

Date of Hearing: June 6, 2023

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Corey A. Jackson, Chair

SB 462 (Wahab) – As Amended March 23, 2023

**SENATE VOTE:** 36-0

**SUBJECT:** General assistance

**SUMMARY:** Provides that county general assistance provisions regarding confidentiality of program recipient information does not prohibit sharing confidential information for purposes directly connected with the administration of relief from the funds of any California county or with the administration of public social services.

**EXISTING LAW:**

- 1) Defines “public social services” as activities and functions of state and local government administered or supervised by the California Department of Social Services (CDSS) or the California Department of Health Care Services (DHCS) and involved in providing aid or services or both, including health care services and medical assistance, to those people of the state who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby. (Welfare and Institutions Code Section [WIC] 10051)
- 2) Defines “aid” as financial assistance provided to or in behalf of needy persons under the terms of this division, including direct money payments and vendor payments. (WIC 10052)
- 3) Defines “services” as those activities and functions performed by social work staff and related personnel of CDSS and county departments with or in behalf of individuals or families, which are directed toward the improvement of the capabilities of the individuals or families maintaining or achieving a sound family life, rehabilitation, self-care, and economic independence. (WIC 10053(a))
- 4) Declares that the administration of public social services is a county function and responsibility; requires each county to establish a department or agency to administer and promote public understanding of the public services. (WIC 10800)
- 5) Requires every county and every city and county to relieve and support all incompetent, poor, indigent persons, and those incapacitated by age, disease, or accident, lawfully resident therein, when such persons are not supported and relieved by their relatives or friends, by their own means, or by state hospitals or other state or private institutions. (WIC 17000)
- 6) Requires the board of supervisors of every county as a board, or by committee or by any person or society as it may authorize to investigate every application for relief from the funds of the county, to supervise by periodic visitation every person receiving that relief, to devise ways and means for bringing persons unable to maintain themselves to self-support, and to keep full and complete records of the investigation, supervision, relief, and rehabilitation, as specified. These records are to be confidential and to not be open to examination or inspection, except by the grant jury of the county or by a board or an officer of the state or

the county charged with the supervision or direction of that relief or with the control or expenditure of funds applicable to that relief. (WIC 17006(a))

- 7) Provides for disclosure of confidential information regarding a public social services applicant or recipient to a state or local law enforcement agency for purposes of an investigation, as specified (WIC 17006(b); 17006.5)
- 8) Provides that all types of information, whether written or oral, concerning a person, made or kept by any public officer or agency in connection with the administration of provisions governing health care services and for which a grant-in-aid is received by this state from the United States government pursuant to Title XIX of the Social Security Act is confidential, and is not open to examination other than for purposes directly connected with the administration of the Medi-Cal program. (WIC 14100.2(a))
- 9) Provides that all applications and records concerning any individual made or kept by a public officer or agency in connection with the administration of this code relating to any form of public social services, including protective services provided through public social services agencies, for which grants-in-aid are received by this state from the United States government shall be confidential, and shall not be open to examination for any purpose not directly connected with the administration of that program, or any investigation, prosecution, or criminal or civil proceeding conducted in connection with the administration of that program. (WIC 10850(a))
- 10) Provides the following goals for the California Statewide Automated Welfare System (CalSAWS) program: a) Prompt and accurate verification of eligibility; b) Accurate computation and timely disbursement of benefits for such public assistance programs; c) Equitable, timely, and consistent treatment of recipients within each program; d) Reduction of administrative complexity; e) Strict enforcement of management and fiscal controls; and, f) Collection of management information. (WIC 10816)
- 11) Requires that the development of the SAWS enrollment and eligibility functionality, case management systems, ancillary services, public portals, and mobile applications, to the extent possible within the technology, have the goal of minimizing the burden of the overall eligibility process for enrollment and retention of benefits for low-income Californians and streamlining interactions for both clients and eligibility workers. (WIC 10823.3)

