

Date of Hearing: July 2, 2019

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Eloise Gómez Reyes, Chair

SB 285 (Wiener) – As Amended June 25, 2019

SENATE VOTE: 38-0

SUBJECT: Public social services

SUMMARY: Requires the California Department of Social Services (CDSS) to establish statewide goals for CalFresh participation and improvement, requires CDSS to collaborate with stakeholders to increase CalFresh enrollment, participation, and retention rates, and requires an individual to have the option to apply, report, and recertify for CalFresh in person, by mail, online, or by telephone, and to have the option to complete the interview and the required client signature by telephone. Specifically, **this bill:**

- 1) Makes Legislative findings and declarations related to the prevalence and effect of inadequate nutrition and food insecurity among California residents, as well as the need to connect low-income households to food supports such as CalFresh.
- 2) States Legislative intent to maximize the impact of federal safety net funding to reduce poverty, fight hunger, and improve health by enrolling all eligible, low-income Californians into CalFresh.
- 3) Requires CDSS, the Department of Health Care Services (DHCS), Office of Systems Integration (OSI), and the statewide automated welfare system (SAWS) consortia, in order to minimize the burden of enrollment processes for eligible individuals and households to receive public assistance benefits, to discuss and determine how the public-facing elements of CalSAWS may allow users to begin applications for other public assistance programs, as specified.
- 4) Requires CDSS to oversee a state and local accountability partnership with county human services agencies and other stakeholders to increase CalFresh participation and retention throughout the state, as well as to foster ongoing quality improvement in the administration of the CalFresh program, as specified.
- 5) Requires CDSS to establish the following statewide goals for CalFresh participation and improvement, as specified:
 - a) Requires CDSS, no later than January 1, 2021, to aim to have at least 75% of households that are eligible for CalFresh enrolled in the program, with the goal of no county having less than 65% of eligible households enrolled;
 - b) Requires CDSS, no later than July 1, 2022, to aim to have at least 85% of households that are eligible for CalFresh enrolled in the program, with the goal of no county having less than 75% of eligible households enrolled; and,

- c) Requires CDSS, no later than July 1, 2024, to aim to have at least 95% of households that are eligible for CalFresh enrolled in the program, with the goal of no county having less than 85% of eligible households enrolled.
- 6) Requires CDSS, in consultation with counties and other stakeholders and in order to evaluate progress towards the participation goals enumerated by the provisions of this bill, to identify or develop, no later than September 1, 2020, a proxy metric for the CalFresh participation rate, and, further, requires the proxy metric be applied statewide in order to periodically calculate state- and county-level estimates for the CalFresh participation rate.
- 7) Requires the proxy metric to be used only to evaluate progress toward participation goals and, further, specifies that the proxy metric does not supplant existing methods for determining participation rates established by CDSS or the United States Department of Agriculture (USDA).
- 8) Permits CDSS to also identify or develop additional metrics to evaluate progress toward the CalFresh participation and enrollment goals identified by the provisions of this bill.
- 9) Requires county human services agencies to work with CDSS to increase CalFresh participation and retention rates within the county in order to meet the participation and enrollment goals established by the provisions of this bill, and to set county-specific goals for increased participation and retention.
- 10) Requires continuous improvement efforts to incorporate community stakeholder feedback and take into account community efforts, as specified, to increase outreach, enrollment, retention, and improvements identified within the agency.
- 11) Requires CDSS and counties to work with community partners and stakeholders to identify the most effective actions, as specified, that can be implemented to increase access and participation in CalFresh, consistent with state and federal law, and, further, encourages counties to implement cost-effective actions that can be implemented within existing resources, or at the expense of the county or through public-private partnerships.
- 12) Prohibits counties from being required to implement specific, identified improvements when those improvements require additional funds, except in instances when the state provides additional funds, including funds appropriated in the annual Budget Act.
- 13) Requires CDSS, in order to support counties and their community partners in increasing and retaining CalFresh participants for purposes of meeting the participation and enrollment goals established by the provisions of this bill, to do all of the following, as specified:
 - a) Provide counties with timely, accurately translated materials;
 - b) Conduct ongoing user-experience testing of CalFresh application, recertification, and reporting mechanisms;
 - c) Participate in all elements of the Elderly Simplified Application Project and develop a user-centered application for seniors;

