

Date of Hearing: April 9, 2019

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Eloise Gómez Reyes, Chair

AB 534 (Mayes) – As Amended March 28, 2019

**SUBJECT:** Social services: access to food

**SUMMARY:** Establishes the “Envision a Hunger-Free California Act of 2019”, which requires the California Department of Social Services (CDSS), the Department of Public Health (DPH), Department of Education (CDE), and the California Department of Food and Agriculture (CDFA) to develop a plan to end hunger, which shall include identification of barriers to food access, among other elements, further requires the plan to be presented to the Legislature no later than January 1, 2021. Specifically, **this bill:**

- 1) Establishes the “Envision a Hunger-Free California Act of 2019”, and makes Legislative findings and declarations related to food access, food insecurity, and hunger in California.
- 2) Requires CDSS, DPH, CDE, and CDFA to consult with a stakeholder group, led by CDSS, to jointly develop a plan to end hunger.
- 3) Requires that the plan be distributed to the Legislature no later than January 1, 2021, as specified, and do all of the following:
  - a) Identify food deserts, as defined by the United States Department of Agriculture (USDA), and make maps of food deserts available online, as specified;
  - b) Identify certain barriers, as specified, to bringing retailers to certain locations such as food deserts;
  - c) Identify infrastructure needs to develop food hubs and work with the Department of General Services to create an inventory of state-owned property that would be suitable for food hub locations;
  - d) Explore methods to use new and existing resources to develop food hub infrastructure and to utilize county fairgrounds as food hub locations;
  - e) Establish a budget of \$11,500,000, contingent upon an appropriation in the Budget Act, for CDFA to identify grant opportunities for certain models that demonstrate economic development, job benefits, and greenhouse gas emission reductions, as specified;
  - f) Identify and facilitate stakeholder engagement, including representatives from impacted communities;
  - g) Make recommendations for improving food access, including funding;
  - h) Include a plan, to be presented to the director of CDSS no later than July 1, 2020, to encourage the use of an electronic benefits transfer (EBT) system at farmers’ markets and retailers in a food desert, or a retailer that can ship to a food desert, in order to purchase fruits and vegetables;

- i) Include a plan, to be presented to the Legislature no later than July 1, 2020, for statewide universal school feeding programs, prioritizing schools with the neediest populations, as specified, and further requires the plan to identify a system for measuring certain outcomes, as specified; and,
- j) Request the Regents of the University of California, and direct the Trustees of the California State University and the Board of Governors of the California Community Colleges, to develop systems that allow EBT cards to be used on campuses, and prepare and present a progress report to the Assembly Select Committee on Campus Climate by July 1, 2020, and repeal these reporting requirements on January 1, 2024.

**EXISTING LAW:**

- 1) Establishes under federal law the Supplemental Nutrition Assistance Program (SNAP) pursuant to the Food Stamp Act of 1964 and establishes, in California statute, the CalFresh program to administer the provision of federal SNAP benefits to families and individuals meeting certain criteria, as specified. (7 United States Code [USC] 2011 *et seq.*, Welfare and Institutions Code [WIC] Section 18900 *et seq.*)
- 2) Establishes the Electronic Benefits Transfer (EBT) Act, and defines the EBT system as the program designed to provide benefits to those eligible to receive public assistance benefits such as CalWORKs and CalFresh. (WIC 10065 *et seq.*)
- 3) Establishes the National School Lunch Program, and program requirements for schools participating in the program. (42 USC 1751 *et seq.*)
- 4) Establishes the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income, pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk. (7 CFR 246)
- 5) Establishes the California Fruit and Vegetable EBT Pilot Project, which requires CDSS, in consultation with CDFR, county CalFresh administrators, and stakeholders, to include within the EBT system a supplemental benefits mechanism that allows an authorized retailer to deliver and redeem supplemental benefits, which must be compatible with operational procedures at farmers' markets with centralized point-of-sale (POS) terminals and at grocery stores with integrated POS terminals, as specified. (WIC 10072.3)

