

CALFRESH UPDATE FOR ASSEMBLY BUDGET



February 25, 2015

CalFresh In A Nutshell



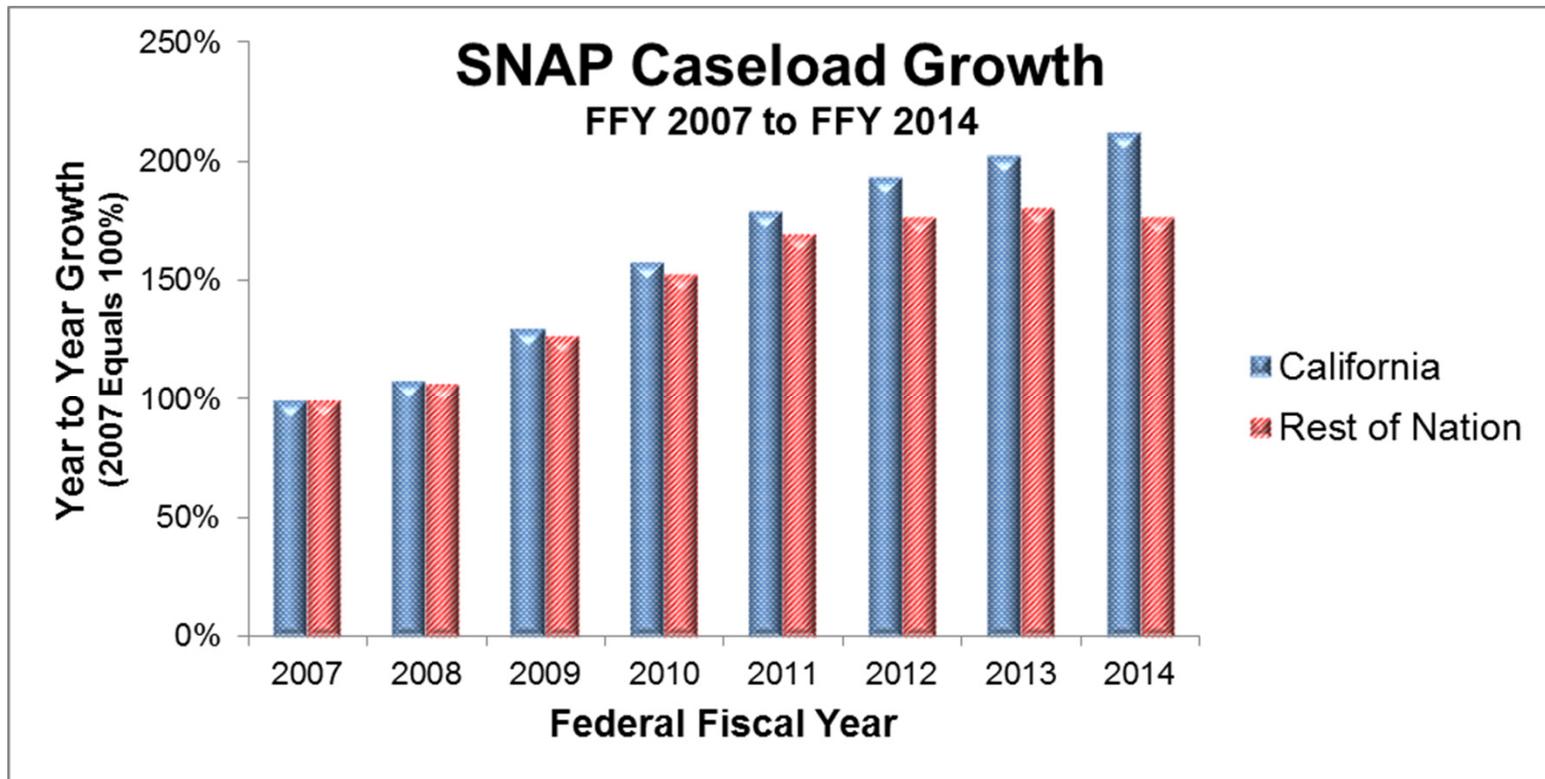
- CalFresh (formerly known as Food Stamps) is an entitlement program that provides monthly benefits to assist low-income households in purchasing the food they need to maintain adequate nutritional levels.
- In general, these benefits are for any food or food product intended for human consumption.
- Benefits may not be used for items such as alcoholic beverages, cigarettes, or paper products.
- National eligibility standards and benefit levels are set by Congress and administered by the United States Department of Agriculture.
- The program is called the Supplemental Nutrition Assistance Program (SNAP) at the federal level.
- CalFresh benefits are issued through an Electronic Benefit Transfer (EBT) card. By using the EBT card, cardholders can access food benefits at point-of-sale (POS) terminals of retailers authorized by USDA to accept CalFresh benefits.