**FISCAL EFFECT:** This bill was keyed non-fiscal by the Legislative Counsel.

**COMMENTS:**

*State and federally funded public social services.* California provides various public assistance programs aimed at uplifting individuals in poverty. These programs include healthcare, food assistance, housing, and cash assistance. Many federally funded safety net programs are housed within CDSS or DHCS and then administered by each county, including:

- The California Work Opportunity and Responsibility to Kids (CalWORKs) program (federally known as the Temporary Assistance for Needy Families or TANF) which provides cash assistance and other benefits to qualified low-income families and individuals. Specific eligibility requirements take into account an applicant's citizenship, age, income, resources,

assets, and other factors. Services are available to single parent families that have a child(ren) in the home, two-parent families with a child(ren) in the home, caretaker relatives caring for a child, which includes a child who is receiving other financial assistance such as Supplemental Security Income/State Supplementary Payment (SSI/SSP), foster care payments like Aid to Families with Dependent Children-Foster Care, Approved Relative Caregiver, or Kin-GAP, a pregnant teen age 18 or younger who is in her first trimester, and a pregnant woman age 19 or over who is in her second trimester. Unless deemed exempt or otherwise not required to participate per CalWORKs rules, parents are required to develop and participate in a welfare-to-work (WTW) plan. CalWORKs-approved WTW activities can include public or private sector subsidized or unsubsidized employment; on-the-job training; community service; secondary school, adult basic education and vocational education and training when the education is needed for the recipient to become employed; specific mental health, substance use disorders, or domestic violence services if they are necessary to obtain or retain employment; and a number of other activities necessary to assist a recipient in obtaining unsubsidized employment. An aided adult can only receive 4 years of CalWORKs assistance with exceptions. In 2021-22, the maximum monthly grant for a family of three on CalWORKs (one parent and two children), if the family has no other income and lives in a high cost-of-living county, is \$925;

- The CalFresh program (federally known as the Supplemental Nutrition Assistance Program or SNAP) provides supplemental nutrition assistance benefits to eligible low-income individuals, including immigrants. The United States Department of Agriculture 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. The amount of benefits depends on the household size, income, and expenses. 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. In general, the less income a household receives, the more CalFresh benefits a household can receive. Eligibility for students is viewed differently. 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; and,
- The Medi-Cal program (federally known as Medicaid) offers free and low-cost healthcare, vision, dental, and long-term care benefits to low-income individuals in California, including families with children, seniors, persons with disabilities, foster care, pregnant women, and undocumented individuals. The maximum allowable gross income is 138% of the federal poverty level, and the maximum annual gross income for a household size of three is \$34,307.

*County-Funded, state-mandated general assistance or general relief (GA/GR) programs.* Not all persons are eligible for public social services through the state or federal government. As such, counties establish further assistance to bridge that gap. Pursuant to current law, each county is required to establish and fund a GA/GR program by its own Board of Supervisors to provide aid to disadvantaged adults who are not supported by their own means, other public funds, or other assistance programs.

As the state is not involved, each county has flexibility in how they choose to administer the program, including determining eligibility requirements, time limits, its own benefits, and payment levels. Since the program varies among each of California's 58 counties, there is no statewide standard. The populations GA/GR programs serve vary by locality. Populations served include individuals that are deemed "unemployable" because they are disabled, elderly, and/ or individuals substantially responsible for the continuous care of a family member; and individuals that are "employable" which include families with children and employable individuals without children. Some counties require recipients to use employment services to find, secure, and maintain a job, unless a recipient is screened as "unemployable."

While it is common for counties to have time limits for "employable" individuals, most counties have no time limits for individuals who are deemed "unemployable." Overall, most counties offer GA/GR for three months, but some offer as much as nine months of benefits for every qualified recipient.