**FISCAL EFFECT:** Unknown**COMMENTS:**

***Hunger in California:*** According to the California Association of Food Banks, one in eight Californians and one in five children experiences food insecurity, despite the fact that California produces half the nation's fruits and vegetables. Defined as the occasional or constant lack of access to the food a person needs in order to lead a healthy and active lifestyle, food insecurity can result in poor school attendance and performance, low workplace productivity, and both physical and mental health issues. Several factors characterize sufficient access to food, including: proximity, variety, quality, and affordability. While individuals in affluent

neighborhoods may enjoy access to food that meet all four criteria, individuals who live in food deserts (defined by the USDA as an area in which more than a third of the population lives over a mile from a grocery store or may not have access to food that is nearby or affordable) or food swamps (defined as an area with a high number of establishments that sell unhealthy food options, such as fast food and convenience stores) may only have access to food that is proximal and affordable, but not high quality or varied. To address the nutrition needs of its citizens, California offers numerous supports, including:

CalFresh: The federal Supplemental Nutrition Assistance Program (SNAP) provides food access to low-income individuals who meet certain eligibility criteria; in California, this program is known as CalFresh. CalFresh benefits are entirely federally funded, and administration at the federal level lies with the USDA. The USDA is tasked with setting specific eligibility requirements for SNAP programs across the country, as well as a gross and net income tests, work requirements, and other documentation requirements. Currently, the maximum allowable gross income is 200% of the Federal Poverty Level (FPL), although households with elderly or disabled members are not subject to gross income criteria, but must have a net monthly income at or below 100% of the FPL. In California, CalFresh is administered at the local level by county human services agencies, with federal, state, and county governments sharing the costs of program administration. Nearly 4 million individuals in California receive CalFresh benefits; on average, an individual receives approximately \$135 per month in benefits.

Food banks and food hubs: Food banks are responsible for soliciting, storing, and distributing donated food to various entities throughout a community, such as soup kitchens and food pantries in order to provide food to people in need. The USDA provides food banks across the country with nearly 2 billion pounds of food each year, and in California, CalFood is responsible for providing funds to food banks to purchase food for distribution. Food banks however do not often provide food directly to individuals; instead, they are responsible for ensuring that smaller entities have adequate and consistent access to food for distribution directly to consumers. In a similar vein, food hubs are organizations or businesses that manage the collection, distribution, and marketing of local and regional food. Food hubs can vary in form, with some existing in the form of a physical warehouse that collects food, and others collecting and preparing food for distribution through washing and packaging the food. Still, others exist in a virtual format that provides information online for producers to connect directly with consumers. Food banks, which collect food for distribution to smaller entities that provide food and meals directly to consumers, work in tandem with food hubs, which connect food producers with buyers, such as schools, hospitals, and corner stores, to provide greater access to healthy and nutritious food for individuals in need.

EBT at farmers' markets: An additional way that California facilitates increased food access is by authorizing the use of EBT at farmers markets that receive prior authorization from the USDA Food and Nutrition Service (FNS). Typically, when an individual wishes to use SNAP benefits at a farmers market to purchase fresh fruits and vegetable, the market establishes a central point-of-sale model, which allows the individual to purchase scrip or vouchers (often paper or wooden tokens) that can then be used to purchase food from market vendors. Additionally, some farmers' markets offer Market Match, which is a federally-funded incentive program that doubles the value of an individual's CalFresh purchases at participating farmers' markets; for every dollar in CalFresh scrip that a customer purchases, they are given an extra Market Match dollar that can be spent only on fruits and vegetables.

California Fruit and Vegetable EBT Pilot Project: In 2018, AB 1811 (Assembly Committee on Budget), Chapter 35, Statutes of 2018, created the California Fruit and Vegetable EBT Project in order to enable low-income Californians to increase purchases of California-grown fruits and vegetables. Specifically, AB 1811 required CDSS, in consultation with CDFA, to include within the EBT system a supplemental benefits mechanism that allows an authorized retailer to deliver and redeem supplemental benefits. AB 1811 also required CDSS to evaluate the pilot and make recommendations to the Legislature to further refine and expand the supplemental benefits mechanism, and submit a report to the Legislature, no later than January 1, 2022. According to information provided by CDSS, the Pilot Project stakeholder workgroup met for the first time in February 2019, requests for applications are expected to be published in September 2019.

***Need for this bill:*** The provisions of this bill seek to improve access to healthy and nutritious food for Californians who face barriers to meeting their nutrition needs. These barriers can include regulations related to the California Environmental Quality Act (CEQA), restrictive covenants, and city zoning ordinances, which may preclude certain businesses from providing food access in certain communities. While none of these policies on their own may prevent the provision of fresh, healthy food to individuals, the provisions of this bill seek to examine these policies and whether the combined effects of these regulations, in addition to other social and environmental factors, may contribute to the lack of food experienced by people living in certain communities.

