

Date of Hearing: June 30, 2021

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Lisa Calderon, Chair

SB 609 (Hurtado) – As Amended May 20, 2021

**SENATE VOTE:** 39-0

**SUBJECT:** CalFresh

**SUMMARY:** Requires the California Department of Social Services (CDSS), upon an appropriation and to the extent permitted under federal law, to include adult education and career technical education among the list of programs that may allow a student to qualify for an exemption to the CalFresh student eligibility rule, and establishes the “CalFresh Employment and Training (CFET) Expansion and Improvement Program (EIP)”, subject to an appropriation for purposes of the program, in order: to increase the availability of CFET services; facilitate the expansion of county participation in CFET; increase CFET enrollment; and, improve CFET program quality. Specifically, **this bill:**

- 1) Requires, upon an appropriation by the Legislature, and to the extent permitted by federal law, CDSS to include adult education and career technical education programs in the list of programs that may allow a student to qualify for an exemption to the CalFresh student eligibility rule, as defined in current federal law, as specified.
- 2) Establishes the CFET EIP in order to: increase the availability of CFET program services; facilitate the expansion of county participation in CFET; increase CFET enrollment; and, improve program quality by increasing the availability of CFET services that create career pathways and are connected to regional workforce needs.
- 3) Requires, in order to expand and improve the CFET program, all contracts for CFET services established under the CFET EIP to include performance expectations in relation to the demographics of participants.
- 4) Requires the CFET EIP to consider an individual’s educational background, age, gender, whether English is the individual’s second language, earnings at the time of entry into the program, and whether the individual is subject to time limits imposed upon able-bodied adults without dependents (ABAWDS), as enumerated by current federal law, as specified.
- 5) Requires the CFET EIP to establish outcome measures that may include, but are not limited to any of the following, if applicable:
  - a) Whether the participants successfully completed CFET program participation requirements;
  - b) Participants’ receipt of supportive services, including, but not limited to, transportation, childcare, and ancillary items such as uniforms, tools, and licensing fees;
  - c) Participants’ skills attainment as demonstrated by completion of CFET program components;

- d) Completion of a credential, including, but not limited to, certificates or credentials associated with a high school diploma or general education diploma, career and technical education, and apprenticeships or pre-apprenticeships; and,
  - e) For individuals who are currently or recently homeless, as defined in current federal law, whether or not they have obtained housing.
- 6) Requires the outcomes measures be reported to CDSS on a quarterly basis.
- 7) Requires CDSS to incorporate the quarterly reports into its annual report to the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS), and, further, requires this report to be provided to the appropriate legislative policy committee.
- 8) Requires all federal reimbursements received as a result of CFET EIP to be reinvested into the CFET EIP.
- 9) Requires, in order to meet emerging needs and ensure equitable distribution of resources, CDSS, as part of the CFET EIP, to seek out contracts that provide services reflective of regional workforce needs and focus on serving one or more of the following populations:
- a) Individuals who are English language learners;
  - b) Individuals who have low levels of literacy;
  - c) Individuals facing substantial cultural barriers;
  - d) Youth who are in, or who have aged out of, the foster care system;
  - e) Tribal communities and organizations;
  - f) Eligible migrant and seasonal farmworkers;
  - g) Individuals who are candidates for enrollment in adult education and career technical programs;
  - h) Individuals who lost employment as a direct result of the COVID-19 pandemic, including, but not limited to, lost employment due to a layoff, illness, or caregiving responsibility that is the direct result of the COVID-19 pandemic; and,
  - i) Individuals currently or recently homeless, as define in current federal law.
- 10) Requires CDSS to implement the CFET EIP only to the extent that the Legislature makes an appropriation for purposes of the program.

**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 Section 2011 *et seq.*, Welfare and Institutions Code Section [WIC] 18900 *et seq.*)

