

# California State Assembly



## Hearing Agenda

### Assembly Budget Subcommittee No. 2 on Human Services

Assemblymember Dr. Corey Jackson, Chair

Wednesday, April 29, 2026  
1:30 P.M. – State Capitol, Room 444

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## Panels

**5180 Department of Social Services (DSS)**

**0530 California Health and Human Services Agency (CalHHS), including Office of Technology and Solutions Integration (OTSI)**

**4260 Department of Health Care Services (DHCS)**

**4300 Department of Developmental Services (DDS)**

### **Issue 1: California’s H.R. 1 Response for CalFresh – Updates on Implementation Efforts to Maximize CalFresh Recipient Retention**

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Michelle Baass, Director, California Department of Health Care Services
- Pete Cervinka, Director, California Department of Developmental Services
- Carlos Marquez III, Executive Director, County Welfare Directors Association of California
- Ryan Woolsey, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

### **Issue 2: CalSAWS and CFAP Expansion Updates, and Responses to the Chair’s Questions on CFAP Plus – Creating a Future Policy and Budget Option to Provide State-Supported Food Benefits for Those Losing CalFresh Under H.R. 1**

- Ryan Gillette, Deputy Director of the Research, Automation, and Data Division, and Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Brandon Hansard, Chief Deputy Director, Office of Technology and Solutions Integration
- Ryan Woolsey, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**5180 Department of Social Services (DSS)**

### **Issue 3: Updates on Select 2025 CalFresh and Child Welfare Investments and Chaptered Trailer Bill Language**

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, and Jenny Pearlman, Career Executive of the Child and Family Services Division, California Department of Social Services
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Soha Manzoor, Finance Budget Analyst, Department of Finance

**Issue 4: Promise Neighborhoods**

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Shimica Gaskins, President & CEO, End Child Poverty CA
- Edgar Chavez, Executive Director, Hayward Promise Neighborhood
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**Issue 5: Stop the Hate Grant Program**

- Eliana Kaimowitz, Director of the Office of Equity, California Department of Social Services
- Manjusha Kulkarni, Chief Executive Officer, AAPI Equity Alliance
- Rejie Marie Baylos, Executive Director, Asian Resources, Inc.
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Lourdes Morales, Assistant Program Budget Manager, Department of Finance

**Issue 6: Housing and Homelessness Programs – Shortfalls Expected in 2026-27 for the Housing Disability Advocacy Program and the CalWORKs Housing Support Program**

- Hanna Azemati, Deputy Director of the Housing and Homelessness Division, California Department of Social Services
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**4700 Department of Community Services and Development (CSD)**

**Issue 7: Department of Community Services and Development Budget Review, including Budget Change Proposals**

- Jason Wimbley, Director, Department of Community Services and Development
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Kayla Knott, Finance Budget Analyst, Department of Finance

**0530 California Health and Human Services Agency (CalHHS)**

**Issue 8: California Health and Human Services Agency Program and Budget Review**

- Brent Houser, Interim Deputy Secretary for Program and Fiscal of Affairs, California Health and Human Services Agency
- Min Lee, Economist, Legislative Analyst’s Office

- Gabriel Ordaz, Finance Budget Analyst, Department of Finance

**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 9).**

**Thank you.**

## Items To Be Heard

**5180 Department of Social Services (DSS)**

**0530 California Health and Human Services Agency (CalHHS), including Office of Technology and Solutions Integration (OTSI)**

**4260 Department of Health Care Services (DHCS)**

**4300 Department of Developmental Services (DDS)**

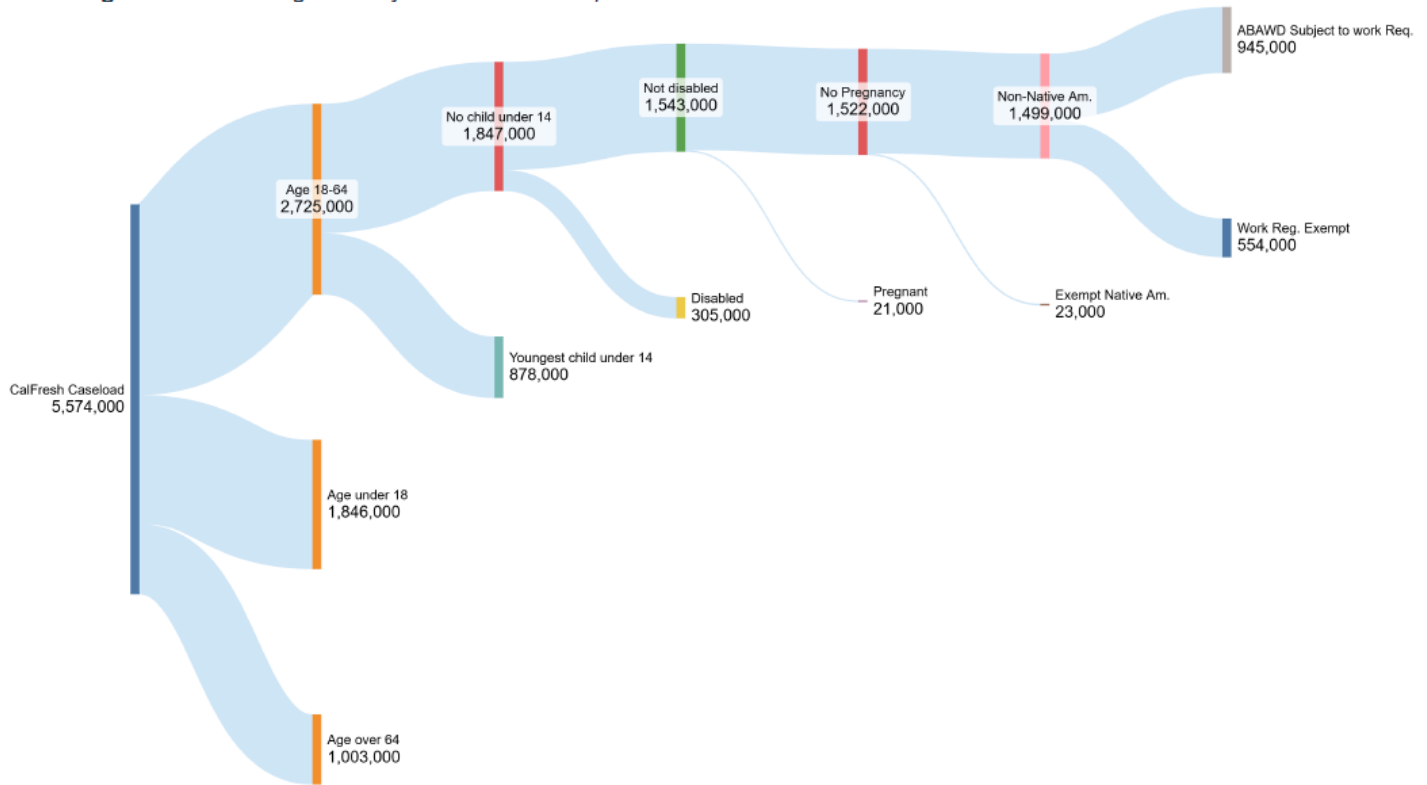
### Issue 1: California's H.R. 1 Response for CalFresh – Updates on Implementation Efforts to Maximize CalFresh Recipient Retention

**H.R. 1 Expected Impacts on CalFresh.** As discussed in prior Sub. 2 hearings this year, the Administration has provided the following impact assessment for the work requirements for Able-Bodied Adults Without Dependents (ABAWDs) under federal H.R. 1 on people receiving food benefits under CalFresh (federal Supplemental Nutrition Assistance Program or SNAP). This is summarized in the bullets below:

- California currently has about 2.7 million adults age 18–64 receiving CalFresh statewide. There are approximately 5.5 million people who receive CalFresh in California.
- Based on what the California Department of Social Services (CDSS) already knows from administrative data, about 1.8 million CalFresh recipients between the ages of 18-64—or two-thirds—are already expected to be exempt. For example, roughly 880,000 of these adults live in a household with a child under 14 and therefore qualify for an exemption.
- This leaves approximately 955,000 adults—about 17% of the total caseload—whose exemption status is unknown at this time or who may be subject to the time limit, including roughly 600,000 people newly subject because of H.R. 1.
- The Governor's Budget estimates reflect a delayed implementation for the seven counties with a current waiver (beginning November 1, 2026). The point-in-time counts provided include those counties in order to provide a complete picture of ABAWDs statewide.
- Based on initial budget estimates, CDSS anticipates that of these 955,000 individuals:
  - About 110,000 will be determined exempt based on new information collected by county eligibility workers.
  - About 179,000 will be subject to and meet the work or community engagement requirements.
  - That leaves an estimated 665,000 ABAWDs who may lose CalFresh eligibility at full implementation.

This information is illustrated in the following “river” chart recently provided by CDSS.

Figure 1: Estimating the Projected ABAWD Population Under H.R. 1



Source: CalSAWS Data, July 2025. Numbers rounded for simplicity.

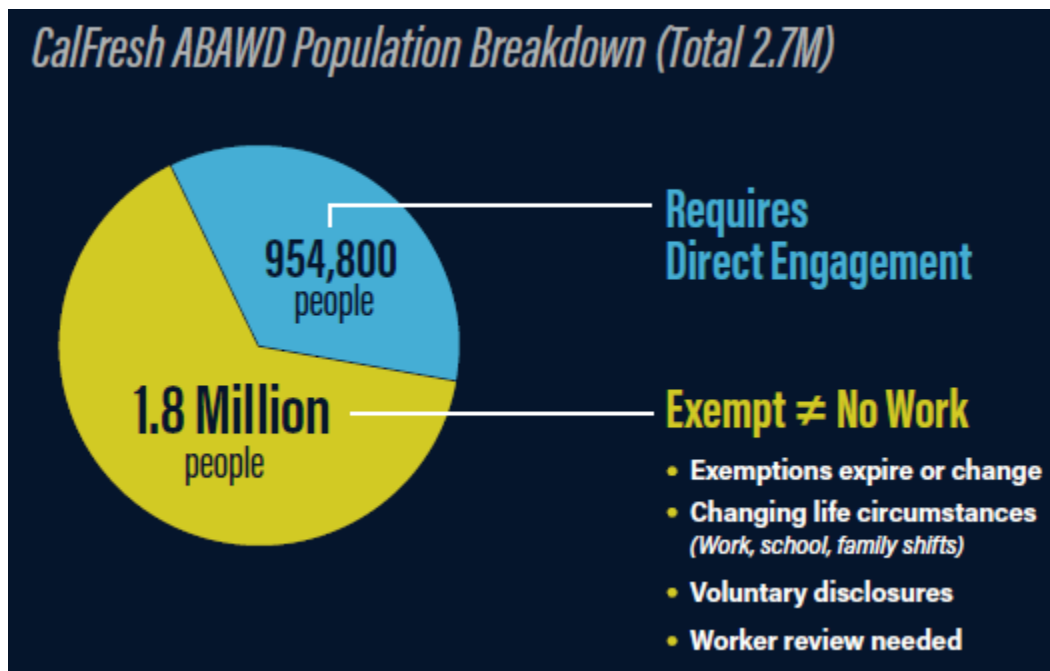
Figure 1 (page 3) illustrates these exemptions and provides an estimate of the baseline number of ABAWD individuals based on CalSAWS data. Further data sources could be used to reduce this number and automate additional exemptions.

**Importance of Data Matching and Timeline.** The above numbers rely upon data matching to achieve the target exemptions in the bullets and the “river” chart. The projection of success for this data matching and the timing to avoid unwarranted discontinuances (i.e. a CalFresh recipient losing food benefits, but who should have qualified for an exemption) is unknown as of this writing. A primary purpose of this issue in the Sub. 2 hearing is to better understand the plan and timeline for this data matching and providing of exemptions toward the mutual goal between the Legislature and the Administration to maximize CalFresh retention.