- d) Maintain a CalFresh data dashboard that includes certain statewide and county-specific data; and,
 - e) Provide oversight and technical assistance to counties with regard to the process of continuous improvement contained in provisions of this bill.
- 14) Requires, to the extent permitted under federal law, an individual to have the option to apply, report, and recertify for CalFresh benefits in person, by mail, online, or by telephone, and, further, requires an individual to have the option to complete the interview and the required client signature by telephone.
- 15) Permits counties to implement any method of telephonic signature or electronic signature over the telephone, in compliance with state and federal program requirements, that is supported by county business practices and available technology.
- 16) Instructs CDSS to work with counties, representatives of the SAWS consortia, representatives of county eligibility workers, and advocates for CalFresh participants, to develop and execute a plan of support for counties that have not already implemented a telephone-based application and renewal process, and to provide technical assistance or resources.
- 17) Requires the application process, to the extent permitted under federal law, to satisfy both of the following criteria:
- a) Include simple, user-friendly language and instructions that incorporate user testing with CalFresh applicants, participants, eligibility workers, and application assisters; and,
 - b) Require the eligibility, enrollment, and retention system to offer an applicant or recipient assistance with their application, required reporting, or recertification for the CalFresh program in person, over the telephone, and online, and in a manner that is accessible to individuals with disabilities and those who have limited English proficiency.
- 18) Makes technical changes.

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 [U.S.C.] Section 2011 *et seq.*, Welfare and Institutions Code Section [WIC] 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) Requires OSI to implement a statewide automated system for California Work Opportunity and Responsibility to Kids program (CalWORKs), CalFresh, Medi-Cal, foster care, refugee program, and county medical services programs. The system that was eventually developed is now known as SAWS. (WIC 10823)

- 4) Requires CDSS, DHCS, OSI, and the SAWS consortia to engage with stakeholders to discuss current and planned functionality changes, system demonstrations of public portals and mobile applications, and advocates' identification of areas of concern, especially with the design of public-facing elements that directly impact clients. (WIC 10823.1)
- 5) Requires each county welfare department to, if appropriate, exempt a household from complying with face-to-face interview requirements for purposes of determining eligibility at initial application and recertification, as specified. (WIC 18901.10)
- 6) Requires CDSS to collect quarterly, expedited service data, on a county-by-county basis, of the number of applications and the disposition of the applications, and to publish those statistics quarterly. (WIC 18913)
- 7) Specifies that nothing in the provisions of current law, as specified, shall prohibit the use of signatures provided and maintained electronically, storage of records using automated retrieval system only, or any other feature of a state agency's application system that does not rely exclusively on the collection and retention of paper applications or other records. (7 U.S.C. 2020 (e)(C)(i))
- 8) Allows a state agency to establish a system by which an applicant household may sign an application through a recorded verbal assent over the phone, and enumerates the criteria with which the system must comply. (7 U.S.C. 2020 (e)(C)(ii))
- 9) Establishes in federal law the Supplemental Security Income for the Aged, Blind, and Disabled (SSI) Program to provide cash assistance to meet the basic needs of aged and blind individuals and individuals with disabilities. (42 U.S.C. 1381-1383(f))
- 10) Establishes the State Supplementary Program for Aged, Blind and Disabled, which is intended to supplement SSI and provide persons whose need results from age, blindness or disability with assistance and services that help them meet basic needs and maintain or increase independence. (WIC 12000 *et seq.*)
- 11) Provides that eligibility requirements for SSP match federal SSI criteria, and requires a minimum level of SSP benefits to be provided in order to maintain federal Medicaid funding, as specified. (WIC 12000 *et seq.*)

FISCAL EFFECT: According to the Senate Appropriations Committee on May 16, 2019, this bill may result in the following costs:

- 1) Unknown costs for CDSS to oversee the state and local accountability partnership (General Fund [GF]);
- 2) Unknown, potentially significant costs for CDSS, DHCS, and OSI and the Interim SAWS consortia to determine the feasibility for the CalSAWS to allow users to initiate applications for other health and human services benefits programs (GF); and,
- 3) Future cost pressure for automation requirements if other benefits programs will be incorporated into the CalSAWS system.

COMMENTS:

CalFresh: 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 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 members or members with disabilities 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. Benefits are made available to recipients on an EBT card, which is an automated teller machine (ATM)-like card that allows an individual to purchase food at point-of-sale devices in stores. On average, an individual receives approximately \$135 per month in benefits, however, the maximum grant amount for a household size of one is \$192 as of October 1, 2018, and until September 30, 2019.

With approximately 4 million individuals receiving benefits, CalFresh plays a large role in alleviating poverty in California. A 2018 publication by the Public Policy Institute of California found that in 2015, CalFresh moved approximately 800,000 Californians out of poverty, according to the California Poverty Measure, which takes into account variations in cost of living throughout the state.