- 2) Establishes work requirements for SNAP benefits, for those who are not exempt, which includes participation in SNAP Employment and Training (E&T), among other criteria. (7 Code of Federal Regulations [CFR] 273.7)
- 3) Deems, in federal regulations, an individual who is enrolled at least half-time in an institution of higher education as ineligible for participation in SNAP unless the individual qualifies for an exemption, as specified. (7 CFR 273.5(a))
- 4) Requires, in federal regulations, a student to meet one of the following criteria in order to qualify for an exemption to the prohibition on eligibility for SNAP benefits, including: be age 17 or younger or age 50 or older; be physically or mentally unfit; be participating in a state or federally financed work study program during the regular school year; be employed for a minimum of 20 hours per week and be paid for such employment or, if self-employed, be employed for a minimum of 20 hours per week and receive weekly earnings at least equal to the federal minimum wage multiplied by 20 hours; or be participating in a state or federally financed work-study program during the regular school year. (7 CFR 273.5(b))
- 5) Enumerates the programs in which participation could qualify an individual for an exemption to the CalFresh student eligibility rule, to include, among others: an E&T program subject to the condition that the course or program of study, as determined by [CDSS] is part of a program of career and technical education designed to be completed in not more than four years at an institution of higher education, and is limited to remedial courses, basic adult education, literacy, or English as a second language, as specified; and, an E&T program for low-income households that is operated by a state or local government where one or more of the components of such program is equivalent to an acceptable SNAP E&T training program component, as specified. (7 CFR 273.5(b)(11)(ii) and (iv))
- 6) Requires CDSS to maintain and regularly update the list of programs that meet the standard set in specified federal regulations, which provides that a student is eligible for an exemption from the CalFresh program's eligibility rules if the student's attendance can be described as part of a program to increase the student's employability. (WIC 18901.11(c))
- 7) Establishes the CFET program to assist members of CalFresh households in gaining skills, training, work, or experience that will increase their ability to obtain regular employment. (WIC 18926.5)
- 8) Requires a county that elects to participate in CFET to screen CalFresh work registrants to determine whether they will participate in, or be deferred from, CFET. Further, allows a CalFresh work registrant to request to enroll in CFET as a voluntary participant. (WIC 18926.5(b))
- 9) Requires an educational program that could be a component of a CFET program, as identified by CDSS, be considered an E&T program pursuant to federal law, as specified. (WIC 18901.11(a))

**FISCAL EFFECT:** According to the Senate Appropriations Committee on May 20, 2021, CDSS reports one time and ongoing costs relative to creating and administering the program and benefits required under the bill, estimated in the tens of millions, which include staffing and cost pressures including but not limited to administrative costs, ensuring integrity of the program, automation and other costs.

**COMMENTS:**

*CalFresh:* SNAP is known as CalFresh in California, and provides food access to low-income individuals who meet certain eligibility criteria. 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. 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 electronic benefits card, which is an automated teller machine-like card that allows an individual to purchase food at point-of-sale devices in stores. Nearly 4 million individuals in California receive CalFresh benefits; the maximum grant amount for a household size of one is \$204 as of October 1, 2020, and in December 2020, the average household grant was \$222 per month.

*CalFresh access for students:* In January 2018, the CSU Office of the Chancellor released the “Study of Student Basic Needs,” which identified and examined a number of barriers faced by students working to achieve postsecondary educational goals, which include housing and food insecurity. The study demonstrates that 41.6% of CSU students reported food insecurity, and, of those, 20% experienced low food security, while 21.6% experienced very low food security. Black/African-American students and first-generation attendees experienced the highest rates of food insecurity (65.6%) and homelessness (18%). To combat rates of food insecurity among college students, many campuses operate food pantries; the report found that campus emergency food pantry utilization was higher among students who reported low and very low food security when compared to their food secure peers. Despite this, only 10.1% of students who reported very low food security and 7.5% of students who reported low food security received CalFresh benefits.

The federal definition of “student” as it applies to CalFresh requires that an individual must be: between the ages of 18 and 49; physically and mentally fit for employment; and, enrolled at least “half time,” as defined by the institution, at an institution of higher education, which can include: a business, trade, technical or vocational school at the post-high school level, or a junior, community, two-year or four-year college, university, or graduate school, regardless of whether a high school diploma or equivalency certificate is required.

If an individual meets this definition of “student,” they are ineligible to participate in CalFresh pursuant to federal regulations, except in instances where the individual qualifies for an exemption. To qualify for an exemption, an individual must meet at least one of the following criteria:

- Be age 17 or younger or age 50 or older;
- Be physically or mentally unfit for employment;
- Be receiving Temporary Assistance for Needy Families, which is operated in California as the California Work Opportunity and Responsibility to Kids program;
- Be enrolled as a result of participation in the federal Job Opportunities and Basic Skills program or its successor program;

- Be employed for a minimum of 20 hours per week and be paid for that employment or, if self-employed, is employed for a minimum of 20 hours per week and has an income that is at least equal to the federal minimum wage multiplied by 20 hours;
- Be participating in an on-the-job training program;
- Be responsible for the care of a dependent household member under the age of six;
- Be responsible for the care of a dependent household member who has reached the age of six, but is under the age of 12 when CDSS has determined that adequate child care is not available to enable the student to attend class and comply with work requirements;
- Be a single parent enrolled in an institution of higher education on a full-time basis, as determined by the institution, and be responsible for the care of a dependent child under age 12; or,
- Be assigned to, or placed in, an institution of higher education through or in compliance with certain federal programs, including an E&T program for low-income households that is operated by a state or local government where one or more of the components of such program is at least equivalent to an acceptable CFET program component.

