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

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

<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 a 36-month period 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.

While the new leadership in the US House of Representatives is doubling down on restricting access to SNAP by expanding the reach of the program's time limit, the Biden-Harris Administration is calling for an end to SNAP timelimit. And while federal parties are at loggerheads on the issue, that shouldn't stop California from doing what's right and becoming the first state in the country to protect its communities from this failed federal policy. We can do this by creating CARE benefits in the 2023-24 budget with a minimal investment of \$3M.

There is great momentum in the White House, Senate, House Minority Leadership and advocate community for Federal policy to permanently end ABAWD time-limit rules (<u>H.R. 1510 – the Improving Access to Nutrition Act</u>) in the Farm Bill or other soonest possible legislative vehicle. When this is achieved, a state general fund investment will not be needed.

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:

- > <u>There is a 53% overall reduction in program participation when people are subject to work requirements.</u>
- 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 change in employment status.
- > Ensuring those with the greatest barriers to full-time employment do not face hunger will support them to eat and not face the toxic stress of hunger as they try to find work.

Hunger never makes any person better able to prepare for work, secure a job, or succeed at their place of employment, 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 Department of Social Services, and CARE benefits will only go into effect if the Federal banked 12% exemptions are no longer available to the state or county:

- > This budget request is solely to create the technology and automation necessary to provide CARE benefits in a future year. The cost of CARE benefits would be subject to a future appropriation.
- > The process for updating the CalSAWS and BenefitsCal technology systems with the automation that will be necessary to provide CARE benefits will take several years. Although California has a statewide ABAWD waiver until October 31, 2024, the future is uncertain; we must start the process of automation and technology changes now.

