

CONCURRENCE IN SENATE AMENDMENTS  
AB 518 (Wicks and Jackson)  
As Amended August 26, 2024  
Majority vote

**SUMMARY**

Requires the California Department of Social Services (CDSS), in consultation with stakeholders, to develop a methodology to estimate the CalFresh participation rate in California and identify characteristics of Californians who are eligible for CalFresh benefits, but not receiving benefits; and requires CDSS to identify data sharing opportunities with other state and local public entities

**Senate Amendments**

Delete the Assembly version of the bill, and instead:

- 1) By July 1, 2025, require CDSS in consultation with specified stakeholders to develop a methodology for estimating the CalFresh participation rate and identifying characteristics of Californians including, but not limited to, race, ethnicity, preferred language, age, and location who are eligible for, but not receiving, CalFresh benefits.
- 2) Require CDSS to identify any existing public assistance or public benefit data that may be used to identify Californians who are eligible for, but not receiving, CalFresh benefits.
- 3) Require CDSS to annually publish the CalFresh participation rate.
- 4) Require CDSS to utilize the data and metrics to develop informed and targeted outreach strategies and to maximize federal funding for CalFresh outreach to reach Californians who are eligible for CalFresh benefits.
- 5) Permit CDSS to identify data-sharing opportunities with other state and local public entities, and any other unit of state government, for the purposes of improving the administration of CalFresh, increasing CalFresh participation, measuring the impact of CalFresh, and increasing access to critical public health and poverty-alleviating services and other services and benefits available to low-income individuals.
- 6) Permit the following public entities to share data with CDSS to the extent permitted by federal law:
  - a) Public entities related to health and human services.
  - b) Public entities related to education and early childhood program.
  - c) Public entities related to employment and financial well-being.
  - d) Public entities related to shelter, utilities, housing, and homelessness.
  - e) Public entities related to justice-involved individuals
  - f) Public entities related to services for veterans

- 7) Require CDSS to designate an executive-level employee to report to the CDSS Director on the implementation of this bill.

## COMMENTS

*Food Insecurity in California.* While California declared food as a human right in 2023 and produces nearly half of the nation's fruits and vegetables, about 8 million Californians currently struggle with food insecurity, representing 20.3% of the state's population. Factors contributing to food insecurity include economic disparities, high living costs, limited access to affordable nutrition options, and systemic barriers such as racism and discrimination.

Economic factors play a significant role in driving food insecurity, particularly among low-income households. Many Californians struggle to afford basic necessities like housing, healthcare, and transportation, leaving little room in their budgets for nutritious food.

Moreover, systemic issues such as racism and discrimination disproportionately impact marginalized communities, including Black, Latinx, and Indigenous populations, immigrants, and individuals with disabilities, exacerbating their vulnerability to food insecurity. Data from the United States Census Bureau's Household Pulse Survey shows that by March 2022, food insecurity for households with children in California was at 25.8%, with deep disparities for Black and Latinx households at 28.7% and 31.2%, respectively.

Beyond mere hunger, a lack of adequate food can have long-term physical and mental health consequences, particularly for children. Chronic diseases such as diabetes, obesity, and cardiovascular conditions are more prevalent among food-insecure individuals due to poor nutrition and limited access to healthcare. Children growing up in food-insecure households are at risk of developmental delays, academic struggles, and long-term health consequences, perpetuating intergenerational cycles of poverty and food insecurity.

*CalFresh.* Supplemental Nutrition Assistance Program (SNAP) is the largest federal nutrition assistance program designed to provide nutrition assistance to low-income families and individuals in the United States (U.S.). Administered by CDSS, CalFresh is California's version of SNAP, which provides monthly benefits to help eligible households purchase nutritious food items. A CalFresh household is a group of people who live together, buy food and prepare meals together, meet CalFresh eligibility requirements, and are approved for CalFresh benefits. Participants receive benefits on Electronic Benefit Transfer (EBT) cards, which can be used to purchase eligible food items such as fruits and vegetables, meat, dairy products, and seeds and plants that produce food at authorized retailers, including grocery stores, supermarkets, and farmers' markets.