Some counties provide cash grants (a gift with no strings attached) or in-kind benefits to individuals and families, such as direct payments for housing, utilities, or medical expenses, or a combination of cash grants and in-kind grants to meet general needs. Other counties, like Colusa, Marin, Napa, and Orange, consider benefits as a "loan" and require recipients to pay the county back for benefits received if the recipient has enough income to do so, gets a job, or gets approved for Social Security Disability Insurance or Social Security Income disability benefits. For example, Sacramento County requires all GA/GR applicants to sign a Repayment Agreement and Lien on Real Property to reimburse the county for all GA/GR benefits received. Some counties have opted to waive repayment as a condition of receiving GA/GR benefits, including Santa Clara County. Other benefits may include transportation costs, substance use disorder treatment referrals, emergency food, and cash or vouchers and are typically available for individuals not otherwise eligible for state and federal assistance programs.

GA/GR benefit levels are typically very low and are calculated based on a person's marital status, housing situation, disabilities, ability to work, and ability to apply for other public benefits programs. According to a 2020 report by the Center on Budget and Policy Priorities, while benefit levels vary by county, California's maximum monthly allowance is \$221 for those deemed "unemployable" or "employable," which has not changed in at least a decade and has significantly depreciated in value over time.

*California Statewide Automated Welfare System.* CalSAWS is the statewide case management system for assisting in the administration of public benefits – including services for which grants-in-aid are received by the state, such as CalFresh, CalWORKs, and Medi-Cal, and for county-funded GA/GR programs – that California must implement by the end of 2023 to maintain federal funding. Under CalSAWS, all counties are required to retire their current public safety systems as they phase in to BenefitsCal to accept applications for public social services programs. As counties transition to exclusively use CalSAWS for eligibility determinations, benefits calculations and issuance, and case and information management, the migration of confidential information from counties into the statewide system will need to take place.

*Privacy & Confidentiality.* CDSS and CalSAWS formed a privacy and security agreement to ensure the privacy and security of Social Security Administration information, Medi-Cal Eligibility Data System information, Income and Eligibility Verification System information, and personally identifiable information. The agreement covers CalFresh, California Food

Assistance Program, CalWORKS, Cash Assistance Program for Immigrants, Entrant Cash Assistance/Refugee Cash Assistance, Foster Care eligibility, Kinship Guardianship Assistance Program, Federal Guardianship Assistance Program, GA/GR, and Trafficking and Crime Victims Assistance Program.

As discussed above, existing law allows confidential information to be disclosed for purposes directly connected with the administration of any public social services program and the Medi-Cal program. This privacy framework governing federally funded and state-funded programs is readily adaptable to county-funded programs by allowing information to be shared with other counties for purposes of streamlining eligibility determinations and identifying duplicative applications, as well as with community-based organizations that connect eligible applicants with benefits.

In contrast, the privacy statute governing county-funded programs like GA/GR restricts sharing recipient's information, even for the purpose of administering public social services programs. This confidential information is accessible only for "examination or inspection ... by the grand jury of the county or by a board of an officer of the state or the county charged with supervision or direction of that relief or with the control or expenditure of funds applicable to that relief" or in connection with investigations of criminal acts.

Without aligning these legal frameworks, counties face compliance issues related to the implementation of CalSAWS since there is currently no legal authority that enables counties to share recipient's confidential information with other counties, thereby preventing such information to be added or transferred to CalSAWS for purposes directly connected with the administration of applicable programs. This bill aims to align the GA/GR privacy statute with other related privacy restrictions to enable technical and legal compliance in the implementation of CalSAWS.

**Author's Statement:** According to the author, "Counties are required to retire their current public benefit systems and exclusively use the new statewide system for administering public benefits, known as CalSAWS. However, the statute that is applicable to county-funded General Assistance restricts sharing of information in a manner that is significantly out of alignment with all other public benefit privacy provisions (e.g., Medi-Cal, CalFresh, CalWORKS) that allow sharing of information for purposes directly connected to the administration of the public benefit program."

