133.4	71.9	40.4	21.0
Del Norte	1,385	5.2	10.1	6.4	2.5	1.2
El Dorado	1,801	1.0	15.3	8.3	4.8	2.1
Fresno	47,394	4.6	334.0	218.8	63.8	51.4
Glenn	833	2.9	8.6	3.8	3.0	1.8
Humboldt	3,536	2.7	34.7	16.3	12.0	6.4
Imperial	9,201	5.0	65.3	42.5	12.9	9.9
Inyo ^b	—	—	2.1	0.7	0.9	0.5
Kern	47,692	5.2	318.3	220.2	57.4	40.7
Kings	6,715	4.4	52.6	31.0	10.3	11.3
Lake	2,234	3.3	16.7	10.3	4.3	2.1
Lassen	1,021	3.6	7.4	4.7	1.4	1.3
Los Angeles	285,447	2.9	2,142.5	1,317.9	492.1	332.5
Madera	7,049	4.4	46.4	32.5	7.7	6.1
Marin	1,717	0.7	18.6	7.9	7.3	3.4
Mariposa	512	3.0	4.9	2.4	1.8	0.7
Mendocino	1,800	2.0	14.9	8.3	4.9	1.8
Merced	14,638	5.0	102.7	67.6	18.7	16.3
Modoc	357	4.2	3.2	1.6	1.1	0.4
Mono ^b	—	—	1.2	0.1	0.8	0.3
Monterey	8,338	1.9	69.8	38.5	20.5	10.9
Napa	969	0.7	9.4	4.5	3.5	1.5
Nevada	1,095	1.1	11.3	5.1	3.9	2.4
Orange	31,637	1.0	264.1	146.1	85.0	33.1
Placer	3,286	0.8	28.9	15.2	8.8	4.9
Plumas	269	1.4	3.0	1.2	1.3	0.4
Riverside	51,872	2.1	374.4	239.5	82.1	52.8
Sacramento	53,871	3.4	407.4	248.7	110.9	47.8
San Benito	865	1.3	7.4	4.0	2.3	1.1
San Bernardino	80,275	3.7	554.6	370.6	118.8	65.1
San Diego	48,851	1.5	389.2	225.6	101.0	62.7
San Francisco	8,141	1.0	114.7	37.6	45.6	31.5
San Joaquin	25,818	3.2	172.2	119.2	31.2	21.8
San Luis Obispo	2,615	0.9	30.5	12.1	12.0	6.5
San Mateo	1,534	0.2	24.4	7.1	13.1	4.3

(Continued)

County	Number Enrolled in CalWORKs (Individuals, Monthly Average)	Percentage of County Population Enrolled in CalWORKs	CalWORKs Spending From All Funds	CalWORKs Cash Assistance Spending From All Funds	CalWORKs Single Allocation Spending From All Funds	CalWORKs Other/ Ancillary Spending From All Funds ^a
Santa Barbara	6,746	1.5	52.2	31.1	14.0	7.1
Santa Clara	14,350	0.8	159.8	66.3	65.1	28.4
Santa Cruz	2,814	1.1	35.5	13.0	13.5	9.0
Shasta	4,164	2.3	34.1	19.2	9.8	5.1
Sierra ^b	—	—	0.6	0.1	0.5	—
Siskiyou	1,134	2.6	8.9	5.2	2.4	1.3
Solano	7,938	1.8	73.5	36.6	16.1	20.7
Sonoma	3,537	0.7	39.4	16.3	16.7	6.3
Stanislaus	18,870	3.4	131.1	87.1	28.9	15.1
Sutter	3,739	3.7	26.2	17.3	5.4	3.5
Tehama	1,786	2.8	15.6	8.2	4.3	3.1
Trinity	459	2.9	4.9	2.1	1.5	1.3
Tulare	29,966	6.2	204.0	138.4	27.0	38.6
Tuolumne	661	1.2	6.4	3.1	2.2	1.2
Ventura	7,778	0.9	71.3	35.9	22.6	12.8
Yolo	3,256	1.5	34.3	15.0	12.2	7.1
Yuba	4,067	4.8	32.6	18.8	8.1	5.7
Totals^b	906,380	2.3%	\$6,963.1	\$4,186.0	\$1,711.0	\$1,066.1

^a Other/Ancillary category includes stage one child care, expanded subsidized employment, home visiting, mental health and substance abuse, family stabilization, housing support program, and other similar programs and spending areas.

^b Caseload data are masked for Alpine, Inyo, Mono, and Sierra counties due to sample size. Participants in these counties are also excluded from the total number of enrolled individuals statewide.

Note: Data are from DSS reports, county fiscal letters, DOF population estimates, and our office’s own analysis. Spending numbers should be considered to be rough estimates.

More information on CalWORKs, including program history, grant levels (there is a small increase enabled through a realignment subaccount included in the Governor’s Budget), and recent budget reductions, is included in the recent publication from the LAO available [here](#).

Panel

Questions for the Panel:

- ◇ Who are the people and children served in the CalWORKs program? What educational levels do the parents have, what barrier removal and job skill services do they need, and what is the rate of homelessness in the program?
- ◇ Is the Single Allocation adequate to meet the needs of intake/retention of eligible families (also called the “eligibility” category) and to provide the necessary employment services? If not, why and what needs to be done to make the program more effective in ameliorating child and family poverty?
- ◇ What does the state need to do to implement California’s full participation in the Work and Family Stability Federal Pilot?

- ◇ Are there steps the state can take at less or no cost to reduce barriers and provide more stability for more families? What statutory changes would this necessitate?
- Jennifer Troia, Director, California Department of Social Services
- Carlos Marquez, Executive Director, County Welfare Directors Association of California
- Sandra Bowlan, Deputy Director, Riverside County Department of Public Social Services
- Andrew Cheyne, Managing Director of Public Policy, GRACE/End Child Poverty California
- Ambyr Baham, CalWORKs Advocate, Student Parents Are Reimagining CalWORKs (SPARC) and Student Trustee, Los Angeles Community College District
- Emily Marshall, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst's Office

LAO Comments

On the subject of the Single Allocation, the LAO estimates that updating the eligibility and administration component methodology to reflect updated eligibility worker rates and to account for changes in the number of CalWORKs applications submitted would require an increase of about \$215 million total funds in 2025-26 (in addition to currently proposed 2025-26 eligibility administration funding). This estimate is based on the administration's findings covered under this Issue, along with current caseload and application projections, which could change in the coming months.