California's CalFresh participation rate: In January 2018, the USDA released a report that measured each state's SNAP participation rate during federal fiscal year 2015. The report demonstrated that California had the fourth lowest participation rate in the nation at 70%. While Arizona and Texas also had a 70% participation rate, only Utah, North Dakota, and Wyoming had a lower participation rate than California; states with the highest participation rate included Oregon, Washington, Illinois, New Mexico, and Delaware.

The report demonstrated that only 3 out of 10 California residents – approximately 1.7 million individuals – were receiving CalFresh benefits, despite being eligible to receive them, and state's 70% participation rate placed the California 13% below the national participation rate of 83%. A May 2018 article by National Public Radio states:

“One of California's challenges with the food stamp program is that it is administered at the county level – and there are 58 counties. Only 10 states run their programs that way...Still, participation can be hampered by other challenges. Lack of transportation, long lines at county offices and lack of flexibility in setting appointment times may also contribute to low participation, county officials said. And paperwork often gets mailed to residences, making it harder for homeless people or those who move frequently to stay enrolled.”

The provisions of this bill seek to increase the statewide CalFresh participation rate by establishing a series of enrollment goals by requiring CDSS to aim to have at least 95% of all households eligible for CalFresh enrolled in the program no later than July 1, 2024. The provisions of this bill also seek to address barriers to accessing CalFresh benefits by requiring

counties to provide additional avenues to applying, reporting, and recertifying for benefits, specifically, through telephonic access.

Supplemental Security Income (SSI)/State Supplementary Payment (SSP): The SSI/SSP program provides a monthly cash benefit to eligible individuals and married couples who are aged 65 or older, are blind, or are living with disabilities. To be eligible, individuals must meet certain federal income and resource requirements, including a limit on an individual's monthly income and a cap on the value of assets owned by the individual, such as a primary residence or car, among other items. If an individual is eligible for federally-funded SSI, they are automatically deemed eligible for SSP, which is funded using state General Fund dollars.

California's cash out policy: In 1974, states were given the option to increase monthly SSP grant payments by \$10 (which was approximately equivalent to the food benefit at the time), instead of providing federal food benefits to the SSI/SSP population. California's adoption of this option, referred to as "cash out," deemed SSI/SSP recipients in the state ineligible for CalFresh benefits by virtue of receiving a \$10 supplemental payment as a part of their SSI/SSP benefits. Over time, states did away with their cash out policy, leaving California as the only remaining state that had such a policy. The purchasing power of this supplemental payment eroded while food stamp benefit levels increased, and a large number of Californians who were aged, blind, or had a disability struggled to afford food due to their ineligibility for CalFresh benefits. In 2018, with the adoption of AB 1811 (Committee on Budget), Chapter 35, Statutes of 2018, California ended the SSI cash out and deemed individuals who were receiving SSI/SSP benefits as eligible for CalFresh.

There are approximately 1.3 million recipients of SSI in California, and CDSS estimates that at least 500,000 SSI recipients became eligible for CalFresh benefits as of June 1, 2019. Newly eligible individuals can expect to receive between \$15 and \$192 a month depending on a variety of factors, including household size and income levels.

Electronic and telephonic signatures: The authority to use electronic and telephonic signatures was established as a part of the Food, Conservation, and Energy Act of 2008, commonly referred to as the 2008 Farm Bill (P.L. 110-234), which allowed "the use of signatures provided and maintained electronically" and authorized a state agency to establish a system by which an applicant household may sign an application through a recorded verbal assent over the telephone.

In September 2013, CDSS issued All County Information Notice I-60-13, which states: "Current law supports the use of telephonic signatures. CWDs [county welfare departments] must follow industry standard practices on the creation, storage, and transmission of electronic documents as they related to verbal assent...It is not a mandate that CWDs accept a telephonic signature for CalFresh or CalWORKs. As such, there is no CDSS funding available for the implementation of telephonic signatures...To ensure compliance with the laws and standards that apply to telephonic signatures, county information technology, or SAWS consortia staff should assist in the development of telephonic signature systems and related policies."

In California, counties have the option, but are not required, to provide electronic signatures for CalFresh. In June 2017, CDSS issued All County Letter 17-57, which states: "The purpose of this letter is to provide CWDs with clarification regarding the optional use of electronic signatures for the CalFresh and CalWORKs programs...Updated federal guidance regarding the use of electronic signatures in the SNAP, including, but not limited to, recorded telephonic signatures, was provided by the USDA FNS AN [Administrative Notice] 16-28...FNS clarified

that states can ‘implement a variety of electronic signatures over the telephone, as long as the signature complies with the program requirements.’ A telephonic signature defined as an electronically recorded verbal assent is one type of electronic signature. Other electronic signature options may also be accepted over the phone.”

