

THIRD READING

Bill No: AB 2765
Author: Ahrens (D), et al.
Amended: 8/21/26 in Senate
Vote: 27 - Urgency

SENATE HUMAN SERVICES COMMITTEE: 3-0, 6/15/26

AYES: Becker, Laird, Pérez

NO VOTE RECORDED: Ochoa Bogh, Weber Pierson

SENATE APPROPRIATIONS COMMITTEE: 6-1, 8/13/26

AYES: Cervantes, Cabaldon, Dahle, Grayson, Richardson, Wahab

NOES: Seyarto

ASSEMBLY FLOOR: 61-11, 5/26/26 - See last page for vote

SUBJECT: CalFresh and CalWORKs: childhood hunger and foster youth

SOURCE: SEIU California
End Child Poverty CA

DIGEST: This bill makes a number of changes that require the state and counties to implement H.R. 1 following certain principles to maximize currently allowed exemptions and mitigate harm for people affected by H.R. 1.

Senate Floor Amendments of 8/21/26 amend the findings and declarations, recasts sections of the bill, and removes the requirement that CDSS create a working group.

ANALYSIS:

Existing Law:

- 1) Establishes under federal law, Supplemental Nutrition Assistance Program (SNAP) to promote the general welfare and to safeguard the health and

wellbeing of the nation's population by raising the levels of nutrition among low-income households. (7 United States Code [USC] Section 2011 et seq.)

- 2) Establishes the federal Temporary Assistance for Needy Families (TANF) program, which permits states to implement the program under a state plan. (42 USC 601 et seq.)
- 3) Requires Able-Bodied Adults Without Dependents (ABAWD) to only be eligible for SNAP for three months during a three-year period unless they qualify for an exemption. (7 Code of Federal Regulations [CFR] 273.24)
- 4) Provides exceptions to the ABAWD time limit if the person is:
 - a) under 18, or over 64, years of age
 - b) medically certified as physically or mentally unfit for employment
 - c) a parent or other member of a household with responsibility for a dependent child under 14 years of age
 - d) otherwise exempt due to participation in another program
 - e) a pregnant woman
 - f) an Indian or an Urban Indian
 - g) A California Indian (7 USC 2015(o))
- 5) Allows a state agency to waive the ABAWD time limit requirements for a group of individuals if it is determined that the area the individuals live in has:
 - a) An unemployment rate of 10% or more; or
 - b) Does not have enough jobs to provide employment for the individuals. (7 CFR 273.24(f))
- 6) Exempts individuals physically or mentally unfit for employment, as defined by a State agency, from SNAP ABAWD work requirements. State agencies must also establish procedures for verifying, and will verify, claimed physical or mental unfitness when necessary. (7 CFR 273.7(b)(1)(ii))
- 7) Establishes the CalWORKs program to provide cash assistance and other social services for low-income families through the federal TANF program. Under CalWORKs, each county provides assistance through a combination of state,

county, and federal TANF funds. (Welfare and Institutions Code [WIC] §11200 et seq.)

- 8) Establishes the CalFresh program to administer the provision of federal SNAP benefits to families and individuals meeting specified criteria. (WIC §18900 et seq.)
- 9) Declares that every human being has the right to access sufficient affordable and healthy food. (WIC §18700(a)(1))
- 10) Requires the California Department of Social Service (CDSS) to annually seek a federal waiver for all counties to be exempt from the requirements of the SNAP provision that requires ABAWDs to be limited to three months of CalFresh benefits in a three-year period unless that participant has met the work participation requirement. (WIC §18926)
- 11) Allows a family that is receiving CalWORKs benefits to also receive an allowance for recurring special needs not common to a majority of recipients. These recurring special needs include, but are not limited to, special diets upon the recommendation of a physician for circumstances other than pregnancy, and unusual costs of transportation, laundry, housekeeping services, telephone, and utilities. The recurring special needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of \$10 by the number of recipients in the family who are eligible for assistance. (WIC §11450 (e))

This bill:

- 1) Makes findings and declarations about the impact of H. R. 1 and the Legislature's plan to amend state law to mitigate the harm created by it.
- 2) Increases the amount of the allowance for recurring special needs that certain CalWORKs families can receive from \$10 to \$15 multiplied by the number
- 3) States that it is the intention of the Legislature to provide direction to the state and counties to maximize efforts to retain in the program as many CalFresh recipients as possible and provide for the continuation of food benefits for as many Californians as possible who may become ineligible for CalFresh benefits as H.R. 1 is implemented.
- 4) States that it is the intention of the Legislature to implement H.R. 1 using all of the following principles:

- a) Mitigate harm and minimize client impacts and discontinuances of benefits whenever possible.
 - b) Use data and research to inform decisions, monitor impacts, and make adjustments when necessary.
 - c) Consult with affected groups to obtain input and feedback including, but not limited to, partners representing a variety of local and state sectors.
 - d) Identify opportunities to improve existing processes in parallel with implementation efforts that center client and county user experience.
 - e) To the maximum extent possible support operational readiness to implement H.R. 1 including timely policy guidance, system automation, and the provision of county training and technical assistance.
- 5) States that it is the intent of the Legislature, to the extent permitted by federal law and to the extent relevant administrative data are available, require CDSS, in collaboration with other departments and the California Health and Human Services Agency, as necessary, to adopt, provide instructions to counties on, and streamline verification of, exemptions to CalFresh work requirements based on existing data, while not infringing upon or impeding the ability of individuals to work, for the following populations eligible for CalFresh:
- a) Individuals served under the Lanterman Developmental Disabilities Services Act by regional centers.
 - b) Individuals who are recipients of the In-Home Supportive Services program and their caregiver providers.
 - c) Individuals who meet the CalFresh definition of homelessness or chronic homelessness if the county welfare department has also determined that the individual suffers from obvious physical or mental unfitness for work.
 - d) Youth who currently have, or have previously had, an open child welfare or probation case and who are unfit for work due to a documented behavioral or physical health condition as indicated in their case plan, medical billing claims data, or other appropriate documentation. This includes but is not limited to, the following:
 - i) Individuals participating in extended foster care who have been determined to have a medical condition that renders them incapable of engaging in school, employment, or other qualifying activities.

- ii) Individuals who exited the foster care system and were previously participating in the extended foster care program and who were determined to have a medical condition while in foster care that rendered them incapable of engaging in school, employment or other qualifying activities prior to exiting foster care, that has not resolved.
 - iii) Individuals who exited foster care and are eligible to receive full-scope Medi-Cal through age 26 with a documented, qualifying medical condition.
- 6) States that it is the intent of the Legislature that all exemptions for ABAWDs provided by the state and counties under H.R. 1 shall, in accordance with federal law and guidance, remain in effect for any recipient until, at the earliest, the next scheduled redetermination for that recipient, when the exemption shall be reassessed by the county, unless the automated exemption at redetermination allows for the exemption to continue.
- 7) States that it is the intent of the Legislature that an individual not be discontinued from CalFresh due to the ABAWD work requirements under H.R. 1 in California before October 1, 2026, or until all of the following administrative activities are complete, whichever is later:
- a) Completion of all automation essential to the initial implementation of H.R. 1. This shall not preclude future additional automation and enhancements to streamline and support counties' ability to support CalFresh applicants and recipients.
 - b) Completion of functionality in the California Statewide Automated Welfare System to support automated exemptions as identified by the state. This shall not preclude future additional automation and enhancements to streamline and support the automated exemption processes.
- 8) Requires CDSS to provide data on at least a monthly basis to the appropriate policy and fiscal committees of the Legislature, starting December 15, 2026, and by every 15th day of each month thereafter, on the total number of CalFresh recipients subject to, exempted from, or discontinued from the program due to the CalFresh work requirements under H.R. 1.
- 9) Requires, unless the state is under an a statewide waiver of the ABAWD time limit and work requirement, CDSS to provide data on at least a semiannual basis to the appropriate policy and fiscal committees of the Legislature and all 58 county welfare departments starting January 15, 2027 on the total number of

CalFresh recipients subject to, exempted from, or discontinued from the program potentially due to, the CalFresh ABAWD time limit and corresponding work requirements. The data, which shall not include personally identifiable information, shall also include information, as available, on the characteristics of individuals who may have lost CalFresh as a result of the time limit, including, but not limited to demographic data about the individuals, and impacted households as appropriate, and, when applicable, explain the implementation of major new sources of administrative data supporting the verification of exemptions.