The author continues, "Without a change in the legal framework, some information for General Assistance clients technically cannot be added to CalSAWS because there is no legal authority to share it with other counties. This conflicts with the very purpose of a statewide system for administering public benefits. [This bill] enables technical and legal compliance in the implementation of CalSAWS by aligning the General Assistance privacy statute with other related privacy restrictions."

**Need for this bill:** The provisions of this bill seek to amend the GA/GR privacy statute by adding language based on existing statute to better align privacy frameworks, thereby enabling legal and technical compliance in the implementation of CalSAWS. Additionally, while the agreement between CDSS and CalSAWS states that CalSAWS may only have access to, use, and disclose personally identifiable information for the purposes of performing "their official duties to assist in the administration of the programs," there is no legal statute that permits sharing

confidential information of GA/GR recipients with other counties for purposes directly related implementing CalSAWS, which this bill seeks to do.

**Equity Implications:** This bill seeks to make it easier to access services for recipients of California's social services programs, a population that is overwhelmingly Black, Latino, low-income, senior, disabled, lacks a high school diploma and overburdened by the daily costs of living, including housing, transportation, food, and health care. CalSAWS is designed to make it easier for recipients to apply and access necessary services. Ensuring all intended receipts are able to use this system will help improve access.

According to the Public Policy Institute of California (PPIC), 28.7% of residents were considered poor or near poor in fall 2021. Without safety net programs, about 3.9 million more Californians would have been in poverty. For example, CalFresh kept 1 million residents out of poverty. While safety net programs have been effective in reducing poverty for many, there is still a long way to go to ensure that all Californians in need can get the assistance required to lead an independent and productive life free from the constraints of poverty where a person's race, ethnicity, or zip code will not be a predictor of their financial outcomes.

CDSS reported that in 2019, GA/GR programs assisted about 134,000 adults per month, up by 44.2% since 2006 (about 93,000). Additionally, counties spent \$390 million on GA/GR in 2021-22. 65% of it was spent in Los Angeles county and the average monthly grant amount was \$252. Without the ability for counties to share confidential information with other counties for purposes of administering public social services programs or administering relief from the funds of any California county, there could be delays and discrepancies in verification of eligibility, as well as delays in the disbursement of benefits to hundreds of thousands of applicants and recipients, especially in counties with higher poverty rates like Los Angeles (13.7%) and Orange (13.1%) or in areas where poverty would significantly increase without safety net programs like the Central Valley and Sierra regions.

**Double referral:** Should this bill pass out of this Committee, it will be referred to the Assembly Privacy and Consumer Protection Committee.

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

**AB 435 (Cervantes) of 2023**, would have required CalSAWS to accept and process qualified applicants of Cash Assistance Program for Aged, Blind, and Disabled Legal Immigrants (CAPI), the Trafficking and Crime Victim Assistance Program (TCVAP), and Refugee Cash Assistance (RCA) to the current list of automated applications. *AB 435 was held on the Assembly Appropriations Committee suspense file.*

**AB 525 (Ting) of 2023**, would have required CDSS to work with the County Welfare Directors Association of California (CWDA) and CalSAWS to develop and implement the necessary system changes to implement a housing supplement. *AB 525 was held on the Assembly Appropriations Committee suspense file.*

**AB 1112 (McKinnor) of 2023**, would require CDSS to work with CWDA and CalSAWS to develop and implement the necessary system changes to implement a clothing allowance payment. *AB 1112 is currently pending in the Senate Rules Committee.*

*AB 991 (Alvarez) of 2023*, would have required state and county agencies to accept information from public social service applicants and recipients in any form. *AB 991 was held on the Assembly Appropriations Committee suspense file.*

*AB 1054 (Ochoa Bogh), Chapter 506, Statutes, 2022*, clarified provisions regarding the sharing of confidential information by multi-disciplinary teams that provide child and adult protective services.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

County of Santa Clara (Sponsor)

**Opposition**

None on file

**Analysis Prepared by:** Bri-Ann Hernández / HUM. S. / (916) 319-2089