PROTECT CALIFORNIANS ON CALFRESH FROM CRUEL FEDERAL ABAWD TIME-LIMIT RULES

Create California Anti-Hunger Response (CARE) Benefits: \$3 Million One-Time and \$165 Million Ongoing

<u>Under the rule in place since the implementation of federal welfare reform in 1996</u>, someone receiving CalFresh (known nationally as SNAP) and determined to have "Able-Bodied Adults Without Dependents" (ABAWD) status is time-limited to just three months of CalFresh within 36 months unless they meet an exemption. Thankfully, <u>California has a statewide ABAWD waiver in place</u>, but this waiver is set to expire on October 31, 2024, which would lead to many individuals losing eligibility for CalFresh benefits.

The passing of the <u>Federal Responsibility Act of 2023</u> restricted access to SNAP by expanding the reach of the program's time limit. Thankfully, the <u>Biden-Harris Administration is calling</u> for an end to SNAP time-limit and (<u>H.R. 1510 – the Improving Access to Nutrition Act</u>) has over 85 cosponsors, and is a priority for the upcoming Farm Bill.

Until this time limit is removed federally, California must lead and become the first state in the country to protect its communities from this failed federal policy. We can do this by creating CARE benefits with \$3M for automation in the 2024-25 budget and \$165M ongoing for implementation beginning in 2025-2026.

ABAWD Time-Limit Rules Deepen Poverty and Inequity

The impact of ABAWD time-limit rules on low-income Californians deepens already existing inequities because it impacts certain populations more than others, including people of color who currently face the greatest discrimination and barriers to employment: former foster youth, people with undiagnosed disabilities, family caregivers, non-custodial parents, parents with children in juvenile hall or in child protective services. In addition, research shows that:

- >> There is a 53% overall reduction in program participation when people are subject to work requirements. In 2020, California saw huge declines in CalFresh participation in the six counties that had to implement time-limit rules. With recent additional restrictive limits on discretionary exemptions, we expect even more people will lose access to food when time limits are enacted.
- » People with ABAWD status who are cut off from benefits have more serious physical and mental health conditions and their incidence of experiencing physically unhealthy days increases by 14%, while causing no significant changes in employment status.
- >> Ensuring those with the greatest barriers to full-time employment do not face hunger will support them as they try to find work.

<u>Hunger never makes any person better able to prepare for work, secure a job, or succeed at their place of employment</u>, and CARE benefits will support individuals who would lose eligibility of CalFresh and help ensure that these individuals are supported during hard times.

California Can Prevent Harm by Establishing CARE Benefits

Our proposal will establish state-funded CARE benefits for people who lose eligibility to federally-funded CalFresh benefits due to the harmful and racist federal ABAWD time-limit rules. This will build upon existing guidance from the e Department of Social Services, and CARE benefits will only go into effect if the Federal banked 8% exemptions are no longer available to the state or county:

- >> The budget request of \$3M is to create the technology and automation necessary to provide CARE benefits. The process of updating the CalSAWS and BenefitsCal technology system may take several years.
- » The budget request of \$165M ongoing is for the cost and administration of CARE benefits.



