

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2765 (Ahrens) – As Amended April 13, 2026

Policy Committee: Human Services

Vote: 5 - 1

Urgency: No

State Mandated Local Program: Yes

Reimbursable: Yes

SUMMARY:

This bill increases maximum monthly amount of the California Work Opportunity and Responsibility to Kids (CalWORKs) recurring special needs allowance from \$10 to \$15 per eligible recipient and authorizes the California Department of Social Services (CDSS) to provide the allowance as a food benefit of equivalent value. The bill further authorizes CDSS to provide this allowance to certain households eligible for CalWORKs, even if not currently receiving aid, to address child hunger and other unmet needs associated with federal changes enacted under federal House Resolution 1 (H.R.1) (Public Law 119-21).

This bill, for purposes of these provisions, defines Able Bodied Adult Without Dependent (ABAWD) participants to reflect federal changes in H.R.1 affecting parents of children 14 years of age or older to be included in CDSS' annual ABAWD federal waiver request and requires CDSS to seek a federal waiver to protect foster youth and former foster youth from H.R. 1 time limit impacts affecting CalFresh.

FISCAL EFFECT:

- 1) Ongoing General Fund (GF) costs of an unknown amount, but likely in the millions of dollars annually to increase the recurring special needs payment amount from \$10 to \$15 for those currently eligible under CalWORKs and to also provide payments to an unknown number of families who are eligible for but not receiving CalWORKs aid. Based on data from October 2025, there were 1.2 million individuals on CalFresh that were estimated to be eligible for CalWORKs but not participating in the program. In addition, if the federal waiver is approved, a small number of individuals who would otherwise lose eligibility will remain in the caseload.
- 2) One-time GF automation costs of approximately \$3.77 million to update the California Statewide Automated Welfare System (CalSAWS) and Benefits, completed no sooner than 12 months after CDSS issues guidance to counties. This cost includes changes related to the recurring special needs allowance and updates to identify foster youth who qualify for the ABAWD exemption.
- 3) Ongoing administrative costs to counties of an unknown amount, but likely significant depending on caseload, to issue the new recurring special needs payments. These costs are likely reimbursable by the state GF, 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:

This bill addresses the cuts to critical benefits for food security across the State of California. Just because families have children over the age of 14, or are a part of vulnerable groups such as veterans, foster youth or are experiencing homelessness does not mean that they should have to worry about where or how they are going to fund their next meal after three-months.

2) **Background.** The California Work Opportunity and Responsibility to Kids (CalWORKs) program provides cash assistance and supportive services to low-income families with children. Families often turn to CalWORKs during moments of acute financial crisis, such as facing eviction, lacking food, or being unable to meet basic needs for their children. Each month, California receives 30,000-40,000 CalWORKs applications. A component of CalWORKs is a recurring special needs allowance, up to \$10, to assist with necessary costs not common to the majority of recipients, such as unusual transportation expenses. Approval of a special need is contingent on verification of the expense, its necessity, and its duration, and must be reassessed at regular reporting intervals.

This bill increases the maximum recurring special needs allowance from \$10 to \$15 per eligible household member and authorizes, at CDSS' discretion, the allowance be provided instead as a food benefit of equivalent value. This bill also authorizes, subject to implementation by CDSS, this allowance be provided to households receiving aid under other programs who are also eligible for CalWORKs, even if not currently receiving aid, to address immediate child hunger or other unmet needs associated with federal changes enacted under H.R.1.

CalFresh. The CalFresh program is California's version of the federal Supplemental Nutrition Assistance Program (SNAP), which provides monthly food assistance to qualifying low-income households. CalFresh benefits are 100% federally funded. Costs to administer the program are shared among the federal government, the state and counties. Under federal law, CalFresh benefits are available to U.S. citizens and, under narrow circumstances, lawfully-present non-U.S. citizens. CDSS administers approximately \$12.6 billion federal SNAP funds annually through the CalFresh program, serving about 5.5 million CalFresh participants.

Federal Impacts of H.R.1. In July 2025, President Trump signed H.R.1, which included cuts to SNAP that reduce food assistance for millions of families. There are various populations of Californians that are eligible for CalFresh, including those referred to as Able-Bodied Adults Without Dependents, or "ABAWDs."

Under CalFresh rules, ABAWDs are generally limited to three months of benefits within a 36-month period. Existing law exempts ABAWDs from this time limit if the ABAWD is over age 54, lives in a household that includes children under age 18, is pregnant, is unable to work due to a physical or mental limitation, is a former foster youth under age 24, is a

veteran, is homeless, or is living in an area for which the time limit was waived due to an area unemployment rate of more than 10% or with a demonstrated lack of sufficient jobs.

Federal H.R.1 changed the ABAWD time-limit rules by expanding the age range subject to the time limit to adults through age 64, requiring an eligible household to have a child under age 14, eliminating the exemptions for former foster youth, veterans and homeless individuals, and limiting state and county waiver eligibility. These changes take effect June 1, 2026, and are expected to increase the number of individuals subject to the time limit and at risk of losing CalFresh benefits.

CDSS estimates these changes will increase the non-exempt ABAWD population from about 345,400 to 954,800 individuals, with approximately 665,500 individuals expected to be newly subject to the time limit and potentially lose CalFresh eligibility, including 250,000 homeless individuals. The remaining 289,000 individuals are expected to either meet work requirements or qualify for an exemption. CDSS expects these changes to occur gradually over 12 months during annual recertifications.

This bill impacts a subset of ABAWDS affected by H.R. 1 by making changes to allow parents of children 14 years of age or older be included in CDSS' annual ABAWD federal waiver request and requiring CDSS to seek a federal waiver to protect foster youth and former foster youth from SNAP time limit impacts.

- 3) **Related Legislation.** AB 2299 (Calderon), of this legislative session, expands California Food Assistance Program (CFAP) eligibility to include individuals ineligible for CalFresh benefits due to the federal time limits placed on ABAWDs in H.R. 1 and individuals ineligible solely due to their humanitarian immigration status. AB 2299 is pending in this committee.

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