

BUDGET FACT SHEET

PREVENT HUNGER & PROTECT CALFRESH FROM H.R. 1 CUTS

Powered by the County Welfare Directors Association, SEIU California, and the county eligibility workforce



Investing in County Eligibility Workers Will Keep Californians Connected to Food Benefits

Beginning June 1, 2026, at least 1 in 5 CalFresh recipients are at risk of losing life-saving food assistance due to onerous new work requirements imposed by H.R. 1, which requires proof of 20 hours per week of work, job training, education, or community service. Work requirements are proven as a failed strategy to improve employment, while denying eligible people from accessing assistance, increasing costs to taxpayers, and pushing vulnerable populations deeper into poverty. When combined with the ABAWD time limit policy, these rules will restrict at least 954,800 CalFresh recipients to only three months of food assistance within a 36-month period unless they are able to comply or qualify for an exemption.

The Department of Social Services (CDSS) estimates that 70% of CalFresh recipients who meet the definition of an Able Bodied Adult without Dependents (ABAWD) and are not automatically exempt or verified compliant are at greatest risk of losing benefits. However, this estimate does not include the potential impact of county eligibility workers in reducing discontinuances.

WORKER-DRIVEN EXEMPTION DETERMINATIONS ARE KEY TO MITIGATING FOOD ASSISTANCE LOSSES

Determining who qualifies for an exemption is a county worker-driven process that will require multiple screening opportunities, and nuanced conversations that build trust and rapport with clients to ensure accurate disclosure of relevant life circumstances that may qualify an individual for an exemption.

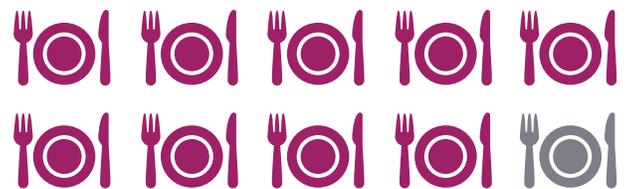


1 in 5

CalFresh recipients are at risk of losing food assistance.



CDSS estimates that 70% of impacted CalFresh recipients not automatically exempt or verified compliant may lose benefits.



For every 1 meal provided by food banks, **CALFRESH DELIVERS 9**

Preserving CalFresh access is critical given the unmatched scale of CalFresh compared to the capacity of the emergency food system.¹

CDSS estimates that 11.5% of ABAWDs (approximately 110,000 of the 954,800) may newly qualify for an exemption due to being “unfit for work.” The vulnerable profile of CalFresh recipients, combined with the complexity of cases that are not automatically exempt, suggests that robust and accurate screening protocols may qualify more eligible individuals for an exemption and increase program retention.

CalFresh Recipients Subject to the Time Limit Are At Risk Because They:

- Experience higher levels of homelessness, and may not have a consistent address or access to a phone, email, or traditional mail.²
- May have higher rates of mental and physical limitations that, while not qualifying as a total disability, may nevertheless render them unable to work.³
- Tend to have lower income than the broader group of SNAP/CalFresh participants among the same age range.⁴
- Face employment barriers like limited education, lack of transportation, and undocumented health conditions.⁵
- For those who are working, ABAWDs tend to have volatile hours and seasonal work which can prevent adults from completing required hours.⁶

One-on-one conversations that facilitate trust and rapport between workers and clients will help surface critical information about life circumstances and conditions that limit an individual’s ability to work, ensuring a greater number of individuals who qualify for an exemption such as “unfit for work” are not inappropriately subject to work requirements and can retain access to food assistance. However, the Budget currently provides no new resources for workers to partake in retention-focused client-by-client conversations.

ABAWD TIME LIMIT POLICIES RESULT IN DEVASTATING SOCIETAL COSTS:

Restricting Food Access Worsens Health, Housing, Economic & Child Welfare Outcomes

Food is Health: Denying access to CalFresh will result in increased hunger, hospitalizations, uncontrolled chronic illnesses, diabetes rates, mental health issues - including anxiety, depression, and rates of suicide and ideation⁷- as well as higher costs to public hospitals, emergency rooms, and Medi-Cal.^{8,9}

Food is Housing: Denying access to CalFresh will result in increased homelessness and housing instability. When individuals and families lose access to food assistance, household budgets adjust by paying for food with rent money leading to increased evictions, shelter entries, and street homelessness.¹⁰

Food is Prosperity: Local economies in California benefit from \$12 billion in CalFresh generated revenue annually, generating as much as¹¹\$1.80 for every CalFresh dollar spent.¹²

Food is Family Wellbeing: Denying access to concrete supports like CalFresh food assistance will increase poverty-related stressors on families, increase child abuse, foster care entries and overall involvement in the Child Welfare System.¹³

Investing in the county eligibility workforce will ensure that more impacted ABAWD CalFresh recipients can retain life-saving access to food, reducing negative downstream health, housing, economic, and child welfare outcomes.

WORKERS ARE KEY TO OVERCOMING PAPERWORK HURDLES & NAVIGATING SUCCESSFUL PLACEMENTS

For individuals who do not qualify for one or more exemptions and therefore are required to comply with work requirements or lose food assistance, **county eligibility workers will focus their time on:**

➤ **Supporting non-exempt CalFresh recipients in overcoming documentation challenges**, even for those fully engaged in work requirements but for whom documentation of activities is a challenge.

➤ **Alerting and counseling non-exempt clients** who are not meeting required hours and at risk of losing benefits, screening them for a temporary good cause exemption like lack of transportation, and navigating them to opportunities in the community to support successful compliance should they not qualify for a good cause exemption.

➤ **Connecting non-exempt clients to employment, educational, volunteer or training opportunities** in their communities to support successful compliance with work requirements.