From 2021-22 to 2023-24, over \$300 million in unspent Single Allocation funds naturally reverted to the General Fund each year (over 15 percent of total Single Allocation funds annually). Given counties consistently underspent total Single Allocation funds in recent years, along with the fungibility of Single Allocation funds between the components, the LAO states that counties may be able to fully fund current activities in 2025-26 under the Governor's proposal (that is, without a change to the eligibility and administration methodology and with both a caseload-related decrease in employment services funding and an ongoing reduction in employment services intensive case management funding).

However, county representatives report the proposed administrative component funding amount (\$444 million in 2025-26) may be insufficient to cover administrative costs in some counties. Many administrative activities are statutorily required, so some counties may need to leverage other Single Allocation funds, especially from the employment services component, to cover necessary administrative costs. Some counties report shifting funds in this way likely would adversely affect the employment services they are able to provide to CalWORKs participants. The LAO is working with the administration and county representatives to better understand historical Single Allocation expenditures at the county level.

On the subject of the federal pilot and California's participation, the LAO just released an extensive analysis, available [here](#).

Staff Comments

There has been considerable work done over the past several years to rebuild CalWORKs after deep cuts were made in the Great Recession. These prior cuts included significant reductions to grant levels, time limits, and to county administrative funding.

In recent years, efforts have focused on trying to change the culture of the program, moving it away from a punitive approach to one that is more supportive of families, aware of their barriers, and sensitive to the realities of their life circumstances. This new approach was born in and has been embedded in the CalWORKs 2.0 and Cal-OAR efforts. However, the family-centered transformation that clients, advocates, and counties have been asking for has yet to occur, due in large part to the overarching federal requirements and the stigmatizing shadow cast on the program, until now.

It is important to state that just last year, the Governor's January Budget included profound program reductions and eliminations for CalWORKs, proposing to permanently eliminate the Subsidized Employment program that provides job skills, the Family Stabilization program that provides homelessness services, and Mental Health and Substance Abuse Services. Families, advocates, and counties reacted with fierce protection of vulnerable families and in lieu of these severe program cuts, the Legislature and Governor agreed to make modest, short-term reductions that were intended to align to actual utilization. An additional significant reduction removed a \$47 million General Fund investment that had been intended to fund intensive case management. As a result of the budget negotiations last year, the total cuts to CalWORKs were \$146 million. Some of these reductions, we're learning, are, in fact and despite intentions, inhibiting direct services for families pursuing employment and home visiting services.

This year, the federal pilot provides a necessary and critical opportunity to suspend the federal work rules that have long been identified as an obstacle to providing genuine and life-altering support for families in need of CalWORKs. With counties able to perform to the standard of helping families, and not to the rules of how to diminish services and support, the program can take on a new character that helps families in a more direct and compassionate manner.

The state relies on the 58 counties to carry out the critical work of processing applications, providing case management, connecting people to services, and retaining parents and children in the program as they struggle to meet the most basic of needs to survive – shelter, clothing, basic household and child-rearing needs, and food (the CalFresh benefit provides only \$6.20 per person per day for food, obviously not enough to feed someone in this economy in order to survive, much less thrive). For a host of complicated reasons, including lack of adjustments to meet rising costs, the counties are struggling to make their own ends meet to operate a quality program, and counties are asking for a significant hole to be filled in their Single Allocation. The extent to which this is addressed or not forces larger questions of the appropriateness of full funding for the program to meet its workload needs pursuant to current law.

On the Single Allocation, the Subcommittee may wish to ask for a meeting with the administration, counties, and LAO to discuss the appropriate level of funding necessary to meet

program demands and not short the Single Allocation for neither eligibility nor employment services expenses.

Then there is the profound and promising question for this budget cycle of what policies can and should be adopted to advance what is now a mutual agenda between the Legislature and the Governor with the state's participation in the pilot, to strengthen and improve a program that prevents child neglect, stabilizes families, and provides them with the barrier removal services to exit poverty through life skills, educational attainment, and dignified, sustainable work.

The Subcommittee is in receipt of a letter from Assemblymember Sharon Quirk-Silva urging protection of adequate funding for CalWORKs services and program administration to ensure full and successful implementation of the pilot. The Assemblymember states that any further program reductions would be below utilization levels, directly harming the 659,000 children reliant on the program in families overwhelming led by Latina and Black mothers. She states that we should enact all of the policies in the options presented to the Legislature in the January report discussed in this Issue, as well as build upon the Department's pilot application, including key reforms such as to:

- Follow the evidence on preventing deep child poverty by aligning our Welfare-to-Work sanction to federal law of the "duration" of "refusal";
- Assure vital supportive services like child care and transportation are available before asking parents to participate in education, work, or other assigned activities; and
- Reduce administrative burden in ways that advance deeper engagement between counties and families.

For the federal pilot next steps, the Subcommittee may wish to ask for a meeting with the administration, counties, advocates, LAO, and interested Members' offices to discuss appropriate routes to participate fully in the pilot and what statutory changes are necessary under various fiscal scenarios in the June budget.

Staff Recommendation: Hold open.

Issue 6: Immigration Services Programs

Background and Funding. The following information has been provided by the California Department of Social Services (CDSS). CDSS efforts are part of the administration's broader efforts to advance the inclusion, integration, and economic mobility of foreign-born Californians and their families through immigration-related programs. California funds annual investments of nearly \$75 million General Fund to provide free immigration legal services and community outreach to immigrants across the state through qualified nonprofits. These investments support families as well as local communities and economies.

Qualified nonprofit organizations provide the following legal services to immigrants with varying immigration status/categories: immigration consultations, application assistance, and full scope direct representation for immigration benefits and remedies including, but not limited to: Naturalization, Deferred Action for Childhood Arrivals (DACA), U Visas, Violence Against Women Act (VAWA) self-petitions, and Asylum, and Removal Defense. This includes our funding through the Immigration Services Funding (ISF), also known as One California, the Removal Defense program, funding for representation of youth/unaccompanied minors, numerous capacity and equity initiatives, and the higher education investments to provide service at the California State University and California Community College campuses.

Immigration Services Funding (ISF) and Removal Defense (RD) Programs. The Department's core services are the Immigration Services Funding (ISF) provider network and Removal Defense (RD) program. CDSS funds 85 ISF organizations to provide free immigration legal services and to conduct education and outreach activities in immigrant communities. These organizations also provide services across an additional 77 extension offices and/or sub-grantees. Overall, ISF services are offered at 162 service locations. Currently the ISF providers have a three-year service agreement that began January 1, 2024, and ends on June 30, 2027.

