

CONCURRENCE IN SENATE AMENDMENTS

AB 2765 (Ahrens)

As Amended August 21, 2026

2/3 vote. Urgency

SUMMARY

Revises and expands the California Work Opportunity and Responsibility to Kids (CalWORKs) recurring special needs allowance by increasing the maximum monthly amount from \$10 to \$15 per eligible recipient. Specifies that able-bodied adults without dependents (ABAWDs), for purposes of the state's annual federal waiver request, include a parent or other household member responsible for a dependent child 14 years of age or older, as a result of H.R. 1. Requires the California Department of Social Services (CDSS) to report semi-annually to the Legislature and counties on recipients subject to, exempted from, or discontinued under the ABAWD time-limit and on discontinuances resulting from the other provisions of H.R. 1, and to automate compliance for specified extended foster care participants.

Senate Amendments

- 1) Add intent language regarding CalFresh implementation provisions to conform with the state's response to H.R. 1, including provisions that a recipient not be discontinued due to the ABAWD work requirements before October 1, 2026, or until the specified automation is complete, which had previously been a requirement.
- 2) Replace blanket-exemption mandate with intent to streamline verification.
- 3) Narrow the identified populations from "homelessness" to now requiring the county to have also determined the individual is obviously physically or mentally unfit for work. Recasts the foster youth category to limit individuals 24 years of age or younger who are currently in foster care or who were in foster care when they reached 18 years of age.
- 4) Delete the requirement for CDSS to seek a United States Department of Agriculture (USDA) waiver protecting foster youth from the new Supplemental Nutrition Assistance Program (SNAP) time limit, issue an all-county letter within three months of approval, and instruct counties on maximizing automatic exemption or compliance for youth in specified programs.
- 5) Restructure the data reporting requirements from monthly to at least semiannually; going to the Legislature and all counties rather than just the Legislature; suspends the requirement while the state is under a statewide ABAWD waiver; and requires the methodology to be developed in consultation with the County Welfare Directors Association. County preview of four weeks now applies to the first two reports rather than all reports. Add new requirement for separate semiannual reporting on discontinuances due to all other H.R. 1 provisions, including immigration status.
- 6) Delete the working group on additional blanket exemptions for youth with open child welfare or probation cases, along with the associated requirement to report to the Legislature on county workload costs if CWS-CARES needed to interface with the Statewide Automated Welfare System.
- 7) Delete two of the three CalWORKs special needs provisions which would have authorized a recurring special needs allowance for households receiving aid under provisions that are

CalWORKs-eligible regardless of whether they receive CalWORKs, and would have authorized the allowance to be provided as an equivalent food benefit.

- 8) Make technical changes.
- 9) Add an urgency clause to take effect immediately.

COMMENTS

Background: *CalWORKs* is the state's primary cash assistance program. More specifically, CalWORKs implements the federal TANF program, which is a federal flexible block grant with the objective of providing income and support to families with children. CalWORKs provides eligible low-income families with cash grants through an EBT card, education, employment and training programs, and supportive services to give families opportunities to build resilience and achieve critical economic mobility.

Current law authorizes additional assistance for CalWORKs families that incur necessary costs not common to the majority of recipients, such as unusual transportation or laundry expenses. Specifically, a monthly allowance of up to \$10 per eligible household member may be provided to address recurring special needs. These allowances may also cover costs associated with therapeutic diets, excluding pregnancy-related needs, when recommended by a physician. Approval of any special need is contingent on verification of the expense, its necessity, and its duration, and must be reassessed at regular reporting intervals.

CalFresh, California's implementation of the federal SNAP, is the state's largest food assistance program and primary lifeline for residents struggling with food insecurity. Administered by CDSS and county human services agencies, CalFresh provides monthly food benefits via an EBT card that can be used to purchase eligible food such as fruits and vegetables, meat, dairy products, and seeds at authorized retailers, including grocery stores and farmers' markets.

In 2024-25, about 5.5 million Californians received over \$12.5 billion in federally funded CalFresh benefits, with an average monthly benefit of about \$192 per person, or \$6.46 per day. Research shows SNAP reduces food insecurity by about 20% overall and by 33% among children. The Public Policy Institute of California estimates CalFresh kept approximately 856,000 Californians out of poverty in 2023, including 312,000 children,¹ making it the state's largest poverty-reduction program.

