

Date of Hearing: April 25, 2023

**ASSEMBLY COMMITTEE ON HUMAN SERVICES**

Corey A. Jackson, Chair

AB 922 (Wicks) – As Introduced February 14, 2023

**SUBJECT:** Prepared Meals Delivery Program

**SUMMARY:** Establishes the Prepared Meals Delivery Program (PMDP) in Alameda County. Specifically, **this bill:**

- 1) Requires the California Department of Social Services (CDSS) to establish the PMDP to provide meals to unhoused individuals, in order to contribute to lasting food security and a path to stable, permanent housing.
- 2) Requires Alameda County to participate in the program and select a community-based organization (CBO) as a grantee of funding for the program based on a bidding process in accordance with applicable laws.
- 3) Requires the successful bidder to demonstrate that it has a track record of successfully providing meal services for the unhoused community, and that it has known relationships with identified partners that will be providing the services.
- 4) Provides that with an average cost of \$14.50 per meal per day, the food must be delivered directly to unhoused encampments as identified by the CBO grantee, through a restaurant-based accessible prepared meal model. The grantee must provide to recipients information on enrollment within the CalFresh program as part of the grantee's meal delivery services.
- 5) Requires Alameda County to submit periodic reports of performance data to CDSS during the course of implementing the program.
- 6) Requires, no later than June 1, 2026, CDSS to submit a report evaluating the effectiveness of the program to the Legislature.
- 7) Provides that for the purpose of implementing the PMDP, the sum of \$6 million is appropriated from the General Fund to CDSS for allocation to Alameda County over three years.
- 8) States that the Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of Alameda County with regard to its readiness to participate in the PMDP based on the county's available infrastructure and services.

**EXISTING LAW:**

- 1) Establishes under federal law the "Supplemental Nutrition Assistance Program" (SNAP) to promote the general welfare and to safeguard the health and wellbeing of the nation's population by raising the levels of nutrition among low-income households. (7 United States Code [U.S.C.] Section 2011 *et seq.*)

- 2) Establishes the “Restaurant Meals Program” (RMP) under SNAP to allow eligible recipients who are experiencing homelessness, are elderly, or have a disability to purchase hot, prepared food from participating restaurants. (7 USC 2020, Welfare and Institutions Code Section [WIC] 18919 *et seq.*)
- 3) Defines “eligible food” as: any food or food product intended for human consumption, except alcoholic beverages, tobacco, hot foods and hot food products prepared for immediate consumption; seeds and plants to grow foods for the personal consumption of eligible households; meals prepared and delivered by an authorized meal delivery services to households eligible to use SNAP benefits to purchase delivered meals, or meals served by an authorized communal dining facility for the elderly, for Social Security Income households or both, to households eligible to use SNAP benefits for communal dining, among others, as specified. (7 Code of Federal Regulations 271.2)
- 4) Specifies “restaurant” includes, but is not limited to, an on-campus qualifying food facility, an eat-in establishment, a grocery store delicatessen, and a takeaway-only restaurant (WIC 18919(g))
- 5) Requires all moneys allocated to CDSS for the State Emergency Food Assistance Program (CalFood) to be used for the purchase, storage, and transportation of food grown or produced in California. Prohibits storage and transportation expenditures from exceeding 15% of the CalFood Program fund’s annual budget. (WIC 18995(b)(2)(A))

**FISCAL EFFECT:** Unknown, this bill has not been analyzed by a fiscal committee.

**COMMENTS:**

**Background:** *Homelessness.* The United States Department of Housing and Urban Development (HUD) conducts an annual report using data from local Continuums of Care (CoCs), known as the Point in Time (PIT) count. CoCs provide data to HUD regarding the number of individuals experiencing homeless on any given night, including individuals experiencing homelessness who are "sheltered" and living in temporary shelters and those who are "unsheltered" or living out in the open. In the 2022 Annual Homelessness Assessment Report (AHAR), HUD found that 145,983 individuals experiencing homelessness lived in California, and of those, 111,206 were unsheltered. The impacts of homelessness are substantial and lasting. Housing insecurity is correlated with adverse health effects, including high rates of chronic disease, illness, and a broad range of mental health and substance use issues. The health, personal, and economic challenges that homeless individual’s face and the lack of coordinated services to address these problems often lead to a cycle of housing instability and health deterioration. These compounded factors only make it more difficult to exit homelessness and create barriers to the resources necessary for self-sufficiency.