The United States Department of Agriculture (USDA) sets specific eligibility requirements for SNAP programs across the country, including gross and net income, household size, assets, and certain expenses. Eligible households must have gross incomes at or below 200% of the federal poverty level, although specific income limits may vary depending on household composition. Effective October 1, 2023, through September 30, 2024, the maximum annual gross income for a household size of three is \$49,728. Starting in 2019-20, individuals 65 years and older became newly eligible to receive CalFresh benefits as a way to increase enrollment among SSI/SSP recipients. There are an estimated 500,000 SSI/SSP recipients eligible for CalFresh every year. CalFresh benefits are calculated based on household size, income, and deductible living expenses, with maximum benefit levels adjusted annually based on changes in the cost of living.

*California Food Assistance Program (CFAP).* The federal government imposed restrictions on federal food assistance by prohibiting eligibility for legal permanent residents (LPRs) until they had resided in the U.S. for five years. States were granted the option by the federal government to offer state-funded food assistance to this population, including LPRs who had arrived less than five years prior. In response, California established CFAP to provide state-funded food assistance to eligible noncitizens using the same EBT and CalSAWS systems as CalFresh to distribute benefits. Through the EBT system, the federal government directly deposits funds into the accounts of participating households, with the state later reimbursing the federal government for these expenditures.

CFAP benefits are equivalent to those provided by CalFresh and vary based on factors such as household size, income, and deductible expenses. In the 2022-23 fiscal year, CFAP benefits amounted to \$78 million from the General Fund, with an average monthly benefit of \$159 per person. In April 2023, the Public Policy Institute of California (PPIC) reported that CFAP served about 42,000 noncitizens. Certain noncitizens, such as those who are undocumented, are currently ineligible for CFAP based on their immigration status.

The April 2023 PPIC report further revealed that California is home to 10.5 million immigrants, representing almost 25% of the entire U.S. immigrant population. As of 2019, data from the Center for Migration Studies indicated that 22% of these immigrants were undocumented, while the remaining 78% possessed legal status, such as being naturalized citizens, visa holders, or LPRs. The LAO reports that CalFresh and CFAP served about 3.2 million households total in June 2023.

*Barriers to Accessing CalFresh & CFAP.* While CalFresh & CFAP have made significant strides in addressing food insecurity and promoting healthy food access, persistent challenges remain when it comes to maximizing participation. For example, CalFresh participation rates have historically been lower than eligibility rates, with many eligible individuals and households failing to enroll in the program. USDA 2018 data shows that compared to the national SNAP participation rate of 82% and states like Florida (84%), Georgia (84%), and Illinois (100%), California ranks nearly last with a 70% participation rate. On a county level, there are also stark differences from county to county on CalFresh enrollment rates for eligible individuals or families, with a 97% participation rate in Fresno compared to 52% in Contra Costa in 2017. Suboptimal participation rates compared to other states lead to an underutilization of vital resources and missed opportunities to address food insecurity and hunger. With suboptimal participation rates compared to other states and even within counties, the results are the same — underutilization of vital resources and missed opportunities to address food insecurity and malnutrition.

For many eligible individuals, barriers to CalFresh & CFAP participation include a lack of awareness about program eligibility and benefits, stigma associated with receiving public assistance, complex application procedures, language barriers, lack of internet access, and fear of losing benefits from other social services programs. For county workers who process applications, enrollment processes require substantial administrative resources, including staffing, paperwork processing, and verification procedures, which can strain agency capacities and prolong wait times for applicants, especially for large counties like Los Angeles County that processed at least 1.4 million applications in 2020.