CDSS has indicated that they are planning for the use of administrative data to automatically exempt individuals from the time limit, phasing in over time.

At June 1, 2026 Implementation. CDSS has indicated that they will be able to auto-exempt 1.8 million individuals, or approximately two-thirds of the 2.7 million Californians deemed ABAWDs, with approximately 955,000 CalFresh recipients estimated to require worker screening for exemptions and potential compliance in order to maintain eligibility. CDSS has indicated that data to exempt the 1.8 million population is already in the California Automated Welfare System (CalSAWS), that CDSS can provide automatic exempt without worker screening, and that this will be ready for June 1 implementation.

Summer and Fall Data Sharing. CDSS has indicated that they are working on securing additional data sources to auto-exempt individuals within the 955,000 adults that were previously estimated would be subject to the ABAWD time limit. CDSS has said this includes potential data from the Department of Health Care Services (DHCS), Department of Developmental Services (DDS), and that the aim is to have this information available for CalSAWS to auto-exempt individuals prior to the first cohort of individuals subject to the three-month time limit being discontinued. The following chart is from the County Welfare Directors Association of California (CWDA).



DSS has also indicated that they are working on administrative data integration opportunities, including IHSS provider and consumer information, but has not provided details or a timeline.

When People Will Start to Lose CalFresh Food Benefits. People will start to lose benefits on September 1, 2026, so a target date to complete the data matching for exemptions so as to not risk avoidable discontinuances is late August. September 1 would start the first month after three countable months of assistance for someone who applies or is redetermined on June 1, 2026, when the new policy under H.R. 1 takes effect in California. October 1, 2026, is the date when the first cohort of 665,000 divided by 12 months, or over 55,000 people, will be discontinued, according to the CDSS estimates. This is because most people will not be redetermined on June 1, but over the course of the month, meaning their three-month clock will start July 1 and run until the end of September (for the full months of July, August, and September). If they are not able to meet work requirements or qualify for an exemption during this period, they will lose food assistance on October 1, 2026. Redeterminations due in cascading months will have the same dynamic, with the end of the third countable month after their redetermination driving what date they will lose their CalFresh benefit. CDSS estimates that over 55,000 people would be discontinued each month after October 1 for roughly a full year, or longer, given different redetermination schedules.

More information about these the exemptions as provided by CDSS is below.

**H.R. 1 changes who is subject to ABAWD work requirements.** H.R. 1 changes the definition of an ABAWD to include people between the ages of 18-64 (up from 54) who are determined able to work and who do not have dependent children under age 14 (down from 18) in the CalFresh household. H.R. 1 also eliminated several exemptions from the ABAWD time limit, including people who are: veterans, homeless, or youth formerly in foster care. H.R. 1 also created a new exemption for people who are American Indian and Alaska Native.

Current administrative data exempts 66% of all working age adults. This leaves roughly 950,000 CalFresh recipients who are projected to be subject to new work requirements. Individuals that are eligible for an exemption and can be identified using administrative data within the Statewide Automated Welfare System (SAWS) include those who are:

- Living in a household with a child under 14
- Living with a disability (and receiving a disability benefit)
- Pregnant
- Exempt from work registration
- American Indian or Alaskan Native

At least two-thirds (66%) of working age adults on CalFresh are likely exempt based on administrative data within SAWS alone. Of the 2.7 million working age adults on CalFresh:

- 878,000 (33%) live in a household where the youngest child is under age 14
- 554,000 (20%) are exempt from work registration<sup>1</sup>
- 305,000 (11%) are exempt due to being a person with a disability
- 23,000 (1%) are likely exempt because they have self-identified as American Indian
- 21,000 (1%) are exempt due to pregnancy

The counts above are unduplicated because they depend on the order in which the exemptions are evaluated. CDSS states that its “river” chart illustrates these exemptions and provides an estimate of the baseline number of ABAWDs based on CalSAWS data. Further data sources could be used to reduce this number and automate additional exemptions.

There are no clear disproportionality trends by race or language, although men are more likely to be an ABAWD than women. CDSS also reports that CalFresh recipients who are men and aged 55-64 are disproportionately impacted by shifts in the ABAWD time limit exemption rules.

Among individuals who are no longer exempt from the time limit due to H.R. 1:

- Roughly 60,000 individuals live in a household where an adult is newly subject to work requirements because the youngest child in the household is age 14-17.
- Individuals aged 55-64 are disproportionately more likely to be subject to the time limit.
- The vast majority (94-96%) of individuals who have lost the homelessness, former foster youth, and veteran exemptions are not currently covered by the new exemptions introduced in H.R. 1.

New detailed information on ABAWDs is provided by CDSS in the chart on the next page.

**Table 1: Demographics of the Projected ABAWD Population and CalFresh Caseload**

Caseload			Projected ABAWDs		
Group	Individuals	Share (%)	Individuals	Share (%)	Difference (pp)
<b>Gender</b>					
Female	3,029,061	54.3	410,383	43.8	-10.5
Male	2,544,387	45.7	527,082	56.2	10.5
<b>Race/ethnicity (as self-reported in SAWS)</b>					
Hispanic/Latino	2,291,278	41.1	312,595	33.3	-7.8
White	1,392,687	25.0	306,041	32.6	7.6
Black	648,800	11.6	138,980	14.8	3.2
Asian	530,021	9.5	75,412	8.0	-1.5
<b>Age group</b>					
Under 18	1,845,925	33.1			
Age 18 to 34	1,163,266	20.9	313,988	33.5	12.6
Age 35 to 54	1,024,707	18.4	329,757	35.2	16.8
Age 55 to 64	536,273	9.6	293,722	31.3	21.7
Over 65	1,003,301	18.0			
<b>Language</b>					
English	4,381,455	78.6	815,600	87.0	8.4
Spanish	925,251	16.6	93,723	10.0	-6.6
Other language	266,766	4.8	28,144	3.0	-1.8
<b>Formerly exempt</b>					
Child >14 yrs	2,874,930	51.6	59,177	6.3	-45.3
Homeless	262,251	4.7	253,817	27.1	22.4
Former foster	3,230	0.1	3,039	0.3	0.2
Veteran	4,083	0.1	3,940	0.4	0.3

Source: CalSAWS Data, July 2025

**County Workload Request.** CWDA continues to advocate for resources to maximize CalFresh retention. Below is the chart previously included on the CWDA ask for CalFresh and Medi-Cal in response to federal H.R. 1.

County Workload HR 1 CalFresh & Medi-Cal Requests (in Millions)					
	2025-26	2026-27	2027-28	2028-29	2029-30
<b>CalFresh H.R. 1 ABAWD implementation</b>					
Total Funds	\$ 26.9	\$ 213.6	\$ 110.3	\$ 110.3	\$ 110.3
General Fund	\$ 9.3	\$ 102.8	\$ 57.9	\$ 57.9	\$ 57.9
<b>Medi-Cal H.R. 1 work requirements + redeterminations*</b>					
Total Funds	\$ -	\$ 923.6	\$ 1,218.7	\$ 703.7	\$ 456.3
General Fund	\$ -	\$ 230.9	\$ 304.7	\$ 175.9	\$ 114.1
<b>Medi-Cal County Admin COLA restoration</b>					
Total Funds	\$ -	\$ 78.5	\$ 78.5	\$ 78.5	\$ 78.5
General Fund	\$ -	\$ 39.2	\$ 39.2	\$ 39.2	\$ 39.2
<b>TOTAL REQUEST</b>					
Total Funds	\$ 26.9	\$ 1,215.7	\$ 1,407.5	\$ 892.6	\$ 645.1
General Fund	\$ 9.3	\$ 372.9	\$ 401.8	\$ 273.1	\$ 211.2

\*Assumes 75% enhanced federal fund match based on existing federal policy.

The following graphics were provided by CWDA to support their H.R. 1/ABAWD workload request of \$102.8 million General Fund for 2026-27 and \$57.9 million General Fund in 2027-28 and ongoing for CalFresh.



**LAO Report on County Administration and H.R. 1 Implementation**

**FIGURE 5 | 2026-27 Estimated H.R. 1 Impacts on CalFresh and CFAP Administration (In Millions)**

ABAWD Work Requirement	Total	Federal	General Fund	County
New administration and automation costs <sup>a</sup>	\$78.4	\$24.3	\$38.0	\$16.1
Caseload impact	-78.6	-24.4	-38.1	-16.1
<b>Subtotals</b>	<b>(-\$0.2)</b>	<b>(-\$0.1)</b>	<b>(-\$0.1)</b>	<b>(-\$<sup>b</sup>)</b>

<sup>a)</sup> Includes cost for training, automation, confirmation of work hours engagement, and processed discontinuances. Does not include funding for oral notice of work rules.  
<sup>b)</sup> Less than \$500,000



**Current Year \$20 Million Released to Counties.** The Department of Finance notified the Joint Legislative Budget Committee on April 7, 2026, that it is authorizing use of the \$20 million General Fund for ABAWD county administrative readiness. On April 21, 2026, CDSS released the county fiscal letter, which can be found [here](#).

**California's CalFresh H. R. 1 Response Proposed Trailer Bill Language.** Consistent with the conversations in this Subcommittee over several hearings, the Chair is forwarding the following trailer bill language for socialization and to solicit feedback and technical assistance. Comments and specific feedback from the Administration, Legislative Analyst's Office (LAO), CWDA, and stakeholders are welcome to the Subcommittee staff and Member's office.

SECTION X. Section 18900.96 is added to the Welfare and Institutions Code, to read:

18900.96. (a) It is the intent of the Legislature in enacting this section to provide direction to the state and counties to maximize efforts to retain in the program as many CalFresh recipients as possible as Public Law 119-21 is implemented. It is further the intent of the Legislature to provide for the continuation of food benefits for as many Californians as possible who may become ineligible for CalFresh benefits due to the implementation of Public Law 119-21. [Please see Issue 2 for the code sections that correspond to this latter sentence.]

(b) The state and counties shall implement Public Law 119-21 using all of the following principles [these were drawn from the Administration's documents]:

(1) Mitigate harm and minimize client impacts and discontinuances of benefits whenever possible.

(2) Use data and research to inform decisions, monitor impacts, and make adjustments when necessary. This includes, but is not limited to, data matching and flagging cases to identify and exempt as many individuals who qualify for exemptions as possible.

(3) Actively seek insight from people with lived experience and from partners representing a variety of local and state sectors.

(4) Identify opportunities to improve existing processes in parallel with implementation efforts that center client and county user experience.

(c) The State Department of Social Services shall, working with other departments and the California Health and Human Services Agency, as necessary, adopt, provide instructions to counties, and automate for blanket exemptions to CalFresh work requirements, in accordance with federal law, for the following populations eligible for CalFresh:

(1) Individuals served under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500)) by regional centers who qualify for an exemption to the CalFresh work requirements under Public Law 119-21 because they are medically certified as physically or mentally unfit for work. The department shall not infringe on or impede the ability of individuals who may be working to continue working.

(2) Individuals who are recipients of the In-Home Supportive Services program (Article 7 (commencing with Section 12300) of Chapter 3 of Part 3) and their caregiver providers.

(3) Individuals who are unfit for work because they lack a fixed, regular, and adequate nighttime residence.

**Panel**

**Questions for the Panel:**

**Top Line Questions for All Panelists:**

- ◇ What is the progress in data matching to exclude the 66%, or 1.8 million CalFresh recipients, who you've identified as likely to be exempt based on administrative data? What is the plan to achieve the 554,000 exemptions through work registration specifically within this number?
- ◇ What is the progress in data matching for those within the remaining 955,000?
- ◇ What progress has been made on the assessment of new and needed county workload to reach the mutual goal of maximizing CalFresh retention?
- ◇ What is the reaction and feedback to the draft trailer bill language included for this issue?