Recently, H.R. 133 (Cuellar), known as the Consolidated Appropriations Act of 2021, (P.L. 116-260) authorized temporary changes to the CalFresh student eligibility rule by expanding student eligibility to include students that are enrolled at least half-time in an institution of higher education and who:

- Are eligible to participate in state or federally financed work study during the regular school year, as determined by the institution of higher education; or,
- Have an expected family contribution (meaning the amount of money the student can expect to receive from family) of zero dollars in the current academic year, as determined by federal law

***SNAP Employment & Training Program/CalFresh Employment & Training Program:*** In 1985, the Food Security Act created the Food Stamp Employment & Training Program, which is now known as SNAP E&T. The intent of the program is to help SNAP recipients gain the skills and experience necessary to enter the workforce and reduce dependency on public benefits. Federal law requires all states to offer SNAP E&T; in California this program is known as CFET. Each year, CDSS is required to submit the CFET program plan to the USDA FNS for approval. Previously, most California counties operated mandatory or combined mandatory and voluntary CFET programs, meaning some counties required mandatory participation in CFET for all CalFresh recipients, while other counties required mandatory participation for certain populations while allowing voluntary participation for other populations.

However, SB 43 (Liu), Chapter 507, Statutes of 2011, required counties that operate a CFET program to implement the program as voluntary for all participants. In federal fiscal year 2020, 37 counties in California voluntarily operate CFET programs, and targeted populations for these programs can include students, formerly incarcerated individuals, ABAWDs, people for whom English is a second language, and individuals experiencing homelessness. Program participants are assigned a variety of activities aimed at increasing their job skills, known as E&T

components. These components can include: supervised job searches; job retention; workfare; and, on-the-job training, among others.

***Need for this bill:*** The provisions of this bill would expand the CFET program by requiring CDSS, upon an appropriation by the Legislature and to the extent permitted by federal law, to include adult education and career technical education programs in the list of programs that are deemed to make students eligible for an exemption to the CalFresh student eligibility rule. This bill would also establish the CFET EIP, subject to an appropriation for the purposes of the program, in order to: increase the availability of CFET program services; facilitate the expansion of county participation in CFET; increase CFET enrollment; and, improve program quality by increasing the availability of CFET services that create career pathways and are connected to regional workforce needs. Additionally, this bill would require all contracts for CFET established under the CFET EIP to include performance goals related to program participant demographics, and requires programs to establish certain outcome measures to be reported to CDSS and subsequently reported to the USDA and the appropriate legislative policy committee.

According to the author, “[This bill] builds upon an already successful program by requiring the state to seek out contracts that provide E&T services that are reflective of regional workforce needs and focus on serving specified populations, including individuals who are tribal members, migrant and seasonal farmworkers, and youth who are in or have aged out of the foster care system. [This bill] also recognizes the importance of adult education and career technical education by requiring the state, as permitted by federal law, to allow a student’s enrollment in these educational programs to make that student eligible for an exemption from the CalFresh program’s eligibility rules. As unemployment rates soar and the need for social safety net programs increase, it is more important than ever that the state make wise investments that prepare its workforce to meet the needs of local employers. The CFET Expansion and Improvement Program will do just that.”

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

***AB 396 (Gabriel) of 2021***, requires campus-based programs at the California State University and California Community Colleges, and requests campus-based programs at the University of California to apply, per guidance issued by CDSS, to become state-approved employment and training programs by September 1, 2022. AB 396 is scheduled to be heard in the Senate Education Committee on July 7, 2021.

***AB 563 (Arambula), Chapter 343, Statutes of 2017***, instructed CDSS to create the “Center for CFET Excellence”, deferred ABAWDs from mandatory CFET participation, and required counties to demonstrate how they are effectively using CFET funds for components offered.

***SB 43 (Liu), Chapter 507, Statutes of 2011***, required counties that offer CFET to make participation voluntary instead of mandatory, and required counties to screen work registrants to determine whether they will participate in, or be deferred from, a CFET program.

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

##### **Support**

California Catholic Conference  
California Edge Coalition

Canal Alliance  
Digital Literacy Rocks!  
JVS SoCal  
Los Angeles City College (LACC)  
National Association of Social Workers, California Chapter  
Proteus, INC  
Student Senate for California Community Colleges  
Taller San Jose Hope Builders

**Opposition**

None on file

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