The Removal Defense program provides legal representation to individuals currently in or facing removal proceedings. The Removal Defense program is supported with an average annual allocation of \$10 million from the ongoing ISF and TPS/UUM funding. Currently the Removal Defense providers have a three-year service agreement that began October 1, 2022, and ends on June 30, 2025.

The Department currently funds 31 Removal Defense (RD) service providers. To address provider concerns about sustainability and to increase the capacity of organizations to provide removal defense services, in 2022-23, the RD program transitioned from a fee-for-service case deliverable-based model to a case matter and staffing-based funding model. Service providers are expected to provide each client with comprehensive legal representation, including representation across multiple forums as necessary for resolution of the client's immigration matter. The Department anticipates a growing demand for these services and a limited provider capacity to address the growing need for legal representation.

CDSS has made specific investments to various regions including the Central Valley, Central Coast, Northern regions via specific capacity initiatives and within ongoing legal service programs. These regions have historically been underfunded due to a variety of reasons, such

as remote geographic location and lack of immigration services providers. The Department has recognized these barriers and invested in these regions highlighting the efforts to increase legal service capacity and expand the reach of resources to hard-to-reach individuals.

Region	Ongoing Legal Programs	Equity and Capacity Initiatives	Total
Central Coast	\$5,321,687	\$1,540,699	\$6,862,386
Central Valley	\$7,502,831	\$4,103,164	\$11,605,995
Northern	\$1,996,909	\$3,960,613	\$5,957,522

Additionally, the Department implemented an Immigration Legal Fellowship (ILFP) aimed to increase the number of removal defense attorneys and the capacity of nonprofit organizations to provide removal defense services in the Central Coast, Central Valley, and Inland Empire regions. These fellowships provide intensive removal defense training and mentoring, as well as practical experience serving rural communities. Immigration law is very complex and increasingly so given the changing federal policies and operations. Funding allocations and specific programs focused on these efforts help ensure there is quality representation for Californians throughout each region of the State.

Fiscal Year	General Fund	Purpose
2019-20	\$4.7 million	Funding for first two years of the first fellowship cohort.
2022-23	\$10 million	Funding for third year for the first fellowship cohort, and the second fellowship cohort.

Areas of Concern. There are daily ongoing changes in federal immigration policy and processes, and the impacts on people’s lives continue to unfold. Below are some point in time concerns, that may change as court cases enjoin certain policies from being implemented and/or new federal policies are announced impacting Californians.

- The federal government has revoked federal policies making it possible now to conduct immigration enforcement operations at sensitive locations such as churches, schools, and hospitals. The prior policy only permitted immigration enforcement operations in these areas under exigent circumstances or prior approval from leadership.
- Executive actions have also prohibited work authorization documents for individuals who are unlawfully residing in the US even if they have a pending immigration application, which has economic impacts.
- There are increased fears across communities, resulting in individuals not accessing government services for which they are eligible. This fear is impacting US citizens, people with legal status as well as undocumented Californians.
- The potential for immigration enforcement in or near schools has caused fear among immigrant and refugee youth and families. Local education agencies are reporting an increase in absenteeism. If absenteeism becomes chronic due to fear of increased deportations, newcomer students may experience lower academic performance.

- Unaccompanied Undocumented Minors (UUM) already face challenges with navigating the federal immigration system and will experience mental health instability due to further isolation, fears of deportation, and separation from sponsors/family members. They are at increased risk of exploitation such as trafficking.
- The federal government allocates and administers funding for refugee resettlement. As a result of recent federal executive orders, the U.S. State Department issued stop work orders to all national Resettlement Agencies (RAs) directing them to immediately cease providing services to refugee and Special Immigrant Visa (SIV) holder newcomers through the Reception & Placement (R&P) program. The work order required a four-month pause beginning January 27, 2025, in services and supports. The stop-work order led some of the local RAs across the state to reduce / furlough their staffing.
- Newly arrived refugees and SIVs rely on the R&P services that the RAs provide for their essential initial support which includes housing, furniture, clothing, food, English classes, case management, referrals, enrolling children in schools, getting them IDs, SSNs, transportation, job placement, and other key social services designed to integrate refugees in the community and place them on a path to self-sufficiency in the U.S.

Through Executive Orders, Directives from Agencies and public statements, the new Federal Administration is making changes to migration management measures that were established in previous administrations, eliminating certain humanitarian protections and leaving hundreds of thousands without the ability to apply for relief and putting them at risk of removal from the United States. These measures include:

- Termination of the Uniting for Ukraine (U4U) and Cuban, Haitian, Nicaraguan, Venezuelan (CHNV) parole programs. In addition, the parole status of individuals previously admitted through these and other parole programs may potentially be at risk per a recent Department of Homeland Security memo. CHNV, U4U and other parolees whose status is revoked would reportedly be placed in removal proceedings if they have failed to apply for, or obtain, another immigration status such as asylum or Temporary Protected Status (TPS).
- Revocation of 2023 Designation of Temporary Protected Status (TPS) for Venezuelans: current beneficiaries of the 2023 TPS Designation will lapse on April 2, 2025, while the 2021 Venezuela TPS designation will remain valid for through Sept. 10, 2025.
- Recent federal executive orders call for the review of TPS country designations, so additional country designation revocations are anticipated.

Panel

Questions for the Panel:

- ◇ What are the main immigration services provided by CDSS in the community and what outcomes have we seen from these programs?
- ◇ What have been the capacity issues for additional services in more isolated and underserved regions of the state, but that have a high demand for services?

- ◇ What are actionable, additional steps the state can take to ameliorate concerns in the community?
 - Eliana Kaimowitz, Director, Office of Equity, California Department of Social Services
 - Bruno Huizar, Detention and Deportation Policy Manager, California Immigrant Policy Center
 - Sally Kinoshita, Deputy Director, Immigrant Legal Resource Center
 - Thomas Locke, Finance Budget Analyst, Department of Finance
 - Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

Staff Comments

Staff Recommendation: Hold open.