**For CDSS:**

- ◇ When does CDSS anticipate being able to implement additional administrative data sharing (e.g. from DHCS and DDS) into CalSAWS for CalFresh exemptions, and how many individuals does the Department estimate can be exempted, respectively, from those data sources?
- ◇ How could and will delays in data sharing impact the numbers of ABAWDs who will lose CalFresh due to H.R. 1? Can we prevent this?
- ◇ For data received from DHCS, to what extent will claims data will be current enough to support exemptions, given that claims are typically not submitted for up to 6 months after services are provided?
- ◇ Given different exemption criteria for CalFresh versus Medi-Cal, please describe how the medical frailty Medi-Cal exemption criteria and the supporting data file DHCS possesses to certify "medically frail" Medi-Cal recipients will be cross-walked to satisfy the "medically unfit for work" exemption for that same individual under CalFresh?
- ◇ To what extent does CDSS expect to be able to utilize IHSS data to exempt recipients and automatically validate if providers are meeting work requirements? What is the timeline to implement these?
- ◇ At what points will individuals who are exempted through administrative data still require engagement by county eligibility workers? For example, will screenings at recertification still be required to ensure that all potential exemptions have been identified? Will counties need to respond to customer reports of additional exemptions between recertifications?

- ◇ What is the status currently for call centers (wait times, dropped calls, etc.)? How will this be tested as H.R. 1 implements in California and will the situation be improved in any to help address the coming changes and the inevitable questions from recipients?
- ◇ How could ABAWD implementation impact the Payment Error Rate (PER)?

**For DHCS:**

- ◇ What is the DHCS role in the work to provide exemptions for the CalFresh ABAWD population, as envisioned in the CDSS “river” chart included in the agenda? Has DHCS provided all necessary data to CDSS and/or CalSAWS to achieve the exemptions for the 66% of the 2.7 million?
- ◇ What is the DHCS role for the exemptions for the remaining 955,000 ABAWDs?
- ◇ What is the specific plan and timeframe for the DHCS role(s) to be complete? Will there be delays that could impact the expected exemptions, and are these at all avoidable or malleable?
- ◇ What is the DHCS role for the exemptions of IHSS recipients and their providers?
- ◇ Given different exemption criteria for CalFresh versus Medi-Cal, please describe how the medical frailty Medi-Cal exemption criteria and the supporting data file DHCS possesses to certify “medically frail” Medi-Cal recipients will be cross-walked to satisfy the “medically unfit for work” exemption for that same individual under CalFresh?
- ◇ How does the H.R. 1 Medi-Cal programming that you are completing relate to the CalFresh data matching?
- ◇ Are there other roles that DHCS has for this data matching that we have not asked about? If DHCS does not have a role in these areas, please clarify?

**For DDS:**

- ◇ What is the DDS role in the work to provide exemptions for the CalFresh ABAWD population, as envisioned in the CDSS “river” chart included in the agenda? Has DDS provided all necessary data to DSS and/or CalSAWS to help achieve the exemptions for the 66% of the 2.7 million?
- ◇ Does DDS have a role for the exemptions for the remaining 955,000 ABAWDs?
- ◇ What is the reaction and feedback to the draft trailer bill language included for this issue?
- ◇ What will the 21 Regional Centers need in 2026-27 at a minimum to ready them for the changes impacting the DDS caseload given H.R. 1? Which service components and staff

at RCs are likely to be at the frontline for the barrage of new questions/concerns/adverse impacts regarding CalFresh and Medi-Cal changes?

- ◇ How will DDS collect and report back information on impacts to the Legislature?

**For CWDA:**

- ◇ Please share any relevant evidence or examples of improved program participation or retention rates during periods in which counties have been adequately staffed and funded versus when staffing attrition and funding levels have been inadequate.
- ◇ What difference does CWDA believe adequate staffing levels can make in buffering the effects of new procedural and paperwork barriers associated with HR.1's work requirements?
- ◇ Is there anything we can learn from SNAP H.R.1 implementation in other states that have begun implementing earlier that the state and counties can leverage prior to implementation to mitigate negative program retention and participation outcomes here California as counties prepare for June implementation of the ABAWD time limit?
- ◇ There is a lot of emphasis on automation and data matching to manage work requirements at scale—which is the right move to maximize retention— however, where do these tools fall short, and what risks do we face if we over-rely on them without enough human review and client engagement?
- ◇ What does county readiness for H.R. 1 look like under current resource constraints, and how would that picture shift if adequate funding were available?

**Panel:**

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Michelle Baass, Director, California Department of Health Care Services
- Pete Cervinka, Director, California Department of Developmental Services
- Carlos Marquez III, Executive Director, County Welfare Directors Association of California
- Ryan Woolsey, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**Staff Comments**

The Chair may wish to ask for responses to the questions listed in the agenda to be provided in writing to the Subcommittee by a date certain, before the May Revision. Departments are advised to consider prior to the hearing what date could be feasible if the Chair requests this.

**Staff Recommendation:** Hold open.

**Issue 2: CalSAWS and CFAP Expansion Updates, and Responses to the Chair's Questions on CFAP Plus – Creating a Future Policy and Budget Option To Provide State-Supported Food Benefits for Those Losing CalFresh Under H.R. 1**

**CalSAWS Overview.** The California Statewide Automated Welfare System (CalSAWS) encompasses the county case management systems supporting the State of California's public assistance programs. The system supports county eligibility and employment staff providing eligibility determinations and benefit calculations for program applicants and recipients. CalSAWS provides support and automation for the administration of the following programs:

- CalWORKs
- CalFresh/Supplemental Nutrition Assistance Program
- California Food Assistance Program
- Medi-Cal
- Foster Care
- Refugee Cash Assistance
- Cash Assistance Program for Immigrants
- Kinship Guardianship Assistance Payment
- General Assistance/General Relief (GA/GR)
- Welfare-to-Work
- Child Care
- Adoption Assistance Program

In June 2019, the 58 county CalSAWS Joint Powers Authority (JPA) formed as the legal entity responsible for overseeing the single statewide automated welfare system. CalSAWS provides welfare systems automation of county welfare business processes in California. The project automates public assistance for all 58 CalSAWS counties and strives for uniform application of program policy, the timely and accurate delivery of benefits, and enhanced information management for county business decisions.

**CalSAWS Maintenance and Operations (M&O) Project Status.** The M&O phase will include regular performance monitoring, security assessments, and the implementation of new functionalities to support improved service delivery, which will involve ongoing maintenance, enhancements, and updates to the CalSAWS platform to meet evolving state and federal requirements, needs of the counties, and improved user experience.

In January of 2025, CalSAWS began an evolution to refine and mature processes and committee structures to yield the highest statewide value with consistent stakeholder engagement points and improved transparency. CalSAWS continues to focus on ensuring the system's continued stability, scalability, and efficiency through major enhancements in the M&O phase. Below is a list of major enhancements that have been implemented within the last year to meet the needs of millions of Californians:

- GenAI - Call Summary Assist Pilot in Fresno County (January 2025)

- Alternative Formats Requests for Visually Impaired Applicants and Beneficiaries (March 2025)
- Statewide Case Aid Time Limit (SCATL) (May 2025)
- Automated General Assistance/General Relief for San Bernadino County (May 2025)
- Updates to the Single Streamlined Medi-Cal Application (September 2025)
- Limits to Standard Utility Allowance Subsidy (October 2025)
- CalFresh Cost of Living Change Fragment in Threshold Language (November 2025)
- Fiscal Responsibility Act of 2025 (H.R. 1) related automations effective January 1, 2026
- Enrollment Freeze for Full-Scope Medi-Cal Expansion to Undocumented Californians, Adults 19 and Older (January 2026)
- Reinstatement of Asset Limit Test for Non-Modified Adjusted Gross Income Medi-Cal (January 2026)
- Able-Bodied Adults Without Dependents (ABAWD) reinstatement (December 2025)
- Collaboration, automation, and communication associated to Federal Shutdown impacting Supplemental Nutrition Assistance Program (SNAP) benefits for November 2025

In 2025, BenefitsCal (the statewide application portal component of CalSAWS) received significant updates, including enhanced ability to upload documents without a BenefitsCal account, improved document selection and upload capabilities. Through the BenefitsCal collaboration model, the focus remains on refining the user experience and enhancing stakeholder engagement in the public facing initiative lifecycle process. In December 2024, the first set of the new expanded application, periodic, and annual report metrics were shared in various project and stakeholder meeting and published on the CalSAWS website.

The CalSAWS System supports 48,097 users and 21.8 million clients based on the FY 2023-24 Persons Count.

Total Project Budget:

Total CalSAWS Project Budget/Cost	Timeframe	Document Referenced
\$2,896,128,070	FY 2024-25 to FY 2031-32	June 2025 Annual OAPDU

2025-26 CalSAWS M&O Project Budget:

Federal Funds	General Fund	Other	Total
\$244,061,000	\$132,826,000	\$17,580,000	<b>\$394,467,000</b>

**CalSAWS Current Year and Budget Year Differences.** For CalSAWS, key changes between Current Year and Budget Year include an overall reduction in costs of \$40 million total funds due to the completion of vendor transition efforts for both Maintenance and Enhancements scope and Infrastructure scope and various updates to cost estimates associated with hardware refreshes and software renewals (e.g. moving to several AWS-native software products to

achieve cost savings), which is partially offset by, increases to Print costs due to new requirements associated with Alternate Formats. These differences are captured in the chart provided by the Office of Technology and Solutions Integration (OTSI).

September 2025 CAP	SFY 25/26	SFY 26/27
<b>Operations</b>		
Hardware	\$14,966,988	\$8,306,270
Software	\$68,082,431	\$44,229,754
Cloud Services	\$44,487,698	\$46,321,389
Technical Infrastructure	\$123,672,295	\$90,962,882
Personnel & Legal Services	\$50,455,102	\$48,879,372
Print Services	\$41,934,111	\$59,369,395
Quality Assurance & IV&V Services	\$8,129,025	\$6,911,441
Facilities	\$3,089,144	\$3,111,192
<b>Subtotal</b>	<b>\$354,816,794</b>	<b>\$308,091,695</b>
<b>System Changes</b>		
BenefitsCal (Deloitte)	\$4,118,343	\$0
BenefitsCal (Accenture)	\$292,875	\$3,514,501
CalSAWS Core (Deloitte)	\$17,342,483	\$28,168,047
CalSAWS Core (Accenture)	\$10,305,350	\$0
CalSAWS Analytics (Deloitte)	\$4,325,255	\$9,089,750
CalHEERS Interface (Deloitte)	\$1,622,939	\$2,536,221
CalHEERS Interface (Accenture)	\$791,598	\$0
CalSAWS Interface (FCED)	\$0	\$1,520,004
Customer Service Center (CSC) Solution	\$850,420	\$1,018,052
<b>Subtotal</b>	<b>\$39,649,263</b>	<b>\$45,846,575</b>
<b>Combined Total</b>	<b>\$394,466,057</b>	<b>\$353,938,270</b>

Funding Participation	SFY 25/26	SFY 26/27
Federal Share	\$244,059,519	201,768,739
General Fund (CDSS)	\$35,660,638	44,066,437
General Fund (DHCS)	\$97,165,330	87,223,110
County Share	\$17,251,312	20,533,283
Covered CA Share	\$329,258	346,701
<b>Total</b>	<b>\$394,466,057</b>	<b>\$353,938,270</b>

**CFAP Expansion Within CalSAWS.** Currently, the California Food Assistance Program (CFAP) is administered using a federal option available to states that is limited to serving lawfully present noncitizens ineligible for federal CalFresh benefits because of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). This federal option allows California to advance the United States Department of Agriculture (USDA) state funding to issue CalFresh equivalent benefits to eligible noncitizens. State statute also limits CFAP to lawfully present noncitizens ineligible for CalFresh because of PRWORA.

With the CFAP Expansion, financially eligible Californians age 55 and older who are otherwise ineligible for federal CalFresh because of their immigration status will be eligible for CFAP. Because CFAP eligibility is being expanded beyond those people ineligible for federal CalFresh

because of PRWORA, California can no longer use the federal option to administer CFAP. Instead, California must establish a stand-alone program that is not linked to federal CalFresh benefits, including the ability to issue state funded benefits directly from a state bank account.

