County Executive David Villanueva

Governmental Relations and Legislative Officer Elisia De Bord



County of Sacramento

Board of Supervisors Phillip R. Serna, District 1 Patrick Kennedy, District 2 Rich Desmond, District 3 Rosario Rodriguez, District 4 Patrick Hume, District 5

September 3, 2025

The Honorable Jesse Gabriel, Chair Assembly Committee on Budget 1021 O Street, Suite 8230 Sacramento, CA 95814

Assembly Budget Subcommittee No. 2 1021 O Street, Room 6120 Sacramento, CA 95814

The Honorable Scott Wiener, Chair Senate Committee on Budget & Fiscal Review 1020 N Street, Room 502 Sacramento, CA 95814

The Honorable Dr. Corey Jackson, Chair Honorable Dr. Akilah Weber Pierson, Chair Senate Budget Subcommittee No. 3 1021 O Street, Suite 7310 Sacramento, CA 95814

Re: Urgent CalFresh Budget Investments Needed to Mitigate Dire Impacts from H.R. 1

Dear Chairs Gabriel, Wiener, Jackson, and Weber Pierson:

On behalf of the Sacramento County Board of Supervisors, we urge your immediate action in response to federal changes enacted under federal House Resolution 1 (H.R. 1) to the Supplemental Nutrition Assistance Program (SNAP, or CalFresh in California). Budget action before the end of this session is required to fully fund the resource-intensive work and recipient engagement necessary to preserve critical access to and continuity of food assistance in CalFresh for families, children, and seniors who run the risk of losing benefits if the State does not act with urgency. The provisions of H.R. 1 will impact about 18.7% of 267,700 CalFresh recipients. Additionally, 10.8% of all CalFresh individuals will be impacted by the new noncitizen rules: refugees, parolees who are paroled for more than one year, asylees, and trafficking survivors will no longer be an eligible population for CalFresh benefits. Furthermore, there will be significant impact to the Total Able-Bodied Adults Without Dependents population that will need to comply with work requirements to receive benefits. Sacramento County has identified approximately over 50,000 individuals who will need to meet the work requirements or qualify for an exemption to receive benefits. Moreover, immediate budget action will minimize future pressure on the State's General Fund (GF) that may stem from delayed investment in the integrity of CalFresh administration. Detailed below are urgent investments needed to address H.R. 1 SNAP provisions that are specified to take effect upon enactment and are expected to be implemented in Fiscal Year (FY) 2025-26.

Minimize disruption in food assistance from expansions of the cruel 3-month "work for food" time limit, and new utility rules (\$90.7 million GF in FY 2025-26)

H.R. 1 expands the SNAP "Able-Bodied Adults Without Dependents" (ABAWD) time limit to older adults ages 55-64 and parents with older dependents ages 14-18, and eliminates exemptions for veterans, former foster youth, and people experiencing homelessness. More specifically, the ABAWD time limit restricts ABAWDs in receiving CalFresh benefits for a maximum of three months in a 3-year period unless they meet specific work requirements.

While implementation timelines are still subject to forthcoming federal guidance, counties must begin staffing up to ensure recipients are thoroughly informed of the work requirements, have necessary supports to complete relevant work documentation, and are robustly screened for exemptions—all ultimately supporting continuity of benefits. This includes engagement to ensure that clients are aware of options available to them to satisfy the requirements and making referrals to employment and training programs. Simultaneously, the new federal rules on the Standard Utility Allowance (SUA) will require staff to verify household utility expenses that were previously standardized, creating numerous additional verification tasks to ensure benefits are maximized.

This is expected to be a significant volume of new workload to manage. In Sacramento County, we have a robust CalFresh population that we are currently serving that is vulnerable to food insecurity. Sacramento County is fully utilizing our administrative funding under current program rules. The new program regulations will significantly hinder our ability to provide proper case management without additional administrative funding for oversight. The loss of administrative funding, combined with the additional demands for implementing new work requirements will result in reduced service quality and pose a strain on our ability to provide timely and accurate services. Staff will be forced to absorb additional responsibilities including case management, compliance tracking, and documentation, which will divert resources away from other critical programs and services that support our vulnerable populations.

One of the most serious impacts of H.R. 1 is the loss of food assistance for a substantial number of county residents. The introduction of stricter work requirements and the elimination of key exemptions will disproportionately affect our most vulnerable populations – veterans, individuals experiencing homelessness, and former foster youth – many of whom already face significant barriers to employment.

As CalFresh benefits are reduced and access to the program becomes more restricted, Sacramento County will likely experience a rise in food insecurity. This will have cascading effects across our social services infrastructure, increasing demand for support and straining already limited resources.

Research shows that when SNAP rules grow more complex, Payment Error Rates (PER) rise sharply. The SNAP PER is determined through the federal Quality Control process, which measures the accuracy of benefits issued to participants. It's important to note that an error can be either an over-issuance or an under-issuance—both count toward a state's PER. Under H.R. 1, a higher PER will directly increase the State's General Fund liability for SNAP benefits beginning October 2027 (estimated cost shift of \$2 billion), with "lookback" years starting now, in Federal Fiscal Year 2025. Without immediate resources to manage new H.R. 1 workload, the State risks compounding both beneficiary harm and fiscal penalties.

Statewide, counties need \$90.7 million GF in FY 2025-26 to support clients in navigating work requirements, time limits, and SUA changes—ultimately protecting households from hunger, supporting more fair and accurate benefit determinations, and reducing increased risk of costly federal penalties. Absent State action, H.R. 1 will increase hunger among children, families, and seniors, and destabilize CalFresh county operations which may expose California to increased fiscal liabilities. We urge you to adopt this critical budget action to protect California's most vulnerable families and communities. Please feel free to contact me at (916) 874-4627 or deborde@saccounty.gov.

Sincerely,

Elisia De Bord

Governmental Relations and Legislative Officer

Members and Staff of the Senate Budget Subcommittee No. 3
Members and Staff of the Assembly Budget Subcommittee No. 2
Staff of Senate Committee on Budget & Fiscal Review
Staff of Assembly Committee on Budget
Sacramento County Delegation
Sacramento County Board of Supervisors

Audrey Ratajczak, Cruz Strategies County Welfare Directors Association

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¹ Lauren Bauer and Diane Whitmore Schanzenbach. "Proposed SNAP cuts would permanently undermine recession readiness and responsiveness." The Hamilton Project, Brookings Institution, June 4, 2025. https://www.hamiltonproject.org/publication/post/proposed-snap-cuts-would-permanently-undermine-recession-readiness-and-responsiveness/?utm_source=chatgpt.com