SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 777

Author: Celeste Rodriguez (D), et al.

Amended: 7/2/25 in Senate

Vote: 21

SENATE ENERGY, U. & C. COMMITTEE: 16-0, 7/1/25

AYES: Becker, Ochoa Bogh, Allen, Archuleta, Arreguín, Ashby, Caballero, Dahle, Gonzalez, Grove, Hurtado, Limón, McNerney, Rubio, Stern, Wahab NO VOTE RECORDED: Strickland

SENATE HUMAN SERVICES COMMITTEE: 5-0, 7/7/25 AYES: Arreguín, Ochoa Bogh, Becker, Durazo, Limón

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 71-0, 5/23/25 (Consent) - See last page for vote

SUBJECT: Food assistance: disasters: utilities

SOURCE: California Association of Food Banks

End Child Poverty California

Western Center on Law & Poverty

DIGEST: This bill requires specified utilities to adopt data sharing agreements necessary to provide data to the California Department of Social Services (CDSS) to maximize federal food assistance following disasters, including certain power outages, and requires specified actions by CDSS.

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 U.S. Code Section 2011 *et seq.*)
- 2) Establishes the Summer Electronic Benefits Transfer (EBT) benefits program which beginning with summer 2024 and annually for each summer thereafter, issue to each eligible household summer EBT benefits to provide nutrition assistance through EBT or other permitted methods during the summer months for each eligible child, to ensure continued access to food when school is not in session for the summer. (42 U.S. Code Section 1762)
- 3) Establishes the CalFresh program to administer the provision of federal SNAP benefits to families and individuals meeting certain criteria, as specified. (Welfare and Institutions Code §18900 *et seq.*)
- 4) Requires CDSS to identify the needed elements in a county human services department disaster plan and develop guidance for the development and submission of that plan. (Welfare and Institutions Code §18917 (a))
- 5) Requires CDSS and county human services agencies, if the President of the United States issues a Major Disaster Declaration with Individual Assistance, to request to operate a federal Disaster SNAP (D-SNAP) for the regions affected by the major disaster. Requires the request to include a waiver request to provide automatic, mass replacement benefits to eligible households and a waiver request to allow households to purchase hot, prepared foods at authorized retailers with their benefits. (Welfare and Institutions Code §18917(d))
- 6) Provides legislative intent that CDSS shall maximize the capacity of counties to maintain timely, adequate, and safe access to all applicable benefits during a disaster. (Welfare and Institutions Code §18917(e))
- 7) Establishes the EBT Act, and defines the EBT system as a program designed to provide benefits to those eligible to receive public assistance benefits such as CalFresh. (Welfare and Institutions Code §10065 *et seq.*)
- 8) Authorizes the California Public Utilities Commission (CPUC) to supervise and regulate every public utility in the state and to do all things, whether specifically designated or in addition thereto, which are necessary and convenient in the exercise of such power and jurisdiction. (Public Utilities Code §701)

9) Establishes the Public Utility District Act, authorizing the formation and governance of public utility districts to provide services such as electricity, water, and waste management to local communities. (Public Utilities Code §15501 *et seq.*)

This bill:

- 1) Requires the CPUC and the governing board of electric publicly owned utilities (POUs) to establish any memorandum of understanding (MOU) or other data sharing agreements necessary to direct electrical corporations, gas corporations, water corporations, and electric POUs to provide data to the CDSS to maximize food assistance, as provided.
- 2) Requires CDSS to maximize the amount of assistance requested and received through D-SNAP and all other federally funded nutrition assistance, including utilizing the provided utility data, in order to timely seek automated mass replacement of specified federally funded nutrition assistance programs.
- 3) Requires CDSS, on or before December 31, 2026, to submit a report to the Legislature related to food assistance.
- 4) Requires electrical corporations, gas corporations, water corporations, and local publicly owned electric utilities to timely respond to a request for data by the CDSS, to have a dedicated point of contact for the CDSS, and to establish any MOUs or other data sharing agreements necessary to provide the requested data.
- 5) Requires the CPUC to provide technical assistance to the CDSS, including technical assistance to support the report to the Legislature.
- 6) Imposes a state-mandated local program by imposing additional duties on local publicly owned electric utilities.