The 2022 Alameda PIT count shows 21.5% increase in unhoused in Alameda County from 2019 to 2022. There are over 9,747 unhoused residents countywide, of which 7,100 residents in Alameda County are completely unsheltered. The 2022 PIT report also found that only 36% of unhoused residents are receiving food assistance. It can be hard for unhoused residents to find a foodbank or even a participating RMP vendor due to the travel barrier. “Whether it’s to get to social service appointments, food banks, shelters, or any other resource, much time and energy is devoted to transportation...Many homeless people average 10-15 miles per day of walking” (*Invisible People, “Being Homeless Takes a Lot of Work,” Vantol, 2021*).

*CalFresh.* In California, SNAP funds are administered through the CalFresh program. SNAP is the federal program that provides states funds to offer nutritional benefits to low-income individuals and families. The United States Department of Agriculture (USDA) sets SNAP eligibility standards and includes income tests, work requirements, and required documentation to apply for the benefit. The benefit is meant to assist with access to food and is distributed through various sources, depending on the state. Formerly known as food stamps, the program provides specific eligibility requirements and funding to states, with implementation at the local level conducted through the county. CalFresh is under the purview of CDSS and is facilitated through the county human services agencies. Federal, state, and local governments share in the financial obligation of the program's administration. Individuals can complete the CalFresh application online, over the phone, in-person at their county CalFresh office, or through the mail. Eligible individuals in the state receive benefits through electronic cards, known as electronic benefit transfer cards, to purchase food items and seeds and plants that can be grown as food at home.

The USDA also sets the gross and net income requirements. As these requirements are set at the federal level, California has little flexibility in setting eligibility criteria for applicants and recipients. If a family passes the gross income test, the net income test is computed, and the amount is determined by deducting certain income from a household's gross income. Currently, the maximum allowable gross income is 200% of the Federal Poverty Level, although households with elderly members or members with disabilities are not subject to gross income criteria. Effective October 1, 2022, through September 30, 2023, the maximum annual gross income for a household size of three is \$46,080. Because CalFresh is funded federally, California has some, but limited flexibility, in changing eligibility for CalFresh. When computing income for purposes of determining CalFresh eligibility, certain income is exempt, such as in-kind benefits, meals, clothing, employer-provided housing, vendor payments, or money paid to a third party for a household expense by a person or organization outside of the household, among others.

*Restaurant Meals Program.* Federal rules related to SNAP, and therefore CalFresh, prohibit the purchase of certain items, such as alcohol, vitamins and medicines, pet foods, food that will be eaten in the store, and hot foods. California began a pilot for the RMP in the early 2000s. In 2021, AB 942 (Weber), Chapter 814, Statutes of 2019, was enacted and now all 58 counties in California participate in RMP. RMP allows certain eligible CalFresh recipients who are experiencing homelessness, are over 60 years of age, have a disability, or a spouse of someone over 60 years of age, and/or have a disability to purchase hot and prepared foods from participating restaurants that would otherwise be prohibited. This is due to the unique challenges faced by these populations as it relates to ability to prepare food, and lack of access to necessary equipment. This bill would go beyond how the RMP serves people by delivering the food so individuals are not forced to travel long distances.

**Author's Statement:** According to the Author, "Lack of support for accessible meal programs undermines efforts to reduce the unhoused population and is a barrier to healthy outcomes for our most vulnerable community members. Lack of accessibility means that the homeless and those living on the margins have to invest a disproportionate quantity of resources accessing nutrition, leaving less time for work, school, parenting and all the other activities individuals need to engage in to be fully integrated and independent members of the community. This inaccessibility is a barrier to independence and healthy life outcomes for our most vulnerable community members."

“This proposal would be informed by the lessons learned from the Great Plates program and would address the State’s homeless humanitarian crisis. As a restaurant-based accessible meal model, the Great Plates program supported restaurants during the pandemic by providing an additional service base during COVID-related disruptions. The industry has yet to fully recover, so the “Peoples Plate” program as a restaurant-based accessible meal models will support restaurants and jobs throughout the state. In addition, this restaurant-based program will help create an industry-based surcharge model on restaurant dining that will help provide long-term sustainable funding for the meal program.