- a) Requires CDSS to develop the methodology for the report described above in consultation with the County Welfare Directors Association of California.
 - b) Requires, prior to the first two reports, the data to be furnished to impacted counties with a minimum of four weeks for review prior to public reporting in order to ensure accuracy.
- 10) Requires CDSS to follow all applicable data- deidentification guidelines.
- 11) Requires CDSS to, working with other departments and the California Health and Human Services Agency, as necessary, adopt, provide instructions to counties, and automate for compliance with CalFresh work requirements, in accordance with federal law, for individuals participating in extended foster care and who have been determined to be working at least 80 hours per month.
- 12) Makes operative on the date when the Department notifies the Legislature both that a process has been established to provide the data to the California Statewide Automated Welfare System, and that the necessary changes have been automated to implement this provision.
- 13) Defines “ABAWD participant” to include a parent or other member of a household with responsibility for a dependent child 14 years of age or older as a result of federal H.R. 1.
- 14) Provides that no appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for purposes of this act.
- 15) Makes this bill an urgency statute.

Comments

According to the author, “This bill addresses 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 current or former foster youth does not mean that they should have to worry about where or how they are going to fund their next meal after three months.

The waiver of the three-month, so-called ‘Able Bodied Adult Without Dependent’ time requirement threatens the food safety benefits of approximately 610,000 CalFresh beneficiaries, as they will soon be subject to work requirements for their benefits. Even though 115,000 of these individuals currently work 20 hours or more hours per week, the other 495,000 will be subjected to discontinuance of benefits when these changes come into effect on July 1st, 2026. During this period of significant food inflation, these cuts to food benefits threaten the fabric of our social safety nets and, without a doubt, will increase the number of children in our state experiencing the indignity of hunger.

As someone who knows what it feels like to worry about where your next meal comes from, I am asking my colleagues in the Legislature to remember that we have an obligation to protect the children in our state. While there are many ways that our capacity to do so is limited, this is not the case when it comes to hunger. We can and have reduced child hunger in our state. We can’t let H.R. 1 undo that progress and we must make sure as few individuals and families as possible go hungry in our Golden State.”

CalFresh. CalFresh is California’s version of federal SNAP, an entitlement program that provides eligible households with federally funded monthly benefits to purchase food. CalFresh food benefits are issued through an electronic benefits transfer (EBT) card which cardholders can use at point-of-sale terminals authorized by the United States (U.S.) Department of Agriculture Food and Nutrition Service. Grocers and other retailers are paid directly by the federal government for the dollar value of purchases made with CalFresh food benefits. Monthly benefits per household vary based on household size, income, and deductible living expenses—with larger households generally receiving more benefits than smaller households and relatively higher-income households generally receiving fewer benefits than lower-income households.

House Resolution 1 (Public Law 119-21). On July 4, 2025, the President signed House Resolution 1 (H.R. 1) which became Public Law 119-21. The law makes several changes to many policy areas including agriculture, energy, taxation, and nutrition programs, specifically SNAP (CalFresh in California).

Able-Bodied Adults without Dependents (ABAWD). Before H.R. 1, a person who was 18 to 54 years old, able to work, and did not have any dependents but otherwise fulfills CalFresh income requirements was considered ABAWD. As established with the federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, under the ABAWD time limit, ABAWDs can only receive SNAP (CalFresh) benefits for three months in three years unless they work at least 80 hours per month, participate in a qualifying education and training activity for at least 80 hours per month, or comply with a work program. ABAWDs can also satisfy these requirements, also called work registration, by participating in the CalFresh E&T program. Before H.R. 1, certain groups were given exceptions to the ABAWD work and time limit requirements despite being an adult without dependents or disabilities.

Due to high unemployment rates, California has been designated a ‘work surplus area’ and therefore, every adult CalFresh recipient has been operating with a waiver to the ABAWD time limit rules. Under current state law, CDSS is annually required to apply for a federal exemption to the ABAWD rule if the state meets certain federal criteria related to high unemployment. The USDA Food and Nutrition Services has approved California for a statewide ABAWD waiver many times, most recently in January of 2025 and would have been effective through January 2027. However, after the passage of H.R. 1, the USDA Food and Nutrition Service rescinded and ended the state’s ABAWD waiver effective November 2, 2025 for most counties and will end it effective October 31, 2026 for Colusa, Imperial, and Tulare counties.

