

## SENATE THIRD READING

SB 146 (Committee on Budget and Fiscal Review)

As Amended September 08, 2025

Majority vote Budget Bill Appropriation Takes Effect Immediately

**SUMMARY**

This is the Human Services Omnibus trailer bill containing statutory changes necessary to implement provisions adopted as part of the Budget Act of 2025.

**Major Provisions**

This bill does the following:

- 1) Creates a new complaint procedure with due process requirements for the Housing and Homelessness programs administered by the CDSS, including the CalWORKs Housing Support Program, the Home Safe Program, the Bringing Families Home Program, and the Housing and Disability Income Advocacy Program, and does the following:
  - a) Requires counties opting to participate in any of those programs to have written program policies and make them available to the public, and to implement and conduct county-level complaint resolution processes.
  - b) Requires the CDSS to develop program guidance on a procedure for counties to inform recipients in writing of housing-related services and financial assistance being provided to the recipient in individualized written housing plans.
  - c) Provides program recipients with the right to file a request with the department for a state administrative hearing for county actions resulting in a reduction or discontinuance of housing-related services and financial assistance under specified circumstances and requires the department to establish criteria for recipients to receive housing-related services and financial assistance pending the resolution of a complaint and a state hearing.
  - d) Requires the CDSS to consult with the County Welfare Directors Association of California, counties, and advocates for program applicants and recipients on the development of these processes and authorizes the CDSS to implement and administer these provisions by means of all-county letters or similar written instructions.
- 2) Deletes the requirement that the CDSS complete final policy guidance relating to the semiannual report form, also called the SAR 7, by August 15, 2025. The delay in this policy will allow for a more informed assessment of how this change could impact the state's payment error rate.
- 3) Authorizes the CDSS, when necessary to reduce the CalFresh payment error rate and until October 1, 2027, to implement and administer the CalFresh program by means of all-county letter and emergency regulations. Requires the CDSS to engage in stakeholder consultation starting in September 2025 and continuing through the duration of the multiyear activities. Additionally requires CDSS, beginning in November 2025 through November 2027, to update the Legislature on a quarterly basis on the details of the implementation of the multiyear activities.

- 4) Delays the implementation of the CalFresh Pre-Release effort by two years, changing the date for the associated workgroup establishment from February 1, 2026 to February 1, 2028 and the first date for the workgroup's recommendations from August 31, 2027 to August 31, 2029. This policy allows for preenrollment of otherwise eligible applicants for the CalFresh program to ensure that an applicant's benefits may begin as soon as possible upon reentry of the applicant into the community from state prison or county jail. The delay was requested principally to allow for the California Department of Social Services (CDSS) to focus statewide effort on the CalFresh payment error rate (PER) pursuant to the enactment of federal H.R. 1 (Public Law 119-21).
- 5) Makes technical clean-up changes to CalWORKs provisions that were adopted in an earlier trailer bill related to the 2025 Budget Act, Senate Bill 119 (Chapter 79, Statutes of 2025).
- 6) Makes technical clean-up changes to Adoption Assistance Program (AAP) provisions that were adopted in an earlier trailer bill related to the 2025 Budget Act, Assembly Bill 118 (Chapter 7, Statutes of 2025). Deletes the requirement that county adoption agencies be licensed, as they are not required to be licensed, consistent with Family Code Section 8513.
- 7) Appropriates \$3,200,000 from the General Fund to the CDSS for automation related to CalFresh payment error rate mitigation and implementation of federal H.R. 1 (Public Law 119-21).
- 8) Declares that this bill is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

## COMMENTS

### According to the Author

This is the Human Services Omnibus trailer bill containing statutory changes necessary to implement provisions adopted as part of the Budget Act of 2025. This trailer bill includes critical provisions to respond to needs in the 2025-26 fiscal year.

### Arguments in Support

None on file.

### Arguments in Opposition

None on file.

## FISCAL COMMENTS

These statutory changes align to investments included in the amendments to the 2025 Budget Act. These include an (1) additional \$20 million General Fund for emergency food banks, (2) up to \$20 million General Fund (\$40 million total funds) for county administration for H.R. 1 provisions related to Able-Bodied Adults Without Dependents (ABAWDS), (3) up to \$15 million General Fund (\$30 million total funds) for CalFresh automation to address the PER, and a net \$26.2 million General Fund (net \$53.6 million total funds) to resource multiple activities as part of the CDSS payment error mitigation strategy.

Additionally, at least \$951,000 General Fund from prior authorized funds will be used for the new complaint procedure with due process requirements for the Housing and Homelessness programs administered by the CDSS.

Federal law establishes the Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. Under existing federal law under H.R. 1, beginning in fiscal year 2028, a state's cost share for SNAP benefits will be determined based on the state's payment error rate. Under that federal law, if a state's payment error rate is less than 6%, the state's cost share is 0%, with increasing cost share for the state if the payment error rate is above that threshold.

## VOTES

### SENATE FLOOR: 28-10-2

**YES:** Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener

**NO:** Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

**ABS, ABST OR NV:** Reyes, Stern

## UPDATED

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