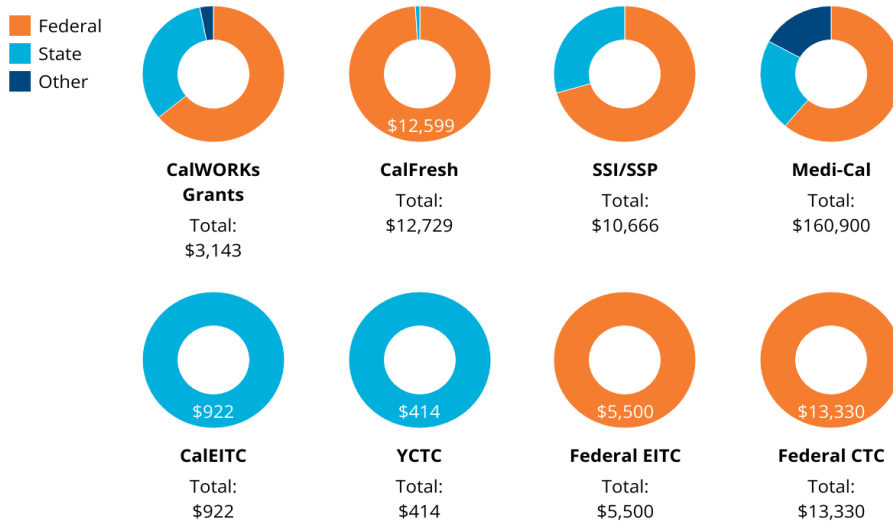
Issue 7: Review of Federal Threats and Possible Impacts

Role of Federal Funds for Public Benefits Delivered in California. The following information has been provided by the California Budget & Policy Center. Federal funds have long supported vital public services in California, including health care, food assistance, and income support for families and individuals with low incomes. The House budget resolution currently under consideration calls for at least \$1.5 trillion in federal spending reductions over 10 years to pay for tax cuts that will disproportionately benefit the wealthy and corporations. Most of the funding cuts target health care (Medi-Cal) and federal food assistance (CalFresh), with cuts to other [vital safety net supports](#) also under consideration.

These proposed cuts would devastate vital services that help Californians make ends meet, resulting in increased poverty and hardship. In addition to Medi-Cal and CalFresh, federal policymakers could cut cash assistance for older adults and people with disabilities (SSI), families with children (CalWORKs), housing supports, child care, and other vital services that together support millions of Californians. This includes immigrant communities, Californians with disabilities, low-income families with young children, older adults living on fixed incomes, and many more. Cuts that take away health coverage, nutrition assistance, and other essential supports would increase poverty and hardship and widen race and ethnic inequities throughout California, at a time when [millions of state residents](#) are struggling to meet basic needs due to persistently high inflation and rising housing costs.

Many Safety Net Programs Heavily Rely on Federal Funding

Program Spending by Government Source in Millions



Note: Funding for each program is for direct assistance, not services and administrative costs. Federal CTC spending includes Other Dependent Credit amount. Spending amounts for CalWORKs, CalFresh, SSI/SSP, and Medi-Cal are for the 24-25 FY. Spending for CalEITC, YTC, Federal EITC, and CTC are for the 2022 tax year.

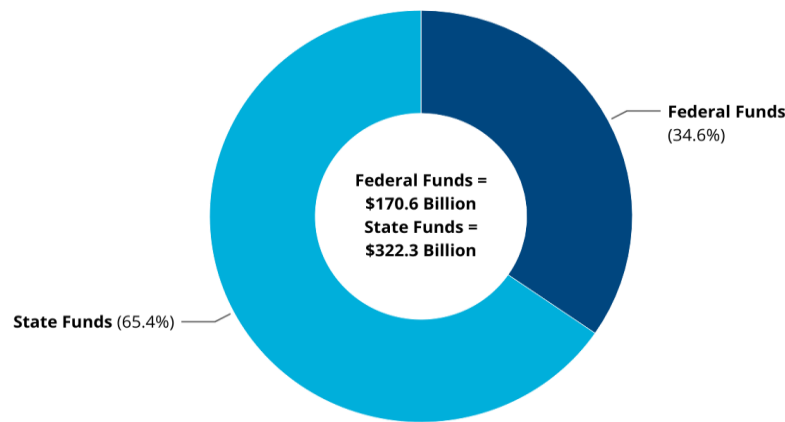
Source: Budget Center analysis of CDSS, DHCS, FTB, DOF, and IRS data



Federal funds make up [over one-third of the state budget](#) — totaling \$170 billion under current state estimates. Most of these federal dollars support Medi-Cal, which provides health coverage to [more than 14 million](#) Californians. Proposals to slash support for Medi-Cal could reduce annual federal funding for California by [\\$10-\\$20 billion or more](#). Cuts of this magnitude would create a massive budget hole that would force state leaders to make painful spending cuts — cuts that would jeopardize Californians’ access to health care through Medi-Cal as well as threaten other state services and systems.

Federal Funds Make Up Over One-Third of California's State Budget

Governor's Proposed 2025-26 Expenditures = \$492.9 Billion



Note: State funds reflect General Fund, special fund, and bond fund dollars.
Source: Department of Finance



Focus on SNAP/CalFresh. The following is from a [January 13, 2025 report from the Center on Budget and Policy Priorities](#).

Proposals at the federal level are considering cutting SNAP through changes to the U.S. Department of Agriculture’s (USDA) ability to set the Thrifty Food Plan, a market basket of foods that represents a nutritionally adequate diet at minimal cost that serves as the basis for the SNAP benefit calculation. Because the TFP underpins SNAP benefit levels, harmful changes to the TFP would cut benefits for all participants — some 40 million people.

In 2021, the USDA revised the TFP to more accurately reflect the cost of healthy diet based on a directive from Congress in the bipartisan 2018 farm bill, which required USDA to periodically reevaluate the TFP based on factors including food prices, dietary guidance, and food consumption patterns. Before the 2021 revision, the Thrifty Food Plan’s cost had been adjusted only for inflation for nearly 50 years, even as the scientific and economic factors that determine the cost of a healthy, realistic diet evolved substantially. This meant that SNAP benefits were often inadequate, and many participating households struggled to buy the groceries they needed.

The 2021 TFP update resulted in a modest but meaningful benefit increase for all SNAP participants. With the adjustment, SNAP benefits still average only \$6.20 per person per day in 2025.

Data-Driven Updates to Thrifty Food Plan (TFP) Are Necessary for SNAP to Keep Up With Cost of a Healthy, Realistic Diet

Under proposals to limit future TFP updates, SNAP benefits would return to past policy, again falling increasingly behind the cost of a healthy, realistic diet over time.

Past Policy, 1975-2021

TFP cost rose only with inflation. Outsized emphasis on certain foods and almost all cooking assumed to be from scratch.



Average SNAP benefits = \$4.80/person/day

Current Policy, 2021 and Beyond

TFP reevaluations put healthy, realistic diet in reach. Plan incorporates greater variety of healthy and convenient foods.



