



CWDA
Advancing Human Services
for the Welfare of *All* Californians

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Honorable Gavin Newsom
Governor, State of California
State Capitol Building
Sacramento, CA 95814

**RE: CALFRESH ADMINISTRATION – FUNDING FOR KEY
POLICY CHANGES**

The County Welfare Directors Association respectfully urges your support for funding included in the Joint Legislative State Budget Plans for implementation of two important CalFresh policy changes.

Simplifications to Improve Program Access

The 2020-21 budget enacted several new requirements for county administration of the CalFresh program to improve access to the program and included \$28 million General Fund (GF) to support the associated automation and workload needed for implementation beginning in the current year. Largely because of the pandemic, however, official instructions were not issued until very late in the fiscal year and implementation of the changes has been delayed. To accommodate the delay in the implementation timing, funding originally provided in the current year is being shifted to the budget year. However, in recalculating the amount of funding needed in each fiscal year, the California Department of Social Services (CDSS) made a determination that counties did not need a portion of the additional funding that had already been provided for one of the new mandated provisions. The CDSS decided that the new requirement that each county dedicate at least one staff position to liaise with local Medi-Cal assisters from community-based organizations (CBOs) to increase dual enrollment between Medi-Cal and CalFresh was a function that counties should already be able to absorb into their current administrative budgets. This is not the case, which is why counties requested and the current year budget contained funding for this new requirement.

The result of this erroneous assumption is a funding shortfall of \$8.8 million GF in 2020-21 and approximately \$7 million GF in 2021-22 and annually thereafter, which the Legislature's budget plan has restored. Furthermore, the Legislature's budget includes trailer bill language to formally delay the statutory implementation dates of the various requirements so that the state and counties are not in violation of the law. CWDA requests your support of this funding and trailer bill language.

CalFresh Student Eligibility Expansion

Beginning January 16, 2021, CalFresh student eligibility was temporarily expanded to include students eligible to participate in state or federally financed work study during the regular school year or who have an expected family contribution (EFC) of \$0 during the current academic year. The eligibility expansion will stay in effect until 30 days after the COVID-19 public health emergency is lifted. CWDA strongly supported this expansion and is working at the federal level to advocate for its continuation after the health emergency ends. Based on the best available estimates at the time this expansion was enacted, the Administration added \$11.8 million GF in the current year on a one-time basis for county workload associated with the anticipated additional cases.

For the budget year, however, the amount of funding provided in the May Revision was reduced to just \$3.7 million GF. While the uptake among students has been slower and lower than hoped in the current fiscal year, we believe it is too soon to conclude that trend will continue once school picks up again in the fall and outreach efforts are likely expanded by campuses and advocates. Due to this uncertainty, the Legislature's budget plan provided an additional \$8.2 million GF on a one-time basis for 2021-22 to restore the county administrative funding for this workload to the 2020-21 level. CWDA requests your support for this augmentation.

It is critical to note that state funding provided to counties for administration of CalFresh is already woefully inadequate. The budgeting methodology used by the state to determine the amount of funding to provide to counties for administration is based on county costs as they existed 20 years ago. The state also provided almost no new administrative funding for the approximately 400,000 new cases added by the CalFresh expansion to SSI/SSP recipients. A statutory change enacted two years ago to require an update to the budgeting methodology for county CalFresh administration has been understandably delayed due to the pandemic and work on that new methodology will resume this fall. In the meantime, CWDA requests your support for adequate funding for these specific administrative changes and student eligibility expansion so that counties can perform this important work.

We thank you for your consideration of this request.

Sincerely,



Cathy Senderling-McDonald
Executive Director

cc: Ana Matosantos, Cabinet Secretary, Office of Governor Gavin Newsom
Richard Figueroa, Deputy Cabinet Secretary, Office of Governor Gavin Newsom
Joey Freeman, Chief Deputy Legislative Secretary, Office of Governor Gavin Newsom
Tam Ma, Deputy Legislative Secretary, Office of Governor Gavin Newsom
Honorable Toni Atkins, Senate President Pro Tempore
Honorable Anthony Rendon, Speaker of the Assembly
Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee
Honorable Phil Ting, Chair, Assembly Budget Committee
Honorable Susan Talamantes Eggman, Chair, Senate Budget and Fiscal Review
Subcommittee #3
Honorable Joaquin Arambula, Chair, Assembly Budget Committee Subcommittee #1
Keely Bosler, Director, Department of Finance
Dr. Mark Ghaly, Secretary, California Health and Human Services Agency
Kim Johnson, Director, Department of Social Services
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