As a result, the CFAP Expansion effort includes significant automation to establish a new state funded program within CalSAWS that is separate and apart from CalFresh. Automation includes the ability to establish a CFAP case and apply CFAP eligibility rules, CFAP notices, CFAP reporting, and the ability to load state-funded benefits directly onto EBT cards, as well as other necessary functionality. Specific steps underway to implement the CFAP expansion include regular planning and design meetings with CalSAWS, setting up a new state bank account to support the state-funded program, establishing new benefit types in the EBT system, and developing new security roles to safeguard information. Prior to implementation, CalSAWS will conduct rigorous testing and readiness validation to ensure the new functionality is performing correctly, as well as develop job aids and training tools for county staff.

These current activities are funded with \$38 million General Fund. The CFAP Expansion automation is on track to go live on October 1, 2027, in line with the anticipated implementation date and subject to appropriation.

**Leveraging the CFAP Expansion to Create CFAP Plus.** As discussed in prior hearings, it is the Chair’s interest to create a state-supported mechanism to provide food benefits to those losing CalFresh under H.R. 1. This proposal would provide for the delivery of a food benefit identical to what was received under CalFresh for a person losing CalFresh eligibility due to H.R. 1. This would apply to the humanitarian immigrants losing food benefits starting April 1, 2026, the ABAWDs subject to time limits starting June 1, 2026, and those who became ineligible for CalFresh due to changes in H.R. 1 on the standard utility allowance (SUA). According to CDSS, the earliest that this could be completed would be October 1, 2027, subject to an appropriation for the food benefits, which could be funded in the 2027-28 Budget Act. This proposal is for the automation readiness to enable that option if an appropriation were to be made in the future.

**CFAP Plus Proposed Trailer Bill Language.** Consistent with the conversations in this Subcommittee over several hearings, the Chair is forwarding the following trailer bill language for socialization and to solicit feedback and technical assistance. Comments and specific feedback from the Administration, LAO, CWDA, and stakeholders are welcome to the Subcommittee staff and Member’s office.

SEC. X. The heading of Chapter 10.1 (commencing with Section 18930) of Part 6 of Division 9 of the Welfare and Institutions Code is amended to read:

CHAPTER 10.1. CALIFORNIA FOOD ASSISTANCE PROGRAM ~~FOR LEGAL IMMIGRANTS~~

SEC. X. Section 18930 of the Welfare and Institutions Code, as amended by Section 86 of Chapter 85 of the Statutes of 2021, is amended to read:

18930. (a) The State Department of Social Services shall establish a Food Assistance Program to provide assistance for those persons described in subdivision (b). The department shall enter into an

agreement with the United States Department of Agriculture to use the existing federal Supplemental Nutrition Assistance Program coupons for the purposes of administering this program. Persons who are members of a household receiving CalFresh benefits under this chapter or under Chapter 10 (commencing with Section 18900), and are receiving CalWORKs benefits under Chapter 2 (commencing with Section 11200) of Part 3 on September 1, 1998, shall have eligibility determined under this chapter without need for a new application no later than November 1, 1998, and the beginning date of assistance under this chapter for those persons shall be September 1, 1998.

(b) (1) Except as provided in paragraphs (2), (3), and (4) and Section 18930.5, noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person's immigration status meets the eligibility criteria of the federal Supplemental Nutrition Assistance Program in effect on August 21, 1996, but the person is not eligible for federal Supplemental Nutrition Assistance Program benefits solely due to the person's immigration status under Public Law 104-193 and any subsequent amendments thereto.

(2) Noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person is a battered immigrant spouse or child or the parent or child of the battered immigrant, as described in Section 1641(c) of Title 8 of the United States Code, as amended by Section 5571 of Public Law 105-33, or if the person is a Cuban or Haitian entrant as described in Section 501(e) of the federal Refugee Education Assistance Act of 1980 (Public Law 96-122).

(3) An applicant who is otherwise eligible for the program but who entered the United States on or after August 22, 1996, shall be eligible for aid under this chapter only if the applicant is sponsored and one of the following apply:

(A) The sponsor has died.

(B) The sponsor is disabled as defined in subparagraph (A) of paragraph (3) of subdivision (b) of Section 11320.3.

(C) The applicant, after entry into the United States, is a victim of abuse by the sponsor or the spouse of the sponsor if the spouse is living with the sponsor.

(4) An applicant who is otherwise eligible for the program but who entered the United States on or after August 22, 1996, who does not meet one of the conditions of paragraph (3), shall be eligible for aid under this chapter beginning on October 1, 1999.

(5) The applicant shall be required to provide verification that one of the conditions of subparagraph (A), (B), or (C) of paragraph (3) has been met.

(6) For purposes of subparagraph (C) of paragraph (3), abuse shall be defined in the same manner as provided in Section 11495.1 and Section 11495.12. A sworn statement of abuse by a victim, or the representative of the victim if the victim is not able to competently swear, shall be sufficient to establish abuse if one or more additional items of evidence of abuse is also provided. Additional evidence may include, but is not limited to, the following:

(A) Police, government agency, or court records or files.

(B) Documentation from a domestic violence program, legal, clinical, medical, or other professional from whom the applicant or recipient has sought assistance in dealing with abuse.

(C) A statement from any other individual with knowledge of the circumstances that provided the basis for the claim.

(D) Physical evidence of abuse.

(7) If the victim cannot provide additional evidence of abuse, then the sworn statement shall be sufficient if the county makes a determination documented in writing in the case file that the applicant is credible.

(8) Subject to an appropriation in the annual Budget Act for the express purpose of this paragraph, noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person's immigration status meets the eligibility criteria for the federal Supplemental Nutrition Assistance Program in effect on July 3, 2025, but the person is not eligible for federal Supplemental Nutrition Assistance Program benefits solely due to the person's immigration status under Public Law 119-21 and any subsequent amendments thereto.

(c) (1) To the extent allowed by federal law, the income, resources, and deductible expenses of those persons described in subdivision (b) shall be excluded when calculating CalFresh benefits under Chapter 10 (commencing with Section 18900).

(2) No household shall receive more CalFresh benefits under this section than it would if no household member was rendered ineligible pursuant to Title IV of Public Law 104-193 and any subsequent amendments thereto.

(d) This section shall become inoperative on the date that the department has notified the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 18930, as added by the act that added this subdivision, and, as of January 1 of the following year, is repealed.

SEC. X. Section 18930 of the Welfare and Institutions Code, as amended by Section 84 of Chapter 50 of the Statutes of 2022, is amended to read:

18930. (a) There is hereby created the California Food Assistance Program (CFAP).

(b) CFAP shall utilize existing CalFresh and electronic benefits transfer system infrastructure to the extent permissible by federal law.

(c) The State Department of Social Services shall use state funds appropriated for CFAP to provide nutrition benefits to households that are ineligible for CalFresh benefits solely due to their immigration status. In accordance with Section 1621(d) of Title 8 of the United States Code, this chapter provides benefits for undocumented persons.

(1) Subject to an appropriation in the annual Budget Act for the express purpose of this paragraph, an individual 55 years of age or older shall be eligible for the program established in subdivision (a) if the individual's immigration status is the sole basis for their ineligibility for CalFresh benefits.

(2) Except as provided in paragraphs (3), (4), and (5) and Section 18930.5, noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person's immigration status meets the eligibility criteria of the federal Supplemental Nutrition Assistance Program in effect on August 21, 1996, but the person is not eligible for federal Supplemental Nutrition Assistance Program benefits solely due to the person's immigration status under Public Law 104-193 and any subsequent amendments thereto.

(3) Noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person is a battered immigrant spouse or child or the parent or child of the battered immigrant, as described in Section 1641(c) of Title 8 of the United States Code, as amended by Section 5571 of Public Law 105-33, or if the person is a Cuban or Haitian entrant as described in Section 501(e) of the federal Refugee Education Assistance Act of 1980 (Public Law 96-422).

(4) An applicant who is otherwise eligible for the program but who entered the United States on or after August 22, 1996, shall be eligible for aid under this chapter if the applicant is sponsored and one of the following apply:

(A) The sponsor has died.

(B) The sponsor is disabled, as defined in subparagraph (A) of paragraph (3) of subdivision (b) of Section 11320.3.

(C) The applicant, after entry into the United States, is a victim of abuse by the sponsor or the spouse of the sponsor if the spouse is living with the sponsor.

(5) An applicant who is otherwise eligible for the program but who entered the United States on or after August 22, 1996, who does not meet one of the conditions of paragraph (4), shall be eligible for aid under this chapter beginning on October 1, 1999.

(6) The applicant shall be required to provide verification that one of the conditions of subparagraph (A), (B), or (C) of paragraph (4) has been met.

(7) For purposes of subparagraph (C) of paragraph (4), abuse shall be defined in the same manner as provided in Section 11495.1 and Section 11495.12. A sworn statement of abuse by a victim, or the representative of the victim if the victim is not able to competently swear, shall be sufficient to establish abuse if one or more additional items of evidence of abuse are also provided. Additional evidence may include, but is not limited to, the following:

(A) Police, government agency, or court records or files.

(B) Documentation from a domestic violence program, legal, clinical, medical, or other professional from whom the applicant or recipient has sought assistance in dealing with abuse.

(C) A statement from any other individual with knowledge of the circumstances that provided the basis for the claim.

(D) Physical evidence of abuse.

(8) If the victim cannot provide additional evidence of abuse, then the sworn statement shall be sufficient if the county makes a determination documented in writing in the case file that the applicant is credible.

(9) Subject to an appropriation in the annual Budget Act for the express purpose of this paragraph, noncitizens of the United States shall be eligible for the program established pursuant to subdivision (a) if the person's immigration status meets the eligibility criteria for the federal Supplemental Nutrition Assistance Program in effect on July 3, 2025, but the person is not eligible for federal Supplemental Nutrition Assistance Program benefits solely due to the person's immigration status under Public Law 119-21 and any subsequent amendments thereto.

(d) (1) The amount of nutrition benefits provided to each CFAP household shall be identical to the amount that would otherwise be provided to a household eligible for CalFresh benefits.

(2) The benefit amount for a CFAP recipient who is an excluded member of a CalFresh household shall be limited to the amount that the recipient would have received as their share of a CalFresh household benefit, had they not been excluded due to their immigration status.

(3) To the extent permissible under federal law, the delivery of CFAP nutrition benefits shall be identical to the delivery of CalFresh benefits to eligible CalFresh households.

(e) (1) To the extent allowed by federal law, the income, resources, and deductible expenses of those persons described in subdivision (c) shall be excluded when calculating CalFresh benefits under Chapter 10 (commencing with Section 18900).

(2) No household shall receive more CalFresh benefits under this section than it would if no household member was rendered ineligible pursuant to Title IV of Public Law 104-193 and any subsequent amendments thereto.

(f) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement and administer this section through all-county letters or similar instructions without taking regulatory action until final regulations are adopted, but no later than 18 months after the date upon which this subdivision becomes operative.

(g) This section shall become operative on October 1, 2027, or the date that the department notifies the Legislature that the California Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever is later.

SEC. X. Section 18930.1 is added to the Welfare and Institutions Code, to read:

18930.1. (a) The State Department of Social Services shall use state funds appropriated for the California Food Assistance Program under this chapter to provide nutrition benefits to individuals who are ineligible for CalFresh benefits due to exceeding the time limit specified in Section 2015(o) of Title 7 of the United States Code. The State Department of Social Services shall additionally use state funds appropriated for the California Food Assistance Program under this chapter to provide nutrition benefits to individuals who are ineligible for CalFresh benefits due to changes made by Public Law 119-21 to the standard utility allowance specified in Section 2014 of Title 7 of the United States Code.

(b) (1) The amount of nutrition benefits provided to each CFAP household shall be identical to the amount that would otherwise be provided to a household eligible for CalFresh benefits.