Average SNAP benefits = \$6.20/person/day

Note: Benefit amounts in fiscal year 2025 dollars. The TFP is the basis of SNAP benefits, but SNAP does not require participating households to purchase particular foods. It illustrates the types and amounts of food that households could purchase at the cost of the TFP. Images are stylized and illustrative and not meant to accurately represent all the types and amounts of foods in the TFP.

Source: Katie Bergh, Joseph Llobrera, and Dottie Rosenbaum, "House Committee Farm Bill's \$30 Billion SNAP Cut, Other Harmful Proposals Outweigh Improvements," CBPP, August 8, 2024.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

There are additional proposed cuts to SNAP, including expanding work requirements to reduce food access for many groups and adding restrictions on the types of food participants can buy.

Panel**Questions for the Panel:**

- ◇ What do federally-supported, state-administered human services programs do largely for California?
 - ◇ How do these public programs mitigate poverty and hunger rates currently? What impacts do they have on child poverty?
 - ◇ What regions of the state are most reliant on public benefits and how does this correspond to poverty and homelessness trends in those regions?
 - ◇ What is the reaction and what are the chief concerns of California's leaders in this space given the nature of the federal discussions currently?
- Jennifer Troia, Director, California Department of Social Services
 - Andrew Cheyne, Managing Director of Public Policy, GRACE/End Child Poverty California
 - Itzúl Gutierrez, Senior Policy Advocate, California Association of Food Banks
 - Monica Saucedo, Senior Policy Fellow, California Budget & Policy Center
 - Carlos Marquez, Executive Director, County Welfare Directors Association of California
 - Thomas Locke, Finance Budget Analyst, Department of Finance
 - Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst's Office

Staff Comments

SNAP cuts and harmful policy changes are being proposed at a time of rising food insecurity. From the CBPP document, "After falling for several years, food insecurity rose in 2022 and 2023 (the two most recent years for which data are available), coinciding with higher grocery prices and the end of most temporary pandemic-related relief measures. In 2023, 33.6 million adults and 13.8 million children lived in households that experienced food insecurity, with Black, Latino, and Native American households continuing to experience substantially higher rates of food insecurity than other households."

For more information and detail on recent poverty and hunger rates in California, please see the March 20, 2024 agenda for this Subcommittee, available [here](#).

Staff Recommendation: Hold open.

Issue 8: Disaster Response, Impact of Los Angeles Fires, and Related Governor's Trailer Bill Proposal

The Role of CDSS in Disaster Response. The Disaster Services Branch (DSB) of the California Department of Social Services (CDSS) plays a critical role in disaster response by supporting local jurisdictions with the provision of temporary shelter, feeding, and other essential services for individuals and families affected by emergencies. The DSB is designated the lead for mass care and shelter operations through an Administrative Order from the California Governor's Office of Emergency Services (Cal OES).

The mission of the DSB is to serve, aid, and protect individuals and families affected by disasters and emergencies by supporting local government to provide excellent training, preparedness, response, and recovery services for mass care and shelter activities while promoting an environment of inclusivity and equity.

The DSB collaborates with local and tribal governments, non-profit organizations, private sector partners, and other state agencies to provide critical services, including sheltering, feeding, family reunification, and social services, to disaster survivors. In addition to executing the Mass Care and Shelter Annex, the DSB works closely with various partners for comprehensive disaster planning, response, and recovery. Key partners include the California Governor's Office of Emergency Services, California Department of Public Health, Emergency Medical Services Authority, American Red Cross, Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), and local social services departments, along with other divisions within CDSS.

The Field Operations Bureau (Field Ops) is the operational arm of the Disaster Services Branch, working closely with all 58 counties and Tribal Nations across California to enhance disaster preparedness, response, and recovery efforts. Field Ops is organized into three regional units – Inland, Coastal, and Southern Regions – ensure the efficient coordination of resources, including personnel, equipment, and supplies, to support shelter operations and other disaster response needs. Field Ops also has a National Coordination Unit which works with our partners outside of California.

The CDSS DSB can provide grant assistance through three programs: the State Supplemental Grant Program (SSGP); the Disaster Case Management Program (DCMP); and Crisis Counseling, Immediate Services Program.

Response to Los Angeles Fires. The following is from a Special Announcement message recently shared by CDSS Director Jennifer Troia and describes the efforts and services in response to the disaster in Los Angeles.

Food Benefits: With the fires still raging, the Department began working quickly to secure numerous federal waivers to provide resources to those directly impacted. This included waivers to allow [more time to replace CalFresh food benefits and to use benefits to purchase hot foods](#), both of which have been extended through early March. Through the release of \$1 million in state emergency funding, [thousands of food boxes and potable](#)

[water](#) were sent into the impacted region. [Resources began arriving](#) at the LA Regional Food bank in mid-January. Recently, the U.S. Department of Agriculture, Food and Nutrition Service, approved California's request to automatically issue [mass replacement benefits to CalFresh households](#) that experienced power outages in 69 ZIP codes across the state. This included some ZIP codes in Los Angeles, where people experienced prolonged power outages due to the fires. Lastly, people in the impacted region may be eligible to receive [Disaster CalFresh food benefits](#). As an example, an eligible family of four will receive a one-time \$975 food benefit. Disaster CalFresh is available to those who lived or worked in a fire-impacted area in qualifying ZIP codes within Los Angeles County on January 7, 2025. The Disaster CalFresh program is operated by phone and in-person. People can call (866) 488-8482 (M-F, 8 a.m. to 5 p.m.) or visit a local [Los Angeles Department of Public Social Services office](#) between February 10-14 and February 18-19 to apply.

Volunteers and Disaster Recovery Centers: Shortly after the fires began, the Department's [Disaster Services Branch \(DSB\)](#) deployed members of its [Volunteer Emergency Services Team \(VEST\)](#) and [Functional Assessment Service Team \(FAST\)](#) to support response efforts in the impacted region. Many team members are still in the field, supporting recovery efforts, including staffing [Disaster Recovery Centers](#).

Shelter Support: The CDSS DSB also continues to support Los Angeles County with mass care and shelter services. The Department plays a critical role in disaster response by supporting local jurisdictions with the provision of temporary shelter, feeding, and other essential services for individuals and families affected by emergencies. The DSB is the designated lead for mass care and shelter operations through an Administrative Order from the California Governor's Office of Emergency Services (Cal OES).

