

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
AB 1755 (Sharp-Collins) – As Introduced February 9, 2026

Policy Committee: Human Services

Vote: 7 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: Yes

SUMMARY:

For purposes of California Work Opportunity and Responsibility to Kids (CalWORKs) program eligibility under the deprivation of parental support standard, this bill deletes the “100-hour rule” that requires the parent or parents work less than 100 hours in the preceding four weeks and meet related federal program requirements. The bill instead allows a parent to work any number of hours and still qualify for CalWORKs provided the family does not exceed the applicable gross or net income limits and is otherwise eligible for assistance.

FISCAL EFFECT:

This bill will likely result in ongoing state costs in the low millions of dollars annually for increased benefit amounts and administration and one-time costs for automation changes. These costs are estimated as follows:

- 1) CDSS estimates ongoing General Fund costs of approximately \$1.3 million in the first year and \$2.5 million ongoing thereafter for additional benefits due to increased eligibility resulting from the elimination of the 100-hour rule. This estimate is based on a monthly grant cost of \$992, ongoing monthly employment services costs of \$558 per family, ongoing monthly childcare costs of \$980 per family, and 2025 data indicating approximately 121 families in the first year and 146 families ongoing will be newly eligible for CalWORKs benefits under this bill. Actual costs may vary and will depend on uptake in caseload.

California's annual \$3.7 billion federal TANF block grant may be used flexibly within the CalWORKs program. It is fully allocated within the existing and proposed state budgets. Therefore, this analysis assumes any new costs for CalWORKs will be funded by the GF. State GF costs may be mitigated to the extent TANF funding is not fully expended in any particular year, or if one of the CalWORKs subaccounts has sufficient revenue available to support grant costs.

- 2) CDSS estimates one-time GF automation costs of approximately \$218,500 for system updates to the California Statewide Automated Welfare System (CalSAWS) to remove the 100-hour rule limitation.
- 3) Administrative costs to county social workers for increased workload due to expanded eligibility are unknown, but potentially reimbursable by the state, subject to a determination by the Commission on State Mandates.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

1) **Purpose.** According to the author:

California's safety net should support families who are working to make ends meet, not penalize them for doing so. The 100-hour rule is an outdated provision that denies assistance to families who remain in poverty simply because a parent works additional hours. [This bill] modernizes CalWORKs by eliminating this obsolete barrier and ensuring that eligibility is based on income and need. This bill advances equity, supports family stability, and strengthens California's commitment to reducing child poverty.

2) **Background.** CalWORKs, the state's largest anti-poverty program, provides temporary cash assistance and supportive services aimed at moving children out of poverty and helping qualified low-income families meet their basic needs.

Existing law, among other eligibility criteria, requires CalWORKs aid be granted to a family with a child under 18 years of age who has been "deprived of parental support or care due to the unemployment, continued absence, death, incapacity, or incarceration of a parent." Existing law considers a child deprived of parental support or care due to the unemployment of the child's parent or parents when the parent has worked less than 100 hours in the preceding four weeks.

According to the Reimagine CalWORKs Coalition:

The 100-hour rule policy assumes that working an average of 25 hours a week can generate enough income for a parent to provide for their family and further assumes the family's income is above the eligibility threshold. This old welfare rule known as the "work penalty" was adopted after the welfare reform era of the 1990's. It was based on assumptions about sufficiency of income from hours worked, which can be incorrect, and which have served no good purpose but to punish hard working families and harm children who are poor. California is one of only four states that still implements this regressive 100-hour AFDC policy from the early 20th century.

AB 1324 (Sharp-Collins), of this legislative session, among other provisions, would have updated various eligibility requirements for CalWORKs, including eliminating the 100-hour rule. AB 1324 was vetoed by the Governor, who cited ongoing General Fund costs pressures not accounted for in the 2025 Budget Act. This year's bill is a narrower version and contains only the 100-hour rule elimination, which substantially reduces the cost.

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