(2) The benefit amount for a CFAP recipient who is an excluded member of a CalFresh household shall be limited to the amount that the recipient would have received as their share of a CalFresh household benefit, had they not been excluded due to the requirement specified in Section 2015(o) of Title 7 of the United States Code.

(3) To the extent permissible under federal law, the method of delivery of CFAP nutrition benefits shall be identical to the method of delivery of CalFresh benefits to eligible CalFresh households.

(c) (1) To the extent allowed by federal law, the income, resources, and deductible expenses of those persons described in subdivision (a) shall be excluded when calculating CalFresh benefits under Chapter 10 (commencing with Section 18900).

(2) No household shall receive more CalFresh benefits under this section than it would if no household member was rendered ineligible due to exceeding the time limit specified in Section 2015(o) of Title 7 of the United States Code.

(d) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement and administer this section through all-county letters or similar instructions without taking regulatory action until final regulations are adopted, but no later than 18 months after the date upon which this subdivision becomes operative.

(e) This section shall become operative on October 1, 2027, or the date that the department notifies the Legislature that the California Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever is later.

**Panel**

**Questions for the Panel:**

- ◇ Could the state leverage the current CFAP Expansion and provide for a state-only program to restore benefits to people losing CalFresh due to H.R. 1, also known as CFAP Plus?
  
- ◇ Could CFAP Plus be accomplished any sooner than October 1, 2027, or by October 1, 2027?

- ◇ What specific steps are necessary to realize CFAP Plus? What level of appropriation would be necessary for these steps in 2026-27, without accounting for the funding of the actual food benefit?
- ◇ Can the Administration please provide technical assistance on the proposed trailer bill language included in the agenda? How can the crafting of CFAP Plus avoid the creation of any additional administrative burden for recipients and counties?
- ◇ Has the \$15 million General Fund that was provisionally authorized in the 2025 Budget for automation related to H.R. 1 been requested of the Department of Finance? If not, please explain why not, and if the dollars are expected to be left without being allocated in the current year?

**Panel:**

- Ryan Gillette, Deputy Director of the Research, Automation, and Data Division, and Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Brandon Hansard, Chief Deputy Director, Office of Technology and Solutions Integration
- Ryan Woolsey, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**Staff Comments**

The Chair may wish to ask for responses to the questions listed in the agenda to be provided in writing to the Subcommittee by a date certain, before the May Revision. Departments are advised to consider, prior to the hearing, what date could be feasible if the Chair requests this.

**Staff Recommendation:** Hold open.

## 5180 Department of Social Services (DSS)

### Issue 3: Updates on Select 2025 CalFresh and Child Welfare Investments and Chaptered Trailer Bill Language

The Chair is requesting an update on activities and work conducted in 2025-26 pursuant to two investments made as part of the 2025 Budget Act. Statutory changes corresponding to these investments were made in Senate Bill 119 (Chapter 79, Statutes of 2025). The investments were:

- \$600,000 for 2025-26, \$300,000 for 2026-27, \$5.6 million in 2027-28, and \$1 million in 2028-29 (all General Fund) for the development and use of a standardized curriculum for child welfare mandated reporters, with budget bill language and trailer bill language.
- \$200,000 General Fund in 2025-26 and ongoing for the development of a strategic plan to maximize benefits to those eligible for CalFresh benefits, with budget bill language and trailer bill language.

#### Panel

#### Questions for the Panel:

- ◇ What activities has DSS initiated, completed, and is planning for related to these two investments and the associated statutory changes?
- ◇ Given the changing landscape to CalFresh due to the passing and implementation of H.R. 1, how does DSS see this “strategic plan” unfolding for the years to come?
- ◇ What kinds of metrics will be set, or rather, what are the news goals, post H.R. 1, to “maximize” CalFresh eligibility?
- ◇ How does DSS see the investments towards the standardized curriculum helping with capacity issues and bringing the proper determination of cases to a close, ensuring the least amount of harm to families?
- ◇ Have there been challenges in implementation for these investments?

#### Panel:

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, and Jenny Pearlman, Career Executive of the Child and Family Services Division, California Department of Social Services
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Soha Manzoor, Finance Budget Analyst, Department of Finance

**Staff Comments**

This is an oversight issue under the Subcommittee's jurisdiction.

**Staff Recommendation:** Hold open.

**Issue 4: Promise Neighborhoods**

**Proposal to Continue and Promote the Sustainability of the Promise Neighborhoods Model.** This proposal seeks to provide one-time funding and to promote the sustainability of the Promise Neighborhoods model. Promise Neighborhoods was a program funded and operated through the California Department of Social Services (DSS). One-time state dollars were exhausted at the end of 2024-25.

There were four Promise Neighborhood programs, located in Chula Vista, Corning (Paskenta Band of Nomlaki Indians), Hayward, and Mission. The aim of the California Promise Neighborhood program is to revitalize economically disadvantaged communities through the establishment of a cradle-to-career network of services aimed at improving the health, safety, and education of the occupants in the defined area. The 2022-23 Budget included \$12 million General Fund one-time for CDSS to support the four sites listed above through June 30, 2025.

The advocacy proposal is for \$17.5 million General Fund one-time to provide \$3 million each over a three-year period for the four Promise Neighborhoods (\$12 million) and \$750,000 each for four regional organizations currently operating across California (\$3 million). Remaining funds (\$2.5 million) would support administration, oversight, and evaluation by CDSS.

Part of this funding would be earmarked for sustainability planning, perhaps through a public-private partnership or other ongoing dedicated revenue source, to allow the programming to continue past the exhaustion of any new infusion of one-time state funds.

**Panel****Questions for the Panel:**

- ◇ What were the outcomes of the Promise Neighborhood prior funding? Is there an evaluation or final report for this initiative?
- ◇ What are the best practices for moving Promised Neighborhoods forward? In terms of funding, how much should be coming from public versus private sources?
- ◇ Does DSS have recommendations for the former sites now that the funding for has been exhausted?
- ◇ Does DSS have any recommendations for expanding Promised Neighborhoods to other regions of the state?

**Panel:**

- Alexis Garcia Fernández, Deputy Director of the Family Engagement and Equity Division, California Department of Social Services
- Shimica Gaskins, President & CEO, End Child Poverty CA
- Edgar Chavez, Executive Director, Hayward Promise Neighborhood
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst's Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**Staff Comments**

**Staff Recommendation:** Hold open.

**Issue 5: Stop the Hate Grant Program**

**Proposal for Investment for Stop the Hate Grant Program.** This proposal would extend the funding to California's existing Stop the Hate Grant program, which is administered by the State Department of Social Services (CDSS) in consultation with the Commission on Asian and Pacific Islander American Affairs. The program provides grants to nonprofit organizations to deliver support services to victims and survivors of hate incidents and hate crimes including health care, mental health, and legal services as well as funding for prevention activities such as community education, conflict resolution, and in-language outreach. The proposal would extend the program's sunset date from June 30, 2026, to June 30, 2027, appropriate \$35 million in continued funding, and update the annual reporting requirement to a single report due March 1, 2027.

In total, this proposal is to allocate \$44 million General Fund (one-time). The largest share of \$35 million would be used to continue the core grant program, which prioritizes populations with high or increasing rates of hate incidents who have historically faced barriers to accessing services. The remaining \$9 million supports several complementary anti-hate efforts, including a regional hub in Southern California, statewide public awareness campaigns, and community-based training and reconciliation programming.

**Background on Prior Grant Program and Technical Assistance (TA) from DSS.** The following information was provided by the California Department of Social Services (DSS).

The Stop the Hate program, administered by DSS, has provided over \$150 million to support victims of hate. From July 2022 to June 2025, the program served:

- 91,863 individuals through direct services
- 17,997,087 individuals intervention services
- 4,472,597 individuals prevention services

The Stop the Hate program has served a total of 22,561,547 clients. Nearly 92,000 individuals program received direct services, such as case management, service navigation, and legal services. The community and individual impacts of these services include:

- **Strengthened Community Response:** funding has enabled community-based organizations to provide culturally responsive prevention, victim support, and healing wellness services to communities most impacted by hate crimes and incidents.
- **Expanded Access to Services:** supported multilingual outreach, trusted messengers, and community education, increasing awareness of resources and reducing barriers to reporting and support.
- **Built Local and Regional Capacity:** strengthened organizational infrastructure, staffing, and training, improving grantees' ability to deliver services and respond effectively to hate-related incidents.

- **Community Capacity Building:** Strengthened community safety through educational programs, youth development, and bystander training.
- **Improved Coordination and Partnerships:** enhanced collaboration among community organizations, Regional Leads, and state partners, strengthening referral pathways and regional coverage.
- **Increased Visibility and Understanding of Hate Incidents:** supported data collection and community engagement efforts that improved understanding of hate trends and informed prevention strategies.

When asked about the challenges in implementation, DSS responded with the following information:

- **Broad Target Population:** The program statute defines the target population broadly as “victims and survivors of hate incidents and hate crimes and their families”. Future efforts could provide additional clarity in defining or prioritizing the target service populations. Although hate crime is defined in statute, hate incident, is not statutorily defined.
- **Data Analysis & Evaluation Challenges:** Data analysis was challenging as service providers slowly built their capacity for robust quantitative data collection required of a large state-wide program.

When asked about technical assistance (TA) on considerations if a new allocation is provided for Stop The Hate, DSS responded with the following information:

- **Program Alignment:** The STH grant was designed to support community-based organizations in addressing hate crimes and incidents through education, outreach, and victim support. With additional funding, the program could expand into additional underserved areas and populations (i.e., Imperial Valley/Border Region, and LGBTQ communities), increase capacity for culturally competent services, and strengthen data collection/reporting.
- **Operational Feasibility:** Scaling up will require enhanced TA infrastructure, streamlined application processes, and regional hubs for oversight.
- **Administrative costs** should be factored in (approximately 10% of total appropriation).
- **Integrating Lessons Learned:** There was high demand in the initial rounds of funding with significant oversubscription, indicating unmet needs. Also, there continues to be capacity challenges as many smaller organizations require technical assistance to comply with reporting and fiscal requirements.
- **Additional funding** could improve language access.

- Ongoing state operations funding is needed to provide adequate fiscal oversight, guidance, and manage data collection, analysis, and reporting.
- Risk mitigation strategies include building phased implementation, prioritizing high-need regions, and strengthening TA partnerships across the existing infrastructure.

**Panel**

**Questions for the Panel:**

- ◇ What measurable outcomes has Stop the Hate grant program achieved to date?
- ◇ How is CDSS assessing whether grantees are delivering meaningful and effective services to victims and survivors of hate incidents and hate crimes?
- ◇ Many rural and desert communities, particularly in regions like the Inland Empire and the Eastern Sierra, lack the nonprofit infrastructure needed to qualify for and administer these grants. What steps is the Department taking to ensure that vulnerable populations in these areas are not left behind, and is CDSS considering any modifications to grantee eligibility, outreach, or expansion strategies to attract organizations to serving areas where these services do not currently exist?

**Panel:**

- Eliana Kaimowitz, Deputy Director of Office of Equity, California Department of Social Services
- Manjusha Kulkarni, Chief Executive Officer, AAPI Equity Alliance
- Rejie Marie Baylos, Executive Director, Asian Resources, Inc.
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Lourdes Morales, Assistant Program Budget Manager, Department of Finance

**Staff Comments**

**Staff Recommendation:** Hold open.

**Issue 6: Housing and Homelessness Programs – Shortfalls Expected in 2026-27 for the Housing Disability Advocacy Program and the CalWORKs Housing Support Program**

**Proposal to Address Funding Cliffs in the Housing Disability Advocacy Program (HDAP) and CalWORKs Housing Support Program (HSP).** Consistent with prior hearing discussions on the California Department of Social Services (CDSS) Housing and Homelessness (H&H) programs, the Chair requested information on projected expiration of current appropriations for all of the H&H programs. This information is provided below for four programs.