Disaster Assistance for Individuals and Families: The CDSS DSB has actively promoted [disaster assistance programs](#). The DSB is administering the State Supplemental Grant Program, which may provide grant funds to assist people who have suffered damage in a disaster area declared by the President when the federal assistance to Individuals and Household Program is implemented. Catholic Charities, under contract with CDSS, will administer the Disaster Case Management Program, which provides supplemental disaster case management services to vulnerable populations in the event of a Presidential Major Disaster Declaration that includes Individual Assistance.

Crisis Counseling Services: Through a contract with the Department, AlterCareLine is providing free, in-person [crisis counseling services](#) at no charge to people who were impacted by the fires. No proof of residence is required, and personal information is not collected. AlterCareLine counselors are available at Disaster Recovery Centers and shelters. For a schedule of locations and times, please visit [AlterCareLine's website](#). Services are expected to be offered through at least early March 2025.

Licensed Care Facility Assistance: The Governor issued [Executive Order N-2-25](#) and [Executive Order N-3-25](#), which provided the Department flexibility to waive licensing requirements as needed to directly respond to the immediate needs of facilities

that provide critical services, such as assisted living, child care, and children's residential care, that were impacted by the fires. The Department is in close contact with evacuated and non-operational facilities to support re-population and re-opening. Executive Order N-3-25 also provides for the reimbursement of child care providers for up to 30 days if they were impacted by the fires and needed to close.

Child Care: The CDSS, as directed by an [Executive Order](#) issued by Governor Newsom, is individually contacting child care programs or providers whose child care settings have not re-opened in the wake of the fires to advise them of the potential availability of Disaster Unemployment Assistance. Upon request, CDSS will also refer individuals to the California Employment Development Department for support in completing the application for these benefits.

Additional Community Support: In coordination with LA County, CDSS is working to provide accelerated responses to inquiries from members of the public who are experiencing a housing/homelessness crisis due to the fires. The Department also is working with the county to ensure that [In-Home Supportive Services](#) recipients are safe and receiving services they need.

Helping Immigrants: The CDSS disseminated an updated Guide to Disaster Assistance Services for Immigrant Californians, providing information about the types of federal, state, and local disaster assistance services available in California. Although some resources are restricted to individuals or households with eligible immigration status, there are many services available to all Californians impacted by disasters. The guide can be found in [multiple languages on the Department's website](#).

Related Governor's Trailer Bill Proposal. The Governor's Budget trailer bill includes a proposal titled "California's Community Resiliency and Disaster Preparedness Act of 2017."

According to CDSS, this proposal seeks to add language to state statute that replicates uncodified Section 7 of AB 607 (Chapter 501, Statutes of 2017) to permanently reflect allowable Disaster CalFresh administrative funding. The existing uncodified provision provides \$300,000 for Disaster CalFresh administrative costs minus state operations costs for each presidential disaster declaration with individual assistance. Disaster CalFresh is implemented when there is a presidential disaster declaration with individual assistance.

Based on federal approval, Disaster CalFresh, known federally as the Disaster Supplemental Nutrition Assistance Program, provides temporary food benefits to disaster survivors who are not participating in the regular CalFresh program at the time of the disaster. Disaster CalFresh is only available for a presidential disaster declaration that includes individual assistance. Since 2017, there have been six Disaster CalFresh operations. Prior to the passage of AB 607, the state and counties were held responsible for all administrative expenses incurred for the implementation of Disaster CalFresh. AB 607 implemented policy amendments to Welfare and Institutions Code (WIC) sections 111000, 11105, 11450, and added section 18917, however, the provision for funding of \$300,000 for Disaster CalFresh administrative costs was left uncodified.

There currently is no reference in the WIC to the availability of \$300,000 in administrative funds. The only reference is in AB 607 itself. While the language in AB 607 states that the funds for administrative costs are “continuously appropriated,” such authority is more appropriately captured in permanent statute than in uncodified language in a bill. If the funding provision is not placed in permanent statute, the State and counties are at risk of not being provided the necessary funding to offset the increased costs of implementing Disaster CalFresh.

There is no BCP or local assistance fiscal impact associated with this proposal, as the funding for this item is already included in the budget.

Panel

Questions for the Panel:

- ◇ What role does CDSS have in disaster response?
 - ◇ How does the state work with counties’ disaster response teams and can the counties’ ability to respond be improved?
 - ◇ What are the areas of continuing concern in the aftermath of the Los Angeles Fires?
 - ◇ Please briefly describe the Governor’s trailer bill proposal related to Disaster CalFresh and explain why it is needed.
- Jennifer Troia, Director, California Department of Social Services
 - Shelby Boston, Board President, County Welfare Directors Association of California, Director, Sacramento County Department of Child, Family, and Adult Services, and Former Director, Butte County Department of Employment and Social Services (during the Camp Fire)
 - Thomas Locke, Finance Budget Analyst, Department of Finance
 - Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

Staff Recommendation: Hold open.

Issue 9: Governor’s Trailer Bill Proposal on Housing and Homelessness Complaint Resolution and Housing Plans

The Governor’s Budget trailer bill includes a proposal titled “Housing and Homelessness Programs Complaint Resolution and Housing Plans.” CDSS states that this proposal would require counties opting to participate in specified housing and homelessness programs to implement a local complaint resolution process and provide written housing plans specifying services provided through the program. This proposal would also allow the Department to create an appeals process following the local complaint resolutions process.

Specified programs that would be impacted by this new approach would be:

- CalWORKs Housing Support Program (HSP)
- Home Safe
- Bringing Families Home (BFH)
- Housing and Disability Advocacy Program (HDAP)

CDSS states that current law does not provide any administrative remedy to address complaints from applicants and recipients of HSP, Home Safe, BFH, and HDAP, nor does it currently require county grantees of these programs to provide local complaint resolution processes or written housing plans. This proposal would fill the gap to meet any applicable due process requirements for these non-entitlement programs.

For counties opting to participate in the CalWORKs Housing Support Program (HSP), the Home Safe Program, the Bringing Families Home (BFH) Program, and the Housing and Disability Advocacy Program (HDAP), these statutory changes would require those counties to implement and conduct complaint resolution processes according to minimum requirements developed by CDSS, including but not limited to: informing applicants and recipients of these programs of the right to engage in a complaint resolution process; an objective decision-maker; the right to present information in support of the complaint; and a written decision describing the outcome of the complaint.