While counties have had the option to utilize telephonic signatures for the CalFresh program since the 2008 Farm Bill was signed into law, it is unclear how many counties in California do or do not offer a telephonic-based application, reporting, and recertification process, and how many counties are in the process of establishing a telephonic-based application, reporting, and recertification process. An April 2016 report by the Alliance to Transform CalFresh and the County Welfare Directors Association of California demonstrated that, at the time of the report, eight counties, representing 20% of California’s CalFresh recipients, provided, or were in the midst of implementing, telephonic signature processes for CalFresh.

The provisions of this bill would require each county, regardless of their current implementation status, to offer a telephone-based application, reporting, and recertification process by requiring that an individual have the option to apply, report, and recertify for CalFresh by telephone, and to have the option to complete the interview and the required client signature by telephone.

Need for this bill: The provisions of this bill seek to increase the rate at which Californians enroll and participate in CalFresh in order to reduce hunger and facilitate greater access to food. Specifically, the provisions of this bill require CDSS to aim to meet certain enrollment goals of at least 95% of all California households eligible for CalFresh enrolled in the program by July 1, 2024, and no county having less than 85% of eligible households enrolled by that same date. This bill also requires CDSS, county partners, and various stakeholders to work together to undertake continuous improvement efforts to reach the enrollment and participation goals established by the provisions of the bill, to identify the most effective actions to facilitate increased enrollment in CalFresh, and to maintain a CalFresh data dashboard to provide CalFresh-related data, among other things. Finally, the provisions of this bill would require all counties to have a telephone-based application, reporting, and recertification process by requiring an individual to have the option to apply, report, and recertify for CalFresh in person, by mail, online, or by telephone, and by requiring that an individual have the option to complete the interview and the required client signature by telephone.

According to the author, “California lags behind almost all other states in connecting eligible, low-income households with federally funded food assistance – our CalFresh program. California ranks third to last in connecting working poor households and last among all states in connecting seniors to CalFresh. Despite recent changes to the enrollment process, California still fails to reach four in five eligible seniors. This is a situation we must address and improve. [This bill] will help combat statewide hunger and will increase enrollment over the next five years by setting statewide uptake goals, aligning policy and process to support streamlined and effective applications, and facilitating enrollment of eligible low-income Californians into CalFresh at the county level.”

Recommended committee amendments: In order to allow counties adequate time and flexibility to implement a telephone-based application, reporting, and recertification process, ***committee staff recommends the following amendments:***

Beginning on line 19 on page 9 of the bill, make the following amendments:

1 18900.4. (a) To the extent permitted under federal law, an
2 individual shall have the option to ~~apply~~ *apply, report, and recertify*
3 for CalFresh in person, by mail, online, or by ~~telephone, regardless~~
4 ~~of their address or lack of a permanent address.~~ *telephone, and*
5 *shall have the option to complete the interview and the required*
6 *client signature by telephone.*

7 (b) ~~To the extent permitted under federal law, an individual may~~
8 ~~complete the interview required for determining eligibility,~~
9 ~~including the required client signature, at initial application and~~
10 ~~recertification by telephone or face to face, regardless of their~~
11 ~~address or lack of a permanent address. Unless an individual's~~
12 ~~preference is a face to face interview, phone interviews shall be~~
13 ~~prioritized.~~

14 (c) ~~To the extent permitted under federal law, an individual shall~~
15 ~~have the option to complete the entire application process for~~
16 ~~CalFresh enrollment or recertification by telephone, regardless of~~
17 ~~their address or lack of a permanent address.~~

18 (b) *Counties may implement any method of telephonic signature*
19 *or electronic signature ~~over the telephone~~, in compliance with*
20 *state and federal program requirements, that is supported by*
21 *county business practices and available technology.*

22 (c) *The department shall work with counties, representatives of*
23 *the statewide automated welfare system consortia, representatives*
24 *of county eligibility workers, and advocates for CalFresh*
25 *participants, to develop and execute a plan of support for counties*
26 *that have not already implemented a telephone-based application*
27 *and renewal processes, and to provide technical assistance or*
28 *resources. The results of this planning effort, included identified resources necessary to be*
appropriated to counties to implement this section, shall be reported to the Legislature during
hearings for the 2020-21 Budget.

29 (d) To the extent permitted under federal law, the application
30 process shall satisfy both of the following criteria:

31 (1) Include simple, user-friendly language and instructions that
32 incorporate user testing with CalFresh applicants, participants,
33 *eligibility workers*, and application assisters.