Under H.R. 1, the number of ABAWD exceptions has decreased and the number of people who are considered to be ABAWDs and required to work to receive CalFresh benefits have increased. There are no longer time limit exceptions for: (1) adults 55-64 years old, (2) parents and caretakers with children 14 and older, (3) veterans, (4) people experiencing homelessness, and (5) former foster youth.

However, those individuals could be eligible for one of a few remaining exceptions to the work registration requirement and continue to receive CalFresh benefits beyond three months as ABAWDs. According to CDSS, two-thirds of adults between 18 and 64 years old are currently eligible for an exemption to the ABAWD time limit or work registration and that exemption can be applied through current automation processes. The remaining third will need to take extra steps to prove they are eligible for an exemption, including working with a county eligibility worker to learn what options are available to them. These beneficiaries are most at risk of losing CalFresh benefits. The ABAWD section of H.R. 1 was

effective starting June 1, 2026 meaning October 2026 will be the first month a person may go without CalFresh benefits due to the new ABAWD limits.

Nationally, 3.5 million people have already lost SNAP benefits since H.R. 1 was enacted. In states that have implemented H.R. 1 provisions early, including ABAWD time limit changes, there have been significant changes in SNAP enrollment. For example, in Arizona there has been a 47% decrease in SNAP enrollment since the law was enacted. This includes 181,000 fewer children receiving benefits.¹ Though Arizona has seen the most severe decline, every state has had a decline in enrollment, and 10 states have had an over 10% decline in enrollment.² This is true even though there are aspects to H. R. 1 that are not yet enacted such as the benefit cost sharing provisions. This bill would create guiding principles for the state that require harm mitigation, continuity of benefits and CalSAWS automation, when possible, to avoid unnecessary disenrollments.

[NOTE: See the Senate Human Services analysis for detailed background of this bill.]

Related/Prior Legislation:

AB 2299 (Calderon, 2026), renames and revises the California Food Assistance Program for Legal Immigrants by removing outdated federal eligibility references, extending eligibility to individuals ineligible for CalFresh due to ABAWD time limits or humanitarian immigration status. Requires the CDSS to provide state-funded benefits to those populations and revises benefit calculations. AB 2299 was held in Senate Appropriations Committee

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee:

- Unknown ongoing General Fund costs to increase payment levels for the CalWORKs recurring special needs allowance.
- Unknown ongoing General Fund costs, potentially hundreds of thousands, for CDSS for state administration.

¹ www.cbpp.org/blog/arizonas-snap-participation-is-plummeting-far-more-than-anticipated-as-it-implements-megabill

² www.cbpp.org/research/food-assistance/snap-tracker-people-are-losing-food-assistance-as-the-republican-megabill

- Unknown one-time General Fund costs, potentially hundreds of thousands, to update the Statewide Automated Welfare System (CalSAWS).
- Unknown costs to counties for administration. Cost to counties would be potentially reimbursable by the state, subject to a determination by the Commission on State Mandates.

SUPPORT: (Verified 8/21/26)

SEIU California (Sponsor)
 End Child Poverty CA (Co-Sponsor)
 Alliance for Children's Rights
 California Alliance of Child and Family Services
 California WIC Association
 Children Now
 County of Santa Clara
 County of San Diego
 John Burton Advocates for Youth
 Los Angeles County Office of Education
 Santa Clara County Office of Education

OPPOSITION: (Verified 8/21/26)

None received

ASSEMBLY FLOOR: 61-11, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Chen, DeMaio, Dixon, Ellis, Flora, Gallagher, Hadwick, Johnson, Macedo, Sanchez, Tangipa

NO VOTE RECORDED: Castillo, Davies, Hoover, Lackey, Muratsuchi, Patterson, Celeste Rodriguez, Ta

Prepared by: Naima Ford Antal / HUMAN S. / (916) 651-1524
 8/24/26 13:24:50

**** END ****