The changes would require CDSS to develop guidance on a procedure for requiring counties opting to participate in HSP, Home Safe, BFH, and/or HDAP to inform recipients in writing of housing-related services and assistance being provided to them through these programs via housing plans. This proposal would set forth minimum requirements to be further developed by CDSS, in coordination with California Welfare Directors Association (CWDA), counties, and advocates for clients, and would declare that the procedure meets any applicable due process requirements for these non-entitlement benefits programs. The changes would authorize CDSS to develop, subject to an appropriation, a department-level written appeal process or processes that follow the local complaint resolution processes for these programs.

Importantly, the changes propose that the local complaint resolution processes and CDSS-level written appeal processes, if implemented, are the only administrative remedies available to applicants and recipients of HSP, Home Safe, BFH, and HDAP, thereby removing the possibility

of use of the state hearings process currently afforded to beneficiaries of these services. The changes would clarify that funds appropriated for HSP, Home Safe, BFH, and HDAP shall be available for use by CDSS and participating counties to implement and administer these processes, and specify that implementation of these processes is subject to availability of program funding.

Panel

Questions for the Panel:

- ◇ How would this proposal change the complaint process for people receiving housing and homelessness services from what it is today?
 - ◇ What route for complaints and grievances exist for other non-entitlement programs administered by CDSS and how and why would this be different?
 - ◇ What has been done to reach consensus on this approach with counties and client representatives/advocates?
 - ◇ How much could this new process cost a county to develop? How much would it cost the state to develop the optional additional process permitted in the language?
- Hanna Azemati, Deputy Director, Housing and Homelessness Division, California Department of Social Services
 - Thomas Locke, Finance Budget Analyst, Department of Finance
 - Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office
 - Shannon McCaffrey, Managing Attorney, Legal Services of Northern California
 - Carlos Marquez, Executive Director, County Welfare Directors Association of California

Staff Comments

Staff Recommendation: Hold open.

Issue 10: Current Year and Budget Year Administrative Reductions Per Control Section 4.05 and 4.12

Background. The following information is from the Legislative Analyst's Office (LAO). The 2024-25 budget included two control sections aimed at reducing General Fund state operations expenditures through efficiencies. In total, the 2024-25 budget assumed the savings from these control sections would reduce state expenditures by \$3.7 billion (\$2.9 billion General Fund) in 2024-25 and \$4.3 billion (\$3.6 billion General Fund) ongoing beginning in 2025-26. In total, these savings represent roughly 10 percent of General Fund state operations expenditures for affected departments in 2024-25.

Control Section 4.05. The enacted budget assumed General Fund savings of \$2.2 billion in 2024-25 and \$2.8 billion ongoing beginning in 2025-26 to reduce General Fund state operations expenditures by up to 7.95 percent. Although the budget assumed this level of savings could be achieved, it did not actually reduce departmental budgets by this amount. Instead, the reduction was made to the overall budget totals and remained "unallocated" to departments. The control section applied to almost all of state government, including the university systems and the state operations of the judicial branch (local assistance funding for trial courts was reduced by a similar amount outside of the control sections). Only the Legislature and Legislative Counsel Bureau were excluded from the language of the control section. Under the control section, the assumed General Fund savings would be achieved through "operational efficiencies and other cost reduction measures including, but not limited to, reorganizations, eliminations of boards and commissions, rate changes, contract reductions, elimination of excess positions, and the cancellation or postponement of information technology projects." The control section specified that the savings would be allocated by DOF and that DOF would be responsible for determining the budgetary and accounting transactions to ensure proper implementation of reorganizations and eliminations.

Reporting Requirements of Control Section 4.05. The control section included specific requirements for the administration to report information to the Legislature. Specifically, (1) on or before October 1, 2024, DOF would notify the Joint Legislative Budget Committee (JLBC) what direction, if any, had been issued to affected state entities and the criteria DOF would use to assess savings identified by state entities; (2) in the event that a reduction to a particular program, department, or agency exceeded 7.95 percent, DOF would notify JLBC 30 days prior to the reduction being implemented; and (3) on or before January 10, 2025, DOF would notify JLBC "how the reduction in state operations expenditures was achieved" by reporting by department and program the funding source and magnitude of any changes to departments' budgets pursuant to the control section.

Control Section 4.12. The enacted 2024-25 budget assumed savings of \$1.5 billion (\$762.5 million General Fund) resulting from about 10,000 authorized positions being vacant in 2024-25. The control section applied to all state entities except the Legislature, Legislative Counsel, universities, and judicial branch. Like Control Section 4.05, Control Section 4.12 did not distribute savings or reduced position authority to departments. Instead, the reductions were made to the whole budget and were unallocated to departments. The budget specified that DOF would propose, as part of the Governor's 2025-26 budget proposal, the permanent elimination

of vacant positions and associated funding to make the assumed savings ongoing beginning in 2025-26.

Reporting Requirements of Control Section 4.12. The control section required DOF to report specific information to the JLBC and to the exclusive bargaining representatives of the state’s 21 collective bargaining units on January 10, 2025. Specifically, for each position proposed to be eliminated in 2025-26, DOF was required to report: (1) the department and program associated with the eliminated position; (2) the job classification of the eliminated position; (3) the savings associated with the eliminated position; and (4) the total amount of savings associated with the eliminated positions.

Applicability for CDSS. Information from the Department of Finance states that DSS reduced 218.00 vacant positions for a current year savings (and ongoing), with \$402,000 in savings under Control Section 4.12 and \$19,368,000 in savings under Control Section 4.05.

CDSS states that the Department of Finance is working with departments and will provide detailed workbooks that identify the positions/classifications and programs where reductions will be made, consistent with the document posted on the Department of Finance’s website. Once approved, the Department of Finance will process an Executive Order to direct the State Controller to reduce departments’ 2024-25 budgets to ensure the planned savings in the 2025-26 Governor’s Budget will be realized before the end of the current fiscal year. Consolidated information will be shared at a later time.

Below are the department’s solutions to address the reduction, subject to change via the final workbooks noted above:

CS 4.05 State Operations Reductions

\$7,000,000	Shift additional personnel costs where allowable to federal funding to maximize federal fund and offsets General Fund costs.
\$6,281,000	Temporary hiring freeze ¹
\$3,087,000	Reduce operating expense and equipment spending (travel, training, office supplies, etc.)
\$2,000,000	Reduce IT procurement spending.
\$1,000,000	Reduce licensed facility temporary manager funding to meet expected need ²
\$19,368,000	TOTAL

¹Since the Temporary Hiring Freeze savings is one-time only, CDSS is working to identify ongoing savings of \$6.2 million.

²CDSS is funded to place temporary managers in licensed facilities when those facilities are being closed down. The Department will retain \$3.9 million for this purpose after the proposed reduction that should be sufficient to meet needs.