34 (2) Require the eligibility, enrollment, and retention system to
35 offer an applicant or recipient assistance with their application,
36 required reporting, or recertification for the CalFresh program in
37 person, over the telephone, and online, and in a manner that is
38 accessible to individuals with disabilities and those who have
39 limited English proficiency.

(e) This section shall become operative on January 1, 2022, for counties currently using the C-IV or LRS consortia of the Statewide Automated Welfare System and on January 1, 2023, for counties currently using the Welfare Case Data System consortium of the Statewide Automated Welfare System.

RELATED AND PRIOR LEGISLATION:

AB 1377 (Wicks) of 2019 requires the California Department of Education, DHCS, and CDSS, in consultation with stakeholders, to develop a proposed statewide process for utilizing certain data for purposes of increasing CalFresh enrollment, and requires the departments to issue recommendations to the relevant policy committees no later than August 31, 2020. AB 1377 is currently awaiting a hearing in the Senate Appropriations Committee.

AB 1811 (Committee on Budget), Chapter 35, Statutes of 2018, granted CalFresh eligibility to recipients of SSI, SSP, or both, as of June 1, 2019, among other things.

SB 297 (McGuire) of 2015 would have required CDSS to coordinate with county human services agencies to make available a standard technological solution with the capacity to store telephonic and electronic signatures, among other things.

SB 1147 (DeSaulnier) of 2014 would have required CDSS to establish and periodically revise statewide CalFresh customer services standards and performance goals, and would have required CDSS to develop a data management tool to be made publicly available, updated quarterly, and utilized to measure the progress toward achieving the established standards and goals. SB 1147 was held on the Senate Appropriations Committee suspense file.

SB 1002 (de León) of 2014 would have required DHCS and CDSS to seek federal waivers to streamline the application and re-application processes for the Medi-Cal and CalFresh programs by using information from either application to satisfy information requirements for both programs. SB 1002 was vetoed by the Governor.

AB 191 (Bocanegra), Chapter 669, Statutes of 2013, required CDSS, to the extent permitted by federal law, to design and implement a program of categorical eligibility for CalFresh for any categorically eligible household that includes a member who receives, or is eligible to receive, assistance under Med-Cal.

AB 6 (Fuentes), Chapter 501, Statutes of 2011, modernized CalFresh by moving California to semi-annual reporting, eliminating fingerprinting for CalFresh, and implemented a “heat and eat” initiative.

AB 69 (Beall), Chapter 502, Statutes of 2011, allowed counties to identify, through the Social Security Administration benefits database, seniors who may be eligible for CalFresh benefits in order to enroll them in the program and improve their nutrition.

H.R. 2419 (Peterson), P.L. 110-246, 2008, known as the Food Conservation, and Energy Act of 2008, or the 2008 Farm Bill, authorized the use of electronic signatures for the CalFresh program, among other things.

AB 433 (Beall), Chapter 625, Statutes of 2008, required CDSS to propose a new name for the food stamp program and adopt the federal option to establish categorical eligibility for food stamp benefits for those who are under 130% of the FPL regardless of the level of their assets.

AB 231 (Steinberg), Chapter 743, Statutes of 2004, aligned rules governing the resource value of a motor vehicle under CalWORKs with an alternative program under federal food stamp law, required counties to exempt households from face-to-face interview requirements, and deleted

the five month limitation on providing transitional CalFresh benefits to households terminating their participation in CalWORKs, among other things.

REGISTERED SUPPORT / OPPOSITION:

Support

AARP California (Sponsor)
California Association of Food Banks (Sponsor)
California Food Policy Advocates (Sponsor)
San Francisco-Marín Food Bank (Sponsor)
Alameda County Community Food Bank
Association of Regional Center Agencies
California Academy of Nutrition And Dietetics
California Food and Farming Network
Community Action Partnership of Orange County
Community Alliance With Family Farmers
Community Clinic Association of Los Angeles County
Disability Rights California
Feeding San Diego
Food Bank Coalition of San Luis Obispo County
Food Bank of Contra Costa and Solano
Food Chain Workers Alliance
Food for People, The Food Bank for Humboldt County
Hunger Action Los Angeles Inc
Hunger Advocacy Network
Jacobs & Cushman, San Diego Food Bank
Jewish Family Service of Los Angeles
Latino Coalition for a Healthy California
Los Angeles Regional Food Bank
Orange Home Grown Foundation Inc.
Redwood Empire Food Bank
Sacramento Food Policy Council
San Diego Hunger Coalition
Second Harvest Food Bank of Santa Clara & San Mateo Counties
Second Harvest Food Bank Of Santa Cruz County
St. Anthony Foundation

Opposition

None on file

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