CalFresh Participation



- In the past few years CalFresh has seen significant increases in the number of people receiving benefits.
- Today, CalFresh serves over 2 million households representing over 4.4 million persons with an annual benefit amount of over \$7.4 billion dollars.
- Based on Federal Fiscal Year (FFY) 2012 federal data (the latest available), California's participation rate was 63 percent.
- California's participation rate grew 8 percentage points from 2011. The national average increased to 83 percent, an increase of 5 percentage points from the prior year.
- California's caseload is rising faster than the nation as a whole. Since 2012, California's SNAP caseload has increased by 9.7 percent while the national caseload has *decreased* by 0.2 percent.

CalFresh Participation



CalFresh Outreach



- California's CalFresh Outreach Plan is recognized by the United States Department of Agriculture (USDA) as the largest and one of the most innovative plans in the nation.
- The FFY 2015 – 2016 Outreach State Plan includes eight primary contractors and 100 subcontractors.
- Outreach activities in the past year were responsible for enrolling an estimated 118,330 individuals into CalFresh, representing 55,037 new households, which was a 3.6 percent increase over prior year outreach results.

Governor's Budget



- A total of \$2.0 billion (\$0.7 billion State General Fund) for CalFresh administration in FY 2015-16. (CalFresh benefits are 100 percent federally funded, with the exception of the California Food Assistance Program (CFAP) for certain legal noncitizens.) Key features of the budget include:
 - Continuation of State Utility Assistance Subsidy (SUAS)
 - \$9.2 million General Fund (GF) in FY 2015-16 for continued funding which allowed needy families to maintain benefit levels.
 - Elimination of Change Reporting (eases administrative burdens for clients and counties)
 - \$8.2 million savings (\$2.9 million GF) in FY 2015-16 for elimination of Change Reporting.
 - CDSS beginning to work with stakeholders in anticipation of this proposal being included in the budget, to ensure that the transition to SAR reporting is smooth for the affected populations.
 - Affordable Care Act
 - \$237.9 million (\$93.9 million GF) in FY 2015-16 for anticipated caseload impact from the Affordable Care Act.
 - To date, it has been difficult to measure the impact of current efforts to increase dual participation.
 - Students
 - \$306,000 (\$165,000 GF) for anticipated caseload increase for students enrolled in work-related educational activities that would meet federal exemption criteria from the student-work rules.
 - CDSS also reminding CWDs to explore all student exemptions with all CalFresh applicants enrolled at least half-time in post-secondary education.
 - CDSS reaching out to the stakeholders mentioned in the statute in March to hopefully have guidance out to the CWDs by July.

Drought Food Assistance Program



The Drought Food Assistance Program (DFAP) was implemented in response to the Governor's Drought Emergency Declaration in January 2014.

- The DFAP provides food assistance in 24 drought-affected counties that suffer high levels of unemployment.
- **Shipment of DFAP Food Boxes:** CDSS partnered with the California Emergency Foodlink (Foodlink) to procure, pre-package and ship DFAP Food Boxes to the 24 GTF designated counties. Each box weighs about 25 pounds and serves households of four for 4-5 days.
- **Eligibility:** Households are eligible if they reside in the geographical area impacted by drought, and are unemployed or underemployed as a result of the drought. Households self-certify under penalty of perjury and agree that the food received is for personal home use only.
- **Distributions:** DFAP food boxes