The full recent analysis from the LAO, with LAO comments and recommendations, is available [here](#).

Panel

Questions for the Panel:

- ◇ What was the process for making the decisions about these reductions?
- ◇ What impacts will these reductions have?
- ◇ What will be the approach to make decisions on and inform the Legislature about the remaining ongoing savings yet to be identified (\$6.2 million)?
- Yang Lee, Deputy Director, Finance & Accounting Division, California Department of Social Services
- Thomas Locke, Finance Budget Analyst, Department of Finance
- Sonia Schragger Russo, Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

Staff Recommendation: Hold open.

Non-Presentation Items

The following proposals do not require a formal presentation from the Administration, allowing the Subcommittee to focus time in the hearing on the most significant issues. Members of the Subcommittee may ask questions, make comments, or request a presentation by the Administration on these proposals, at the discretion of the Subcommittee Chair. Members of the public can provide public comment on these items during the Public Comment period, after discussion on the issues to be heard has concluded.

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Issue 11: Related Governor's Budget Change Proposals (BCPs)

- ◇ Increase Reimbursement Authority for Receivable CalFresh Confirm Inter-Agency Agreements BCP
- ◇ New CalFresh Outreach Section BCP
- ◇ CalWORKs: Permanent Housing Assistance (SB 1415) BCP
- ◇ Homelessness Programs Data Collection and Sharing (AB 799) BCP
- ◇ Limited-Term Resources for Housing and Homelessness Data Reporting Solution (HHDRS) BCP
- ◇ Office of Equity Permanent Existing State Operations BCP
- ◇ Office of Equity New Staffing Resources BCP

A description of each of these proposals in the Governor's Budget is included here. Please see the [Department of Finance's website for more detailed information.](#)

Increase Reimbursement Authority for Receivable CalFresh Confirm Inter-Agency Agreements BCP. The proposal is to increase reimbursement authority by \$269,000 to continue receivable Inter-Agency Agreements (IAAs) with fellow state-level entities seeking to use the CalFresh Confirm tool resource. The receivable funds support (1.0) Staff Services Manager (SSM) I Specialist and (1.0) Information Technology Specialist (ITS) II to effectively manage workload, ensure federal compliance, and maintain implementation of the CalFresh Confirm tool. The positions are funded by the Federal Employment and Training (E&T) funds at 50 percent and from revenue generated from agreements at 50 percent. No state General Funds are currently utilized.

New CalFresh Outreach Section BCP. The proposal is for an increase in federal expenditure authority of \$780,000 in 2025-26 and \$760,000 in 2026-27 and ongoing to bolster the CalFresh Outreach program and engage in more strategies to reach people eligible for CalFresh in California. The Department of Social Services has stated that the additional federal reimbursement is for existing blanket positions and that this BCP will provide more capacity internally for the department to support community-based organizations. Additional detail on how the department arrived at the amounts in the BCP has been requested and is pending receipt.

CalWORKs: Permanent Housing Assistance (SB 1415) BCP. The proposal is for \$180,000 General Fund in 2025-26 and \$176,000 in 2026-27 to support 1.0 limited-term position equivalent to effectively implement the policy changes associated with Senate Bill 1415 (Chapter 798, Statutes of 2024) including development of guidance, regulations, automation, as well as technical assistance and oversight to counties for the Homeless Assistance Program.

Homelessness Programs Data Collection and Sharing (AB 799) BCP. The proposal is for \$433,000 General Fund in 2025-26 and \$421,000 in 2026-27 and ongoing to support one (1.0) permanent Research Data Supervisor I and one (1.0) permanent Research Data Supervisor II to oversee data sharing, coordination, and analysis associated with Assembly Bill 799 (Chapter 263, Statutes of 2024) to support the quarterly sharing of funding opportunities and to assist in the annual publication of a statewide report on homelessness in collaboration with the California Interagency Council on Homelessness.

Limited-Term Resources for Housing and Homelessness Data Reporting Solution (HHDRS) BCP. The proposal is for one (1.0) limited-term position equivalent to oversee the implementation, maintenance, and operation of the system in the Budget Year. The requested resource is essential to operationalizing the vision of HHDRS, including change management, training, system maintenance, and technical support to all 300+ housing grantees. Effective implementation of HHDRS, in turn, will enable the CDSS to leverage data to increase accountability and improve the impact of each program in addressing the homelessness crisis in California.

Office of Equity (OOE) Permanent Existing State Operations BCP. The proposal is for \$385,000 General Fund and \$149,000 Federal Funds in 2025-26 and ongoing to make permanent 3.0 positions to continue operating its essential equity and related population specific programs. The OOE includes the Office of Tribal Affairs, the Civil Rights, Accessibility and Resource Equity Branch, the Immigrant Integration Branch, the Office of Immigrant Youth, the Office of the Foster Care Ombudsperson, and the Equal Employment Opportunity Office. Since its inception in 2020, the OOE has worked to address significant inequities in services and programs, further exposed by the pandemic. The 3.0 permanent positions include 1.0 Staff Services Manager II (SSM II), 1.0 Associate Governmental Program Analyst (AGPA), and 1.0 Executive Secretary (ES). DSS is entrusted to address emerging issues and emergency situations such as unexpected migration of immigrant children, youth, and families arriving in California for shelter and safety and determining the best interest of a child within Tribal families and communities. Much of this work has been accomplished with limited-term funds. The Department requests permanent position authority to ensure that essential state operations continue.

Office of Equity New Staffing Resources BCP. The proposal is for \$188,000 General Fund and \$219,000 Federal Funds in 2025-26 and \$184,000 General Fund and \$213,000 Federal Funds in 2026-27 and ongoing to support two new (2.0) permanent authorized positions, 1.0 Staff Services Manager II (SSM II) and 1.0 Associate Governmental Program Analyst (AGPA), to ensure continuous oversight and implementation of emerging and expanded programs and workloads in the Office of Equity. CDSS has experienced a sharp rise in caseloads and has enhanced resources need in the associated workload. OOE requires additional resources to

keep up with the operational support it provides to the entire Department and to fulfill the intent, purpose, and statutory mandates to serve and represent communities.

Staff Comments

Staff is not aware of issues being raised with these BCPs as of this writing.

Staff Recommendation: Hold open.

This agenda and other publications are available on the Assembly Budget Committee's website at: [Sub 2 Hearing Agendas | California State Assembly](#). You may contact the Committee at (916) 319-2099. This agenda was prepared by Nicole Vazquez.