This setback not only hinders efforts to eradicate hunger, but also deals a considerable blow to California's food economy. The USDA has shown that each dollar in federally funded CalFresh benefits generates \$1.79 in economic activity. Additionally, every \$1 billion in benefits leads to the creation of over 10,000 jobs across various sectors, including farm labor, transportation, and retail. By maximizing CalFresh participation alone, the state could potentially receive \$1.8 billion annually in federally funded food benefits, resulting in over \$3.3 billion in total annual economic activity. On the flip side, hunger costs the U.S. economy at least \$77.5 billion in healthcare costs every year through higher rates of chronic disease, higher utilization of health and mental healthcare services, more frequent and high-cost hospitalizations and more frequent use of nursing homes. Research has demonstrated a reduction in healthcare costs of \$1,400 per person per year among low-income adults who also receive SNAP benefits, a finding that indicates state Medicaid programs could see significant savings from increased SNAP participation.

### **According to the Author**

“[This bill] requires CDSS to develop a methodology for determining the state’s CalFresh participation rate and to identify characteristics of residents who are eligible but not receiving benefits. It requires that data gathered under this methodology be used to shape outreach efforts which maximize participation in the program and identify opportunities to remove barriers preventing enrollment. The bill also encourages the sharing of this data with community partners, so agencies can partner in the shared goal of increasing participation rates statewide.

“Food insecurity often correlates with long-term physical and mental health challenges. Research shows that hungry children can experience developmental delays and have trouble learning language. They are more likely to fall sick, recover more slowly, and be hospitalized more often if their access to food is inconsistent, according to the American Academy of Pediatrics. Food-insecure adults face also higher rates of obesity, chronic illness, anxiety and depression.

“More can be done to reach Californians that need CalFresh the most. [This bill] takes an important step designed to increase the participation of Californians in vital food-support services. A comprehensive understanding of what prevents the state’s vulnerable populations from enrolling in this program can lead to targeted interventions that will increase the wellbeing of more of the Golden State’s residents.”

### **Arguments in Support**

According to GRACE/End Child Poverty California, “[This bill] will take important steps to advance this work, including: Working with community and other stakeholders to strengthen the participation rate and especially to develop disaggregated, sub-population specific information on an annual basis identifying whom the program is not reaching in order to drive evidence-based outreach and enrollment strategies. Examining and encouraging data sharing agreements to support CalFresh participation that should also strengthen efforts to streamline enrollment through the use of existing state data, preventing the need for households to provide unnecessary verification.”

### **Arguments in Opposition**

No support on file.

## **FISCAL COMMENTS**

The bill in print has not been analyzed by a fiscal committee.

**VOTES:**

**ASM INSURANCE: 10-0-4**

**YES:** Calderon, Berman, Cervantes, Gipson, Grayson, Jones-Sawyer, Ortega, Rodriguez, Valencia, Wood

**ABS, ABST OR NV:** Essayli, Chen, Vince Fong, Soria

**ASM APPROPRIATIONS: 12-1-3**

**YES:** Holden, Bryan, Calderon, Wendy Carrillo, Mike Fong, Hart, Lowenthal, Mathis, Papan, Pellerin, Weber, Ortega

**NO:** Dixon

**ABS, ABST OR NV:** Megan Dahle, Robert Rivas, Sanchez

**ASSEMBLY FLOOR: 64-0-16**

**YES:** Addis, Aguiar-Curry, Alanis, Alvarez, Arambula, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Juan Carrillo, Wendy Carrillo, Cervantes, Connolly, Davies, Mike Fong, Friedman, Gabriel, Garcia, Gipson, Grayson, Haney, Hart, Holden, Jackson, Jones-Sawyer, Kalra, Lee, Low, Lowenthal, Maienschein, Mathis, McCarty, McKinnor, Muratsuchi, Ortega, Papan, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Santiago, Schiavo, Soria, Ta, Ting, Valencia, Villapudua, Waldron, Wallis, Ward, Weber, Wicks, Wilson, Wood, Zbur, Rendon

**ABS, ABST OR NV:** Chen, Megan Dahle, Dixon, Essayli, Flora, Vince Fong, Gallagher, Hoover, Irwin, Lackey, Stephanie Nguyen, Pacheco, Jim Patterson, Joe Patterson, Blanca Rubio, Sanchez

**UPDATED**

VERSION: August 26, 2024

CONSULTANT: Alexandria Smith / HUM. S. / (916) 319-2089

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