For HDAP and HSP (above the \$95 million in baseline budget), funding is expected to deplete early in 2026-27, falling short of the demonstrated need in both programs. In response, the Chair is proposing one-time funding of \$55 million General Fund for HDAP and \$105 million General Fund for HSP (above the baseline).

<b>Housing and Disability Assistance Program</b>							
<i>This projection demonstrates the pace that which counties will be able to spend down all FY25/26 funding, inclusive of available funding from prior one-time tranches, newly appropriated one-time funds, and FY 25/26 ongoing funds. FY 2025–26 Q2-Q4 projection is based on the percent increase from FY 2023-24 since FY 2024-25 spending patterns were impacted / constrained due to exhaustion of available funds. If the same projection is applied in the outyears, available funding is expected to be exhausted by Q1 of FY 2026-27. Highlighted spending / quarter indicates the quarter when funds are exhausted and spending could be constrained based on available funding.</i>							
Fiscal Year	Available Funding <sup>2</sup>	Q1	Q2	Q3	Q4	Total Expenditures	Unspent
FY 2025-26 <sup>1</sup>	\$ 66,832,242	\$ 8,209,980	\$ 7,943,552	\$ 17,143,294	\$30,772,363	\$ 64,069,189	\$ 10,973,033
FY 2026-27	\$ 10,973,033	\$ 10,973,033	\$ -	\$ -	\$ -	\$ 10,973,033	\$ -
FY 2027-28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1. Quarter 1 in FY 2025-26 reflect actual expenditures.							
2. The table only includes appropriated funding as of Sep-2025 and does not include the ongoing \$25M annual funding after FY 2025-26; however, an ongoing annual FY 2026-27 appropriation would extend the exhaustion of one-time funds as the FY 2026-27 expenditures would draw down any annual funding before utilizing the one-time multi-year balance.							

<b>Housing Support Program</b>							
<i>This projection demonstrates the pace that which counties will be able to spend down all FY25/26 funding, inclusive of available funding from prior one-time tranches and appropriated ongoing 25/26 funds. FY 2025–26 Q2-Q4 projection is based on the percent increase from FY 2023-24 since FY 2024-25 spending patterns were impacted / constrained due to exhaustion of available funds. If the outyears use the same funding levels as FY 2023-24, available funding is expected to be exhausted by Q1 of FY 2026-27. Highlighted spending / quarter indicates the quarter when funds are exhausted and spending could be constrained based on available funding.</i>							
Fiscal Year	Available Funding <sup>2</sup>	Q1	Q2	Q3	Q4	Total Expenditures	Unspent
FY 2025-26 <sup>1</sup>	\$ 150,520,676	\$31,572,113	\$ 43,981,043	\$ 41,406,384	\$53,593,616	\$ 170,553,156	\$ 11,539,633
FY 2026-27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2027-28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1. Quarter 1 in FY 2025-26 reflect actual expenditures.							
2. The table only includes appropriated funding as of Sep-2025 and does not include the ongoing \$95M annual funding after FY 2025-26.							
3. The projected unspent amount in FY 25-26 (\$11,539,633) is anticipated to be part of the 2025 Budget Act appropriation must be encumbered or expended by June 30, 2026.							

**Bringing Families Home**

*This projection demonstrates the pace that which counties will be able to spend down all FY25/26 funding, inclusive of available funding from prior one-time tranches and newly appropriated one-time funds. FY 2025–26 Q2-Q4 projection is based on the percent increase from FY 2023-24 since FY 2024-25 spending patterns were impacted / constrained due to exhaustion of available funds. If the same projection is applied to outyears, available funding is expected to be exhausted by Q2 of FY 2027-28. Highlighted spending / quarter indicates the quarter when funds are exhausted and spending could be constrained based on available funding.*

Fiscal Year	Available Funding	Q1	Q2	Q3	Q4	Total Expenditures	Unspent
FY 2025-26 <sup>1</sup>	\$ 111,341,792	\$ 5,951,377	\$ 8,900,991	\$ 11,114,064	\$ 14,384,865	\$ 40,351,297	\$ 76,941,872
FY 2026-27	\$ 76,941,872	\$ 8,388,550	\$ 12,546,072	\$ 15,665,431	\$ 20,275,670	\$ 56,875,723	\$ 20,066,149
FY 2027-28	\$ 20,066,149	\$ 8,388,550	\$ 11,677,599	\$ -	\$ -	\$ 20,066,149	\$ -
FY 2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Quarter 1 in FY 2025-26 reflect actual expenditures.

**Home Safe**

*This projection demonstrates the pace that which counties will be able to spend down all FY25/26 funding, inclusive of available funding from prior one-time tranches and newly appropriated one-time funds. FY 2025–26 Q2-Q4 projection is based on the percent increase from FY 2023-24 since FY 2024-25 spending patterns were impacted / constrained due to exhaustion of available funds. If the same projection is applied to outyears, available funding is expected to be exhausted by Q2 of FY 2027-28. Highlighted spending / quarter indicates the quarter when funds are exhausted and spending could be constrained based on available funding.*

Fiscal Year	Available Funding	Q1	Q2	Q3	Q4	Total Expenditures	Unspent
FY 2025-26 <sup>1</sup>	\$ 92,691,268	\$ 3,833,884	\$ 7,002,986	\$ 6,558,365	\$ 12,593,986	\$ 29,989,222	\$ 66,535,931
FY 2026-27	\$ 66,535,931	\$ 7,472,164	\$ 13,648,682	\$ 12,782,123	\$ 24,545,430	\$ 58,448,399	\$ 8,087,532
FY 2027-28	\$ 8,087,532	\$ 7,472,164	\$ 615,368	\$ -	\$ -	\$ 8,087,532	\$ -
FY 2028-29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2029-30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Quarter 1 in FY 2025-26 reflect actual expenditures.

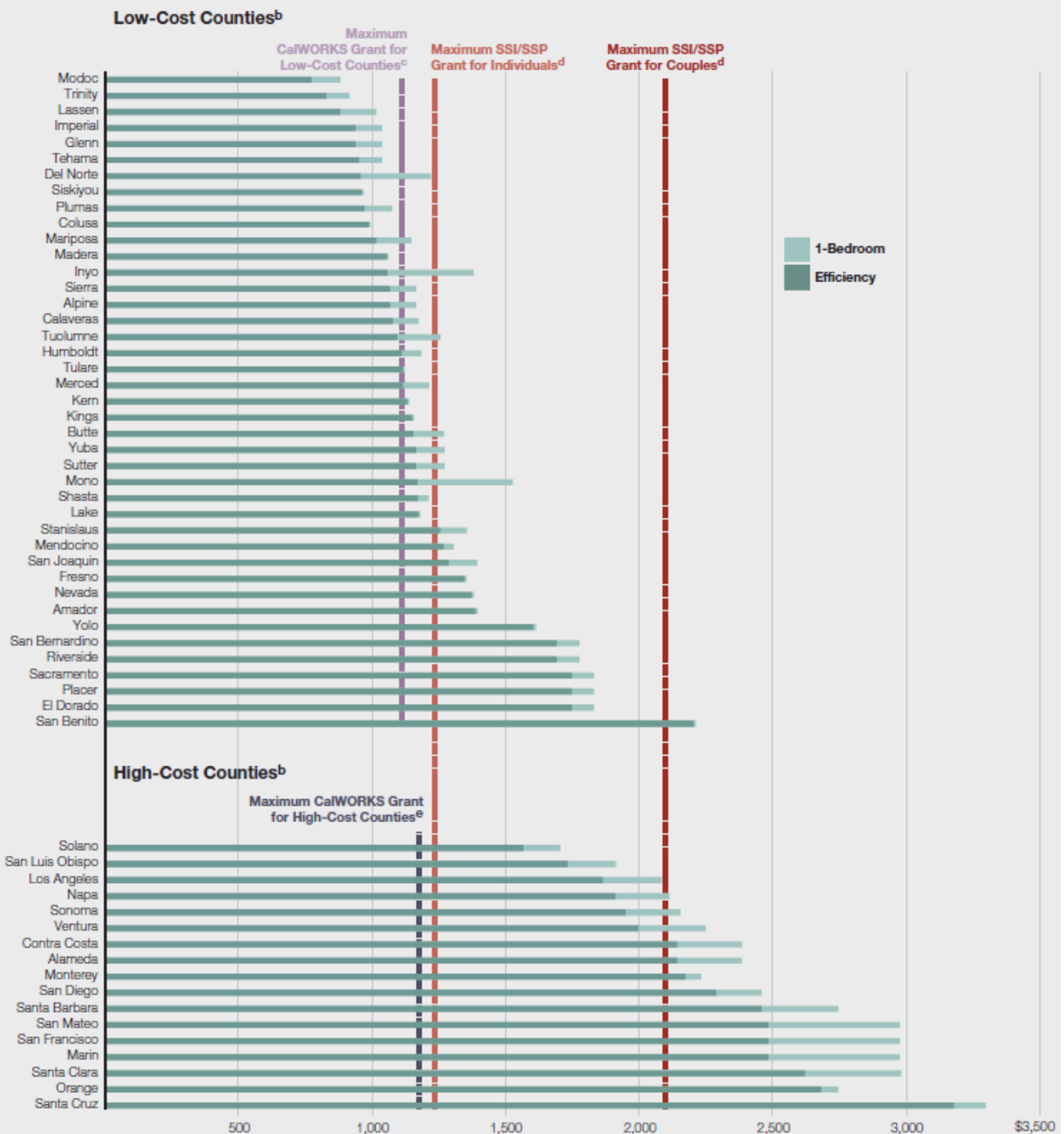
**CalWORKs Rate of Homelessness Proposed Trailer Bill Language.** Consistent with the conversations in this Subcommittee on February 25, 2026, the Chair is forwarding the following trailer bill language for socialization and to solicit feedback and technical assistance. Comments and specific feedback from the Administration, Legislative Analyst’s Office (LAO), CWDA, and CalWORKs stakeholders are welcome to the Subcommittee staff and Member’s office.

SECTION X. Section 11214 is added to the Welfare and Institutions Code, to read:

11214. On or before February 1, 2027, and annually thereafter, the State Department of Social Services shall publish on its internet website a report that summarizes enrollment and utilization of supports related to homelessness and housing stability by families enrolled in CalWORKs, including family stabilization services provided pursuant to Section 11325.24, temporary or permanent homeless assistance pursuant to subdivision (f) of Section 11450, and housing support pursuant to Article 3.3 (commencing with Section 11330). To the extent possible, the report shall present enrollment and utilization information in a manner that allows for comparisons over time. As part of the report, the department shall estimate the share of families enrolled in CalWORKs who are experiencing homelessness or housing instability.

On the following page is a chart provided by the LAO that displays the CalWORKs grant against fair market rent (FMR) for a studio or one-bedroom apartment across the 58 counties. It is important to note that a CalWORKs grants in this information supports three people (one adult and two children).

### County Level Fair Market Rents Compared to Maximum CalWORKS Grants and Maximum SSI/SSP Grants<sup>a</sup>



<sup>a</sup> Fair Market Rents are from the department of Housing and Urban Development.  
<sup>b</sup> CalWORKS maximum aid payments are split between two regions based roughly on cost-of-living; low-cost counties and high-cost counties. This distinction only applies to CalWORKS grants.  
<sup>c</sup> The maximum monthly grants for a non-exempt family of three living in a low-cost county.  
<sup>d</sup> The maximum monthly grants for aged and disabled individuals and couples living in their own households, effective as of January 2026.  
<sup>e</sup> The maximum monthly grants for a non-exempt family of three living in a high-cost county.

**Panel**

**Questions for the Panel:**

- ◇ Will impact could the amounts proposed by the Chair have on sustaining HDAP and HSP through the 2026-27 fiscal year?
- ◇ What will occur in the absence of these investments for each program?
- ◇ What is the feedback on the proposed CalWORKs Rate of Homelessness trailer bill?