Background

CalFresh. CalFresh is California's version of the federal SNAP, an entitlement program that provides eligible households with federally funded monthly benefits to purchase food. CalFresh food benefits are 100% federally funded. CalFresh food benefits are issued through an EBT card, accepted at eligible retailers, also known as "Sun Bucks." Recipients can buy groceries but are not allowed to purchase "hot

foods" or nonfood items. 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. Larger households generally receive more benefits than smaller households and relatively higher-income households generally receive fewer benefits than lower-income households. According to the Legislative Analyst's Office in their October 2024 report concerning the state spending plan, the average benefits in 2024 were \$322 a month per household.

Disaster CalFresh (D-CalFresh). D-CalFresh is the state specific version of the federal Disaster SNAP. The program can be enabled after an emergency or disaster to help victims purchase food. Before California can offer D-CalFresh to victims, a Presidential Major Disaster Declaration for Individual Assistance must be declared, commercial food distribution channels must have been disrupted and restored, and the state must be approved by the federal government to provide it. Disaster areas are defined by the Presidential Declaration. D-CalFresh provides disaster victims with a month's worth of benefits on an EBT card if they are not eligible for the regular CalFresh.

For a household to be eligible for D-CalFresh, a person in that household must (1) live or work in the disaster area, (2) planned to have purchased food during the time of the disaster, (3) have experienced an adverse effect like loss of income or inaccessible resources, and (4) meet the disaster gross income limit which is set by the federal government. State law requires CDSS to request additional federal waivers when seeking authorization for D-SNAP. These include: the Timely Reporting Waiver, which extends the 10-day deadline for CalFresh recipients to report food loss; the Automated Mass Replacement Waiver, which allows CDSS to automatically replace a portion of benefits for households in the affected area without requiring an application; and, the Hot Foods Waiver, which temporarily permits the purchase of hot, prepared foods in designated zip codes.

Disaster Plans. State law requires each county to submit a D-CalFresh Plan annually for every federal fiscal year. The plan must outline how the county will ensure the timely delivery of D-CalFresh benefits and describe arrangements for mutual aid support from at least two other counties. Counties submit their plans to CDSS, who then compiles and submits to the United States Department of Agriculture Food and Nutrition Service. CDSS is also responsible for maintaining a D-CalFresh Handbook that provides guidance on program administration, best practices, and protocols for maintaining communication with the state during implementation.

Assistance without a Presidential Disaster Declaration requires aggregated utility customer data. If there is a disaster event but there is not a Presidential Declaration with Individual Assistance, such as a power outage, mass replacement benefits can still be provided. According to CDSS, "Power outages are a very common cause of food loss resulting from a disaster." Criteria for approval of automated mass replacement include evidence that at least 50% of households in the area experienced food loss and that power outages lasted four hours or more. Disasterimpacted areas are typically defined by ZIP code, though they may also include entire counties or broader geographic regions. To support the Automatic Mass Replacement Waiver, particularly in cases involving power outages, CDSS or county welfare departments (CWD) must obtain data from local or state utility providers noting the zip codes where residents lost power and how long the outage lasted. This information is included with specific caseload data regarding CalFresh participants and the estimated amount of replacement benefits. If approved, CDSS, the CWD, and their respective consortia, will work together to coordinate the automatic issuance of replacement benefits to CalFresh households in the geographic area.

Comments

Need for this bill. The author has expressed concerns that eligible residents in Los Angeles County who were affected by power outages in January did not receive their federal food replacement benefits by virtue of their zip codes and related data not being included in the waiver submitted for replacement benefits. The proponents contend this bill is necessary to address a critical gap in our state's disaster response system, specifically a lack of timely and thorough utility outage data needed to provide access to federal food assistance programs during and following disasters. The proponents of this bill state that many utility providers fail to consistently provide the required data for multiple reasons, including delays and the absence of formalized agreements with CDSS. They express concerns that the risks of not providing access to critical aid can often leave families in disaster zones without the necessary resources to recover during and after a disaster.

AB 777 seeks to fix this issue by requiring that utility providers create formalized data sharing agreements, designate points of contact, provide their aggregated outage data and share it with CDSS in a timely manner. As such, this bill will ensure that eligible households do not continue to be excluded from receiving needed aid during emergencies.