Robust, accurate, quality exemption screenings - coupled with client education and navigation support for non-exempt recipients - are the most effective tools eligibility workers have for maximizing the retention of food assistance for at-risk CalFresh recipients.

Augment CalFresh administrative funding by:

- **\$9.3 million** General Fund in FY 2025-26
- **\$102.8 million** General Fund in FY 2026-27
- **\$57.9 million** General Fund annually thereafter

With additional funding, county human services agencies can:

- Hire upwards of **400 permanent full-time equivalent of new eligibility workers**.
- Dedicate up to **4 additional hours on average annually per newly impacted CalFresh recipient** to explore eligibility for exemptions and/or support clients in retaining their benefits.

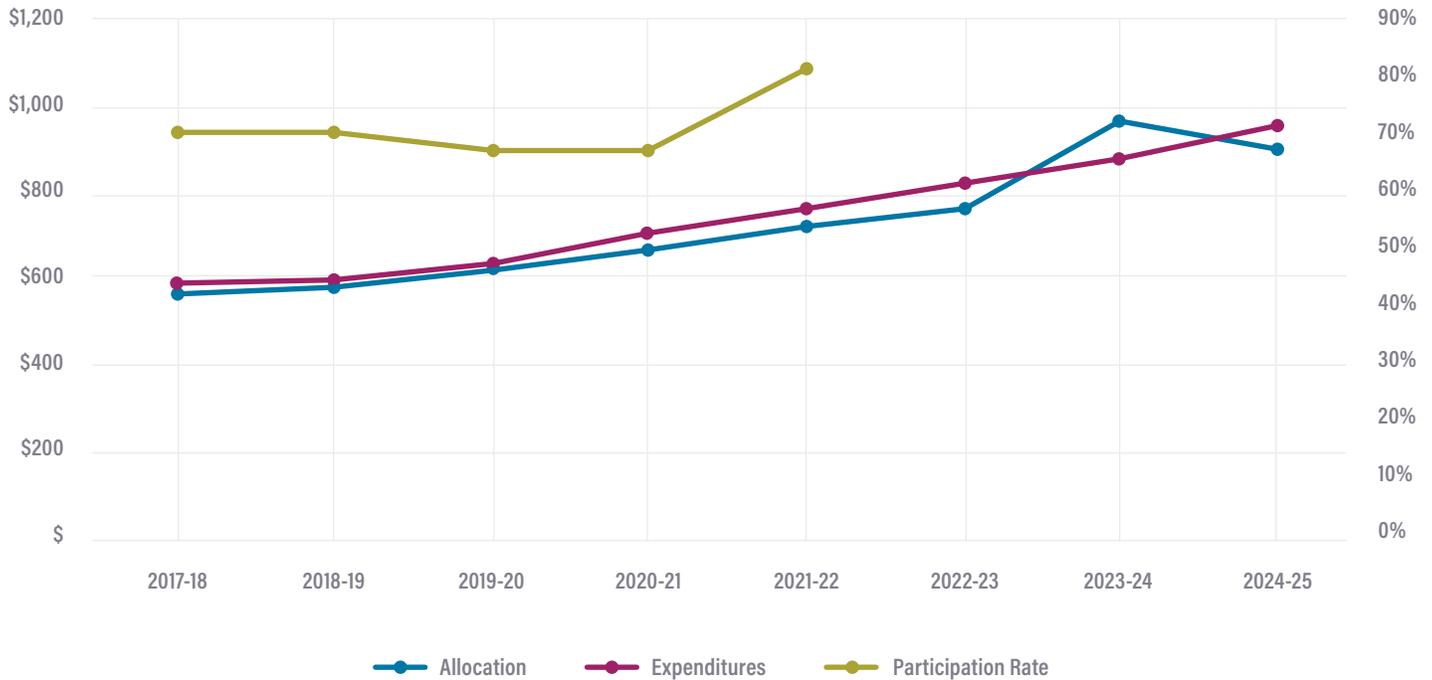
The Administration proposes only 1 hour and 20 minutes, funding for which is offset by anticipated caseload reduction.

If adequately funded, staffed, and trained, the county eligibility workforce offers a clear, cost-effective, and proven pathway for the State to reduce the harms of H.R. 1 by keeping as many people as possible connected to food assistance and mitigating an emerging hunger crisis.

This harm mitigation approach to H.R. 1 will simply not be achievable with existing funding levels as proposed in the Governor's Budget, which included no new major investments in CalFresh H.R. 1 implementation. County human services agencies face increased costs of \$9.3 million General Fund in FY 2025-26 and \$103 million General Fund in 2026-27 (\$58 million General Fund in 2027-28 and ongoing), and additional administrative costs shifts imposed by H.R. 1 that total approximately \$211 million in county funds annually. H.R. 1 notwithstanding, in FY 2024-25 counties overspent their CalFresh allocation by 106% or \$52.8 million, demonstrating that the existing CalFresh allocation is simply insufficient for accommodating new workload associated with H.R. 1 compliance and harm mitigation.

Increased CalFresh Funding Corresponds with Increased Participation Rate

(dollars in millions)



Recent state policy changes and eligibility expansions, combined with the effectiveness of the county eligibility workforce, and continuous outreach efforts to all populations have contributed to a significant increase in applications and caseload—from 2.2 million households in FY 2019-20 to a projected 3.2 million households in FY 2026-27, a growth of over 1 million households in less than a decade. Yet existing underfunding of county eligibility capacity, which H.R. 1 exacerbates, threatens those gains, as well as CalFresh benefit and workforce retention. The county eligibility workforce has demonstrated that with additional investment, the CalFresh client experience can see significant improvements, including increases in the program participation and take up rate as shown here. The Legislature must leverage these lessons as a strategy for mitigating CalFresh program losses in the context of H.R. 1.

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