**Panel:**

- Hanna Azemati, Deputy Director of the Housing and Homelessness Division, California Department of Social Services
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Noelle Fa-Kaji, Finance Budget Analyst, Department of Finance

**Staff Comments**

The Chair may wish to ask for responses to the questions listed in the agenda to be provided in writing to the Subcommittee by a date certain, before the May Revision. The Department is advised to consider, prior to the hearing, what date could be feasible if the Chair requests this.

**Staff Recommendation:** Hold open.

**Issue 7: Department of Community Services and Development Budget Review, including Budget Change Proposals**

**Department of Community Services and Development (CDS) Budget Overview.** The following is a summary chart of CSD’s budget, funding source, and positions.

<b>FUNDING (in Thousands)</b>	<b>2025-26</b>	<b>2026-27</b>	<b>Difference</b>
<b>Energy Programs</b>			
General Fund (Low-Income Weatherization Prog.)	\$ 452	\$ -	\$ (452)
Federal Trust Fund (Various)	\$ 272,572	\$ 272,759	\$ 187
<i>Low-Income Home Energy Assistance Prog.</i>	258,621	258,791	
<i>Dept. of Energy - Weatherization Assistance Prog.</i>	13,951	13,968	
Reimbursements (Low-Income Weatherization Prog.)	\$ 175	\$ 50	\$ (125)
Greenhouse Gas Reduction Fund (Low-Income Weatherization Prog.)	\$ 2,897	\$ -	\$ (2,897)
Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund (Low-Income Weatherization Prog.)	\$ 230	\$ 9,459	\$ 9,229
<b>Energy Totals, All Funds</b>	<b>\$ 276,326</b>	<b>\$ 282,268</b>	<b>\$ 5,942</b>
<b>Community Services Programs</b>			
General Fund	\$ -	\$ -	\$ -
Federal Trust Fund (Community Services Block Grant)	\$ 71,632	\$ 71,690	\$ 58
Reimbursements (California Earned Income Tax Credit)	\$ 10,718	\$ 5,550	\$ (5,168)
<b>Community Service Totals, All Funds</b>	<b>\$ 82,350</b>	<b>\$ 77,240</b>	<b>\$ (5,110)</b>
<b>FUNDING (in Thousands)</b>			
General Fund	\$ 452	\$ -	\$ (452)
Federal Trust Fund	344,204	344,449	245
Reimbursements	10,893	5,600	(5,293)
Greenhouse Gas Reduction Fund	2,897	-	(2,897)
Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund	230	9,459	9,229
<b>Totals, All Funds</b>	<b>\$ 358,676</b>	<b>\$ 359,508</b>	<b>\$ 832</b>
<b>POSITIONS</b>			
Energy Programs	93.2	93.2	-
Community Services	31.7	31.7	-
<b>Total Positions</b>	<b>124.9</b>	<b>124.9</b>	<b>-</b>

CSD is responsible for administration of federal energy assistance programs for low-income households. The Low-Income Home Energy Assistance Program (LIHEAP) provides financial assistance to eligible low-income households to offset the costs of heating and/or cooling residential dwellings, assistance for weather-related or energy-related emergencies, and weatherization services to improve the energy efficiency of low-income residential dwellings. The Low-Income Weatherization Program (LIWP) provides energy efficiency and renewable energy services in low-income single-family farmworker and multi-family dwellings to reduce greenhouse gas emissions and lower energy costs. LIWP projects include energy efficient weatherization and solar photovoltaic system installations.

CSD also is the administrative entity for the federal Community Services Block Grant (CSBG), which enables local government and nonprofit community organizations to support low-income

families to achieve and maintain economic security through activities such as education, employment services, emergency services, housing, income support and management, and health and nutritional services, among other services.

The Governor’s proposed 2026-27 budget includes two budget change proposals for CSD, which are summarized below:

**BCP on Low-Income Weatherization Program – Reappropriation.** CSD is requesting reappropriation of unexpended Greenhouse Gas Reduction Fund resources allocated in prior fiscal years to administer and support two components of the Low-Income Weatherization Program (LIWP). LIWP provides energy efficiency and solar renewable upgrades for low-income households and disadvantaged communities to reduce greenhouse gas emissions and lower household energy costs.

The program currently focuses on providing services to low-income farmworker households under the LIWP Farmworker Housing Component and services to multifamily affordable housing under the LIWP Multifamily Component. Resources allocated in fiscal years 2021-22, 2022-23, and 2023-24 are set to expire June 30, 2026. This request would extend the Farmworker Housing Component liquidation period to June 30, 2027, and would extend Multifamily Component to June 30, 2028.

Program administrators have been successful under their current contracts and have served over 4,000 households. However, labor shortages, high turnover of skilled installation workers and subcontractors, utility interconnection and building permit delays, equipment shortages, and supply chain disruptions have negatively impacted operations. Approval of this reappropriation request will assist in the completion of over 1,500 farmworker household projects and approximately 70 multifamily affordable housing projects in various stages of the project life cycle.

**BCP on Climate Bond (Proposition 4) 2026-27 Expenditure Plan.** Proposition 4–The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024–appropriated \$10 million for the Low-Income Weatherization Program’s (LIWP’s) Farmworker Housing Component. CSD proposes expenditures to commence program design and a procurement under this appropriation in 2026-27. While CSD anticipates the general scope of the energy efficiency and solar photovoltaic services for low-income farmworker housing will be in line with the existing Farmworker Housing Component, the addition of these funds to the program will trigger a new procurement. CSD plans on completing program design, stakeholder engagement, and a competitive solicitation to identify a program administrator in the next fiscal year. The specifics of the program design and the number of households served will be identified through the procurement process.

**Additional Information on CSD Programs.** Funding for CSD’s primary federal block grant programs has been largely stable year-over-year. Under federal continuing resolutions that partially funded CSD’s Community Services Block Grant (CSBG) and Low-Income Home Energy Assistance Program (LIHEAP) in Federal Fiscal Year 2026, California has received to date

approximately 33 percent of CSBG’s annual funding at Federal Fiscal Year 2025 levels (\$23,259,017), and 90 percent of LIHEAP funding (\$212,109,167).

The final federal budget for Federal Fiscal Year 2026 appropriated nationwide funding for CSBG and LIHEAP at amounts slightly above 2025 funding levels. CSD is awaiting final awards for CSBG and LIHEAP and the release of the balance of funding for Federal Fiscal Year 2026.

**Request for Local Assistance General Fund Loan Provision Information.** General Fund loan authority for CSD’s local assistance item was first included in the 2025 Budget Act to assist with cashflow needs. The 2026-27 Governor’s Budget revised the language to align with the loan authority included in CSD’s support item, resolving technical accounting challenges with the previous iteration.

**4700-101-0001**—For local assistance, Department of Community Services and Development ..... 0

Schedule:

(1)	4181-Energy Programs .....	0
(2)	4185-Community Services .....	5,000,000
(3)	Reimbursements to 4181-Energy Programs .....	0
(4)	Reimbursements to 4185-Community Services .....	-5,000,000

Provisions:

1. A loan or loans shall be made available from the General Fund to the Department of Community Services and Development not to exceed a cumulative total of \$40,000,000. The loan funds shall be transferred to this item as needed to meet cashflow needs due to delays in collecting from federal funds. All moneys so transferred shall be repaid as soon as sufficient funds have been collected to meet immediate cash needs and in installments if the loan is outstanding for more than one year.

**Panel**

**Questions for the Panel:**

- ◇ Please provide a brief overview of the two proposals included in this item.
- ◇ What impacts can CSD foresee on the people you serve as a result of the massive changes pending in CalFresh and in Medi-Cal?
- ◇ Is there more that CSD can do that the Legislature can be aware of and possibly support?

**Panel:**

- Jason Wimbley, Director, Department of Community Services and Development
- Ginni Bella, Deputy Legislative Analyst, Legislative Analyst’s Office
- Kayla Knott, Finance Budget Analyst, Department of Finance

**Staff Comments**

The Chair may consider asking CSD for assistance with impact tracking across local entities that work with CSD on even anecdotal reports of how H.R. 1 is impacting low-income and underserved communities and report back at next year’s hearing on observations and recommendations.

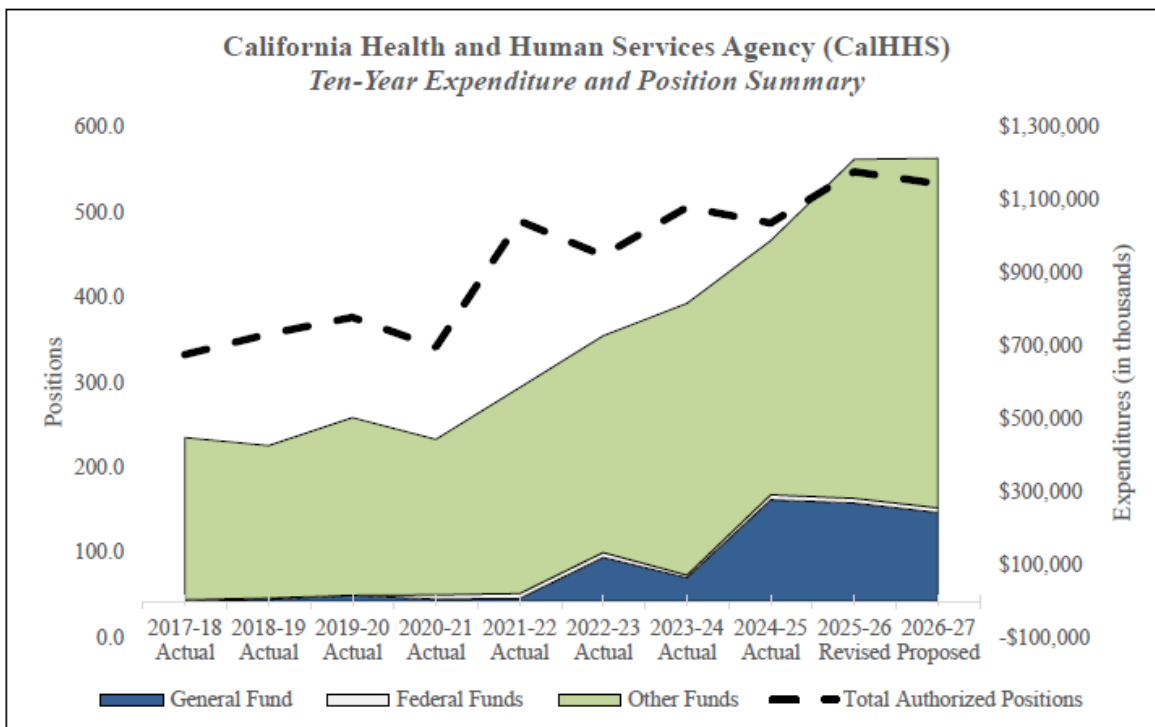
**Staff Recommendation:** Hold open.

### 0530 California Health and Human Services Agency

**Issue 8: California Health and Human Services Agency Program and Budget Review**

**California Health and Human Services Agency (CalHHS) Overview.** The following is a summary chart of the CalHHS budget, including funding sources and positions.