Similar outage data sharing efforts in existence. The proponents of this bill cite the 2019 CPUC Decision, D. 19-07-015 - Order Instituting Rulemaking Regarding Emergency Disaster Relief Program, where the CPUC adopted an emergency disaster relief program for electric, natural gas, water, and sewer utility customers under the agency's jurisdiction. The emergency disaster relief program is designed to ensure that California utility customers who experience a housing or financial crisis due to a disaster keep vital utility services and receive financial support in the wake of a disaster. The emergency disaster relief program is required to be implemented upon a declaration of a state of emergency when a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service. The CPUC decision includes a requirement that these utilities work in coordination with government agencies by providing aggregate outage data, including the number of customer accounts affected, duration, and areas impacted by the disaster. Within that proceeding, Southern California Edison (SCE) cited their existing practice to provide information to CDSS regarding power outages in order to support efforts to provide assistance to those affected by the disaster. SCE stated they provide data that includes the percentage of customers affected for four hours or more within a particular zip code at an aggregated level, so that the data cannot be used to identify a specific customer. In this regard, this bill attempts to further formalize these requirements and extend them to electric POUs.

Related/Prior Legislation

AB 607 (Gloria, Chapter 501, Statutes of 2017) the Community Resiliency and Disaster Preparedness Act of 2017, required specified actions on the part of the CDSS and the county human services agencies in order to prepare for and respond to the needs of low-income residents in the event of a disaster.

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

According to the Senate Appropriations Committee:

- Unknown but potentially significant ongoing cost pressures (General Fund, federal funds, and local funds) due to an increased probability that eligible recipients will utilize available food assistance benefits as a result of the MOU or other data sharing agreements promulgated as a result of this bill.
- Unknown but potentially significant one-time and ongoing costs to CDSS to establish and participate in any data sharing agreements, maintain dedicated points of contact with utilities, and submit the required report to the Legislature.
- The CPUC anticipates any costs would be minor and absorbable.

SUPPORT: (Verified 8/29/25)

California Association of Food Banks (Co-source)
End Child Poverty California (Co-source)
Western Center on Law & Poverty (Co-source)
Courage California
Feeding San Diego
Food for People, the Food Bank for Humboldt County
Food in Need of Distribution Food Bank
GLIDE
Los Angeles Regional Food Bank
Mazon: a Jewish Response to Hunger
San Diego Food Bank
Second Harvest Food Bank of Orange County
Second Harvest Food Bank of Santa Cruz County
Second Harvest of Silicon Valley
Westside Food Bank

OPPOSITION: (Verified 8/29/25)

Burbank Water and Power California Municipal Utilities Association Oakland Privacy

ARGUMENTS IN SUPPORT: The sponsors of this bill, California Association of Food Banks, End Child Poverty California, and Western Center on Law & Poverty, state:

We must ensure all available federal food assistance reaches disproportionately impacted Latine, Black, and other households with low-incomes who experience the highest rates of poverty-related hunger and also bear the brunt of climate-related environmental crises.

...With the increasing frequency and severity of natural disasters in California, FEMA has designated 48 of 58 counties as moderate to very high risk. In 2023 alone, California implemented D-CalFresh on five separate occasions across 28 counties. The recent Los Angeles Firestorms and winds demonstrated that power can be out in several communities, simultaneously, straining the ability to timely collect all necessary data. Lack of timely or complete data from electric utilities can mean requests for federal assistance do not include eligible

households or are not approved. For example, in Santa Clara in June 2023, FNS denied DSS' request for Disaster CalFresh. Maximizing federally funded food benefits like D-CalFresh and CalFresh will help to improve grocery affordability for low income Californians and electricity customers, who also struggle to afford utility bills.

ARGUMENTS IN OPPOSITION: Oakland Privacy states:

With regard to this particular bill, and the manifest necessity to feed people during disasters and emergencies, what we would like to see is specific language in the bill that the data sharing MOU's between the utilities and the Department of Social Services are not ongoing, but provide data during disasters and emergencies regarding outages and areas in need of support. In our reading of the bill, the data transfers are not limited to specific times of disasters and emergencies and we are in agreement with the Assembly Human Services consultant who suggested that be specified in the bill. The amendments the committee ended up with strongly suggest that intent, but are not as specific as we would like to see.

ASSEMBLY FLOOR: 71-0, 5/23/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas NO VOTE RECORDED: Bryan, Chen, Ellis, Nguyen, Sanchez, Schultz, Sharp-Collins, Wicks

Prepared by: Nidia Bautista / E., U. & C. / (916) 651-4107 8/29/25 20:57:08

**** END ****