CalFresh/Supplemental Nutrition Assistance Program Changes in H.R. 1: Able-Bodied Adults Without Dependents Time Limits. On July 4, 2025, H.R. 1 was signed into law and made significant changes to ABAWD time-limit rules by expanding the age range subject to the time limit, narrowing exemption criteria, 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 unless they qualify for an exemption or meet work requirements.

Under CalFresh rules, ABAWDs are generally limited to three months of benefits within a 36-month period unless they qualify for an exemption, meet work requirements, which is an average

¹ <https://www.ppic.org/publication/poverty-in-california/>

of 20 hours per week or 80 hours per month, live in an area with a time-limit waiver, qualify for an additional three-month eligibility period, or receive a discretionary exemption. While H.R. 1 does not change the overall structure of the ABAWD time-limit policy, it significantly changes who is subject to the time limit and who qualifies for exemptions.

According to All County Letter (ACL) 25-93,² federal law previously defined ABAWDs as individuals 18 through 49 years of age without dependents who did not qualify for an exemption. The Fiscal Responsibility Act of 2023 increased the upper age limit to 54 years of age, and H.R. 1 further increased the upper age limit to 64 years of age. Individuals 60 through 64 years of age remain exempt from general work requirements due to age, but may still be subject to the ABAWD time limit unless they qualify for another exemption. Individuals are no longer considered ABAWDs beginning the month they turn 65 years of age.

H.R. 1 also made significant changes to ABAWD exemptions by eliminating temporary exemptions for veterans, individuals experiencing homelessness, and former foster youth under 25 years of age. H.R. 1 modified the dependent child exemption by limiting it to individuals responsible for the care of a dependent child under 14 years of age, rather than individuals living with a child under 18 years of age.

CDSS estimates that the expanded ABAWD definition will increase the affected population from about 345,400 to 954,800 individuals, with approximately 665,500 individuals expected to be subject to the time limit and potentially lose CalFresh eligibility, including 250,000 individuals who have been identified as homeless. The remaining 289,000 individuals are expected to either meet work requirements or qualify for an exemption. CDSS expects these discontinuances to occur gradually over 12 months during annual recertifications. On April 7, 2026, the Department of Finance approved \$20 million GF to provide counties one-time funding to support administrative readiness efforts for the June 1, 2026, implementation of H.R. 1 ABAWD provisions.

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.

"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 are 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 has experienced 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

² <https://cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACLs/2025/25-93.pdf?ver=Ib9riEMEV474i6-xtntg4g%3d%3d>

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 HR 1 undo that progress and we must make sure as few individuals and families as possible go hungry in our Golden State."

Arguments in Support

"On behalf of the County of San Diego, we write in support . . . which would update state statute to reflect recent federal changes to the Supplemental Nutrition Assistance Program (SNAP). [This bill] would also increase the 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 would authorize CDSS to provide the allowance as a food benefit of equivalent value. . . This legislation would strengthen California's safety net by expanding and preserving access to CalFresh, CalWORKs, and related state programs for vulnerable populations amid federal policy shifts and disruptions.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee on August 13, 2026:

- 1) Unknown ongoing General Fund costs to increase payment levels for the CalWORKs recurring special needs allowance.
- 2) Unknown ongoing General Fund costs, potentially hundreds of thousands, for CDSS for state administration.
- 3) Unknown one-time General Fund costs, potentially hundreds of thousands, to update the Statewide Automated Welfare System (CalSAWS).
- 4) 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.

VOTES:

ASM HUMAN SERVICES: 5-1-1

YES: Lee, Calderon, Elhawary, Blanca Rubio, Ahrens

NO: Tangipa

ABS, ABST OR NV: Castillo

ASM APPROPRIATIONS: 11-2-2

YES: Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

NO: Dixon, Tangipa

ABS, ABST OR NV: Hoover, Ta

ASSEMBLY FLOOR: 61-11-8

YES: 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

NO: Chen, DeMaio, Dixon, Ellis, Flora, Gallagher, Hadwick, Johnson, Macedo, Sanchez, Tangipa

ABS, ABST OR NV: Castillo, Davies, Hoover, Lackey, Muratsuchi, Patterson, Celeste Rodriguez, Ta

UPDATED

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