<b>California Health and Human Services Agency- Department Funding Summary</b>				
Fund Source	2024-25 Actual	2025-26 Budget Act	2025-26 Revised	2026-27 Proposed
<b>General Fund</b>	\$277,707	\$262,342	\$268,833	\$243,240
<b>Federal Funds</b>	\$14,436	\$13,298	\$13,298	\$13,018
<b>Other Funds</b>	\$696,653	\$924,619	\$929,423	\$958,232
<b>Total Department Funding:</b>	<b>\$988,796</b>	<b>\$1,200,259</b>	<b>\$1,211,554</b>	<b>\$1,214,490</b>
<b>Total Authorized Positions:</b>	<b>487.3</b>	<b>554.5</b>	<b>547.5</b>	<b>533.5</b>
<b>Other Funds Detail:</b>				
<i>Reimbursements (0995)</i>	\$31,315	\$14,991	\$18,319	\$5,003
<i>Behavioral Health Services Fund (3085)</i>	\$0	\$154	\$154	\$154
<i>Health Plan Improvement Fund (3209)</i>	\$2,144	\$2,360	\$2,383	\$22
<i>Data Insights and Innovation Fund (3377)</i>	(\$14)	\$0	\$13	\$13
<i>988 Suicide and BH Crisis Svcs Fund (3414)</i>	\$0	\$575	\$575	\$0
<i>Central Service Cost Recovery Fund (9740)</i>	\$11,154	\$11,164	\$11,416	\$11,413
<i>California HHS Automation Fund (9745)</i>	\$652,054	\$895,375	\$896,563	\$941,627



**Background.** The California Health and Human Services Agency (CalHHS) oversees twelve departments and five offices that provide a range of health care services, social services, mental health services, alcohol and drug services, income assistance, and public health services to Californians. CalHHS is administered by a cabinet-level Secretary of Health and Human Services, appointed by the Governor and confirmed by the California State Senate. According to CalHHS, its primary mission is to provide policy leadership and direction to the departments, boards, and programs it oversees, to reduce duplication and fragmentation among departments in policy development and implementation, to improve coordination among departments on common programs, to ensure programmatic integrity, and to advance the Governor's priorities on health and human services issues.

The departments and other entities within CalHHS include:

- Department of Aging (CDA)
- Department of Public Health (CDPH)
- Department of Child Support Services (DCSS)
- Department of Community Services and Development (CSD)
- Department of Developmental Services (DDS)
- Emergency Medical Services Authority (EMSA)
- Department of Health Care Services (DHCS)
- Department of Managed Health Care (DMHC)
- Department of State Hospitals (DSH)
- Department of Rehabilitation (DOR)
- Department of Social Services (CDSS)
- Department of Health Care Access and Information (HCAI)

Within CalHHS there are several other entities administered by appointed commissions or governing boards, including:

- State Council on Developmental Disabilities
- Commission on Aging
- California Senior Legislature
- California Children and Families Commission
- California Health Benefit Exchange (Covered California)
- State Independent Living Council
- Commission on Behavioral Health

CalHHS also oversees the allocation of funds to local governments under 1991 and 2011 State-Local Realignment. Within the organizational structure of CalHHS are five offices and the Center for Data Insights and Innovation.

**Office of the Secretary of Health and Human Services.** The Office of the Secretary formulates and coordinates policy among the Agency's departments, and communicates with the Legislature, stakeholders, and the public about issues relating to the state's health and

human services programs. The Office of the Secretary is composed of six distinct offices or units, including the following on the next page.

- Office of Legislative Affairs – The Office of Legislative Affairs provides coordination, oversight, and management of proposed legislation and ensures the Administration’s legislative priorities are developed and implemented. The office provides policy guidance, instruction, and direction to health and human services departments and entities, and coordinates with the Governor’s Office on legislative positions.
- Office of External Affairs – The Office of External Affairs manages ongoing public information and public affairs functions and provides guidance and direction to public information officers in health and human services departments and entities. The office serves as the official Agency spokesperson to respond to media inquiries, and coordinates with the Governor’s Office communication staff on significant and sensitive media issues.
- Office of the Agency General Counsel – The Office of the Agency General Counsel provides legal counsel to the Office of the Secretary and senior Agency staff, coordinates with the Governor’s Office of Legal Affairs and with the Chief Counsels in health and human services departments and entities.
- Office of Program and Fiscal Affairs – The Office of Program and Fiscal Affairs is responsible for formulating, analyzing, revising, and evaluating the program and fiscal impacts of major health and human services policies of the Administration. This work includes assessment of all policy, legislative, fiscal, and other issues that have implications among health and human services departments and agencies, as well as other state agencies.
- Administration Unit – The Administration Unit manages personnel, human resources, training, and internal budget issues.
- Office of the Agency Information Officer – The Office of the Agency Information Officer supports health and human services departments and entities to successfully deliver data and technology solutions through portfolio support, enterprise architecture, information security, agency governance, and horizontal integration activities.
- Office of Policy and Strategic Planning – The Office of Policy and Strategic Planning is responsible for driving measurable outcomes on CalHHS guiding principles and strategic priorities through system alignment and program integration across the agency’s departments and offices. The Office works on a set of initiatives to advance equity, address the social determinants of health, and ensure a whole person approach.

**Office of Technology and Solutions Integration (OTSI).** The Office of Technology and Solutions Integration (OTSI) procures, manages, and delivers technology systems that support the delivery of health and human services to Californians. OTSI manages a portfolio of large, complex information technology (IT) projects, providing project management, oversight,

procurement, and support services for these projects and coordinating communication, collaboration, and decision-making among project stakeholders and program sponsors. After the procurement phase, OTSI oversees the design, development, governance, and implementation of IT systems that support the administration of health and human services programs in California.

**Office of the Surgeon General (OSG).** The Office of the Surgeon General (OSG) was established in 2019 to advise the Governor, serve as a leading spokesperson on matters of public health, and drive solutions to the state’s most pressing public health challenges. The OSG has established early childhood, health equity, adverse childhood experiences (ACEs), and toxic stress as key priorities. The Surgeon General has set a goal to reduce ACEs and toxic stress by half in one generation.

**Office of Law Enforcement Support (OLES).** The Office of Law Enforcement Support (OLES) was established in 2014 to provide monitoring and oversight of law enforcement personnel serving in the Office of Protective Services at DSH and DDS. OLES develops training protocols, policies, and procedures for law enforcement officers operating at DSH and DDS and investigates incidents involving law enforcement personnel at state hospitals or developmental centers.

**Office of Youth and Community Restoration (OYCR).** The Office of Youth and Community Restoration (OYCR) supports the transition of justice involved youth being served in local communities by promoting a youth continuum of services that are trauma responsive and culturally informed, using public health approaches that support positive youth development, building the capacity of community-based approaches, and reducing the justice involvement of youth. The OYCR also assesses the efficacy of local programs, provides technical assistance and support, reviews local Juvenile Justice Realignment Grants, fulfills statutory obligations of an Ombudsperson, and develops policy recommendations.

**Center for Data Insights and Innovation (CDII).** The Center for Data Insights and Innovation (CDII) was established in 2021 to advance CalHHS data initiatives and help turn data into insights, knowledge, and action. The Center combines functions from the previous Office of Health Information Integrity (CalOHII), Committee for the Protection of Human Subjects (CPHS), Office of the Patient Advocate (OPA), and Office of Innovation. These functions include ensuring state department compliance with the Health Insurance Portability and Accountability Act (HIPAA) and other related state and federal privacy laws, health plan and medical group report cards evaluating health care quality and the patient experience, and reporting on health care consumer and patient assistance centers by state agencies (Department of Managed Health Care, Medi-Cal, Department of Insurance, and Covered California). CDII also administers the CalHHS Open Data Portal, which provides public access to non-confidential health and human services data.

**Transfer of CDII to HCAI.** The Governor’s January budget proposes to transfer functions from CDII to the Department of Health Care Access and Information (HCAI), including the Data Exchange Framework (DxF) and the OPA. In addition, the January budget proposes to transfer

the remaining functions of CDII under the Office of Technology and Solutions Integration (OTSI). Each of these transfers is a net-zero shift of resources and positions.

The following information was provided by CalHHS.

The CalHHS Center for Data Insights and Innovation (CDII) was reorganized effective August 1, 2025, to support long-term sustainability, and strengthen alignment with departmental missions. This transition places core data and innovation functions within organizations best positioned to support and scale them over time.

Key functions and resources, including the Insights Lab and the Agency Data Hub, were transferred to the Office of Technology and Solutions Integration (OTSI), reflecting its enterprise role in technology governance, data strategy, and architecture. This alignment is intended to enhance secure data sharing, support cross-program insights, and improve coordination of person-centered services.

All major initiatives previously supported by CDII have continued under the new structure, including the All-Hazards Dashboard, Equity Dashboard, Homelessness Data Integration efforts, Open Data Portal, and the Agency Data Hub. These efforts are now more closely aligned with broader enterprise technology and data priorities.

Additional transitions included:

- The Committee for the Protection of Human Subjects (CPHS) to OTSI, maintaining alignment with research oversight.
- The Data Exchange Framework (DxF) and Office of the Patient Advocate (OPA) to the Department of Health Care Access and Information (HCAI), aligning with its mission.
- The Office of Health Information Integrity (OHII) to CalHHS Legal to continue supporting agency-wide privacy and security efforts.

Improving equitable access to services remains a core priority for CalHHS. The recent restructuring has not disrupted this work. Teams within OTSI, HCAI, and departments across the Agency continue to use data to better understand needs at the individual, community, and population levels. For example, insights from tools such as the All-Hazards Dashboard supported more targeted and timely responses during the 2025 Los Angeles fires. Looking ahead, the Agency will continue to strengthen its ability to generate timely, cross-program insights that support enrollment and service delivery.

CDII funding allocated for the Data Exchange Framework and Office of the Patient Advocate moved to HCAI with those transfers, while Office of Health Information Integrity funding remained at CalHHS. The majority of OTSI's funding supports the Agency Data Hub and related insights capabilities, with a smaller portion supporting data governance, research oversight (CPHS), and associated activities. Specific to the core data work, the funding supports the staff, contracts, and technology infrastructure required to carry out the functions described above, including data integration, analytics, and insights development. This includes investments in foundational platforms, such as Databricks, as well as contracted expertise in areas like data engineering,

data science, and geospatial analysis. Because these resources support multiple, interconnected functions, costs are not allocated to individual activities in a discrete way.

**Panel**

**Questions for the Panel:**

- ◇ Please provide a brief overview of the CalHHS mission and its oversight of key departments and other entities.
- ◇ Please provide a description of the CDII transfer proposal and the impacts of this transfer.
- ◇ How will CalHHS monitor the impacts of federal H.R. 1 for programs and people served in Medi-Cal and CalFresh? Will CalHHS be able to tell us next year how many people were disenrolled from either or both programs and the overlap (e.g. people who lost both Medi-Cal and CalFresh)?
- ◇ Will CalHHS be able to provide data and explain the reason(s) why people lost Medi-Cal and/or CalFresh?

**Panel:**

- Brent Houser, Interim Deputy Secretary for Program and Fiscal of Affairs, California Health and Human Services Agency
- Min Lee, Economist, Legislative Analyst’s Office
- Gabriel Ordaz, Finance Budget Analyst, Department of Finance

**Staff Comments**

The Chair may consider asking CalHHS for assistance with impact tracking how H.R. 1 impacted people receiving both Medi-Cal and CalFresh who were disenrolled from both programs and report back at next year’s hearing on data, observations, and recommendations.

**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.

### 5180 Department of Social Services

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

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](#).

**Enterprise Data to Avoid Federal Fiscal Penalties BCP.** The proposal is for \$2,670,000 (\$1,896,000 General Fund, \$774,000 Federal Fund) in fiscal year 2026-27 and \$2,604,000 (\$1,848,000 General Fund, \$756,000 Federal Fund) in fiscal year 2027-28 and ongoing for the equivalent of 11.0 positions to maintain the Department's administrative data within a secure, cloud-based data warehouse. The data warehouse will support the Department's ability to meet state and federal reporting requirements, avoid further fiscal penalties, and produce timely and policy-relevant data analysis.

**Resources to Respond to Federal Changes BCP.** The proposal is for \$2,718,000 (\$1,730,000 General Fund, \$988,000 Federal Fund) in fiscal year 2026-27 and \$2,666,000 (\$1,696,000, \$970,000) in 2027-28 and ongoing and four (4.0) permanent positions. The requested resources also include funding equivalent to five (5.0) additional positions and the procurement of data security software to address the growing complexity and volume of changes related to federal policies and laws.

#### Staff Comments

These Budget Change Proposals remain under review by the Subcommittee.

**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.