According to the author, “[This bill] provides grant funds that prioritize regional planning models between rural and urban areas demonstrating economic development, job benefits, and greenhouse gas emission reductions. In addition, it will provide the forum for officials whose administrative policy making impacts various parts of the food system to hear from stakeholders within the system, reimagine the way things work, and to launch an action plan that will improve the distribution of fresh produce and help low-income consumers access food so that, one day, we will be a hunger-free California.

“California can reduce food insecurity among our vulnerable populations. California is home to world-class growing regions, producing nearly half of the nation’s fresh produce, but does little to address the limited statewide access to quality food. This affects those near the poverty line, cash poor college graduates, working families, single parents, and communities of color. We can deliver nutritious food options for children and poor families, make healthcare cheaper, and increase the earning potential for millions of Californians to lift them out of poverty.

“California’s diverse geography and demographics unfortunately promote the prevalence of food deserts that limit food access for hundreds of thousands of California residents, and the high health risks associated with them. High-cost and congested areas of the state also experience limited access to quality food and can provide little incentives for food businesses to relocate to those ‘food poor’ areas.”

***Double referral:*** This bill will referred to the Assembly Agriculture Committee should it pass out of this committee.

## **PRIOR LEGISLATION**

***AB 1811 (Assembly Committee on Budget), Chapter 35, Statutes of 2018,*** created the California Fruit and Vegetable EBT Pilot Project to increase the purchase and consumption of California-grown fruits and vegetables that are financially out-of-reach for low-income residents.

**SB 918 (Wiener) of 2018** would have established the California Fruit and Vegetable EBT Pilot Project to include within the EBT system a mechanism that would have enabled an authorized retailer to deliver and redeem supplemental CalFresh benefits. SB 918 was held in the Assembly Human Services Committee.

**AB 1952 (Mayes) of 2018** was substantially similar to this bill and would have established the “Envision a Hunger-Free California Act of 2018” by requiring CDSS, DPH, CDE, and CDFA to develop a plan to end hunger. AB 1952 was held on the Senate Appropriations Committee suspense file.

**H.R. 1276 (Adams) of 2017** was federal legislation also known as the “Closing the Meal Gap of 2017”, would have increased the minimum SNAP benefit, required benefits to be calculated using a low-cost food plan and modifies the requirements for calculating household income for purposes of determining SNAP eligibility. H.R. 1276 was referred to the House Subcommittee on Nutrition.

**H.R. 1078 (Davis) of 2017** was federal legislation that would have excluded the basic allowance for housing for a member of a uniformed service from any income, assets, or resources calculations for purposes of determining eligibility for federal supplemental nutrition programs. H.R. 1078 was referred to the House Armed Services Committee and the House Agriculture Committee.

**AB 164 (Arambula) of 2017** would have given DSS flexibility to provide nutrition benefits for specific populations as of July 1, 2018. AB 164 was held on the Senate Appropriations Committee suspense file.

**AB 2054 (Thurmond) of 2016** would have required the California Health and Human Services Agency to designate an entity to design and implement an SEBTC system to deliver nutrition assistance to children during periods when school is out of session. AB 2054 was held on the Senate Appropriations Committee suspense file.

**H.R. 2642 (Lucas), P.L. 113-79, 2014**, federal legislation known as the “Agriculture Reform and Risk Management Act of 2014”, or Farm Bill, authorized nutrition and agriculture programs in the United States for the years of 2014-2018.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Association of Food Banks (Sponsor)  
Coalition of California Welfare Rights Organizations (Sponsor)  
No Kid Hungry California (Sponsor)  
Western Center on Law & Poverty, Inc. (Sponsor)  
Alameda County Community Food Bank  
California Academy of Nutrition and Dietetics  
California Catholic Conference  
California Coalition of California Welfare Rights Advocates  
Community Action Partnership of Orange County  
Community Clinic Association of Los Angeles County

County of Riverside Board of Supervisors  
Feeding San Diego  
Food Bank of Contra Costa and Solano  
Food for People, The Food Bank for Humboldt County  
Plenty Unlimited, Inc.  
Redwood Empire Food Bank  
Sacramento Area Council of Governments  
Sacramento Food Bank & Family Services  
Jacobs & Cushman San Diego Food Bank  
Yolo Food Bank

**Opposition**

None on file

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