“The urgent need to address homelessness is significant across the state. Every county in California is trying to tackle the affordable housing crisis that is increasing the size of our unhoused population. Every \$100 increase in median rent is associated with a 9 percent increase in the estimated homelessness rate, according to a 2020 report by the U.S. Government Accountability Office.

“The poverty rate in Oakland is twice as high as the national average and the cost of living is 54% higher than the national average. The poverty rate in east and west Oakland is twice as high as the rest of Oakland and nearly three times the national average. A household of living at or below the poverty line in Oakland could not afford the median rent for single room apartment with 100% of their income. Over 50% of Alameda County’s unhoused community live in Oakland.”

**Need for this bill:** This bill seeks to ensure that unhoused individuals have access to food by creating a program that will deliver food. While California helps eligible individuals who are in need of food by providing CalFresh and the RMP, there are individuals that are unable to access this food due to distance to the location(s). This bill could increase access to food.

**Equity Implications:** In order to qualify for CalFresh benefits, household gross annual income may not exceed 200% of the FPL; a household of three may not earn more than \$46,080 annually. As a result, CalFresh serves low-income Californians who rely on food supports to meet their nutritional needs. For vulnerable populations, such as older adults, individuals with disabilities, and individuals experiencing homelessness, the RMP provides flexibility to account for the fact that these populations may not have the ability to prepare food, or may not have access to the necessary equipment to prepare food. However, the current program does not account for individuals that meet the RMP requirements, but also are not ambulatory.

In order to make food assistance equitable, food assistance must consider factors about the individual’s lifestyle such as homelessness.

**Policy Considerations:** This bill’s intent is laudable; however, the language is vague and unclear which could lead to unintended implementation consequences. Should this bill move out of this Committee, the author should address the following in the future:

- 1) **Clarification about eligible counties.** This bill references Alameda County as the intended recipient of money for this program, but does not explicitly exclude other counties.
- 2) **References to specific costs.** This bill references an exact cost of \$14.50 as the average cost per meal per day. While this may be true, there is no data source to confirm and placing this in statute without evidence poses significant problems. Additionally, this number will change

from year to year and this could impact the amount recipients could receive which does not seem to align with this bill's intent.

- 3) **Clarification on data requested.** This bill requires performance data to be reported periodically, but does not identify data points or what "periodically" means. Without this specification, data received might not be useful, consistent, or timely.
- 4) **Intent and program purposes.** This bill places the intent and program purposes within statute. The placement of the language is unusual.
- 5) **Clear responsibilities for implementation.** This bill requires CDSS to establish the program, but then requires Alameda County to participate and select a CBO. The implementation responsibility is unclear.
- 6) **Clarification on eligible CBOs.** The bill describes a successful bidder as someone that demonstrates that it has a track record of successfully providing meal services for the unhoused community, and that it has known relationships with identified partners that will be providing the services. However, it is unclear how that might be demonstrated, or if this is the best way to select a CBO.

#### **RELATED AND PRIOR LEGISLATION:**

*AB 2100 (Carrillo) of 2022*, would have required CDSS to apply for federal waivers, and, if granted, expand the RMP to include all CalFresh recipients. AB 2100 also would have expanded the locations where CalFresh benefits under the RMP could be used. *AB 2100 was held on the Senate Appropriations Committee suspense file.*

*AB 942 (Weber), Chapter 814, Statutes of 2019*, established the "Access to Safe Food Choices and Food Security Act of 2019" to establish a statewide RMP.

*AB 612 (Weber), Chapter 804, Statutes of 2019*, allowed CDSS to enter into an agreement with the Chancellor of the California Community Colleges (CCCs) in order to allow any qualifying food facility located on a CCC campus to participate in the RMP, even if the CCC campus is located in a county that does not participate in the RMP.

*AB 1894 (Weber), Chapter 746, Statutes of 2018*, allowed CDSS to enter into a memorandum of understanding with the CSU Chancellor in order to allow any qualifying food facility located on a CSU campus to participate in the RMP, even if the CSU campus is located in a county that does not participate in the RMP.

*AB 282 (Wiener), Chapter 355, Statutes of 2017*, required CDSS to communicate with counties regarding how to participate in the RMP, among other things.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

County of Alameda

County Welfare Directors Association of California (CWDA)

Senior Services Coalition of Alameda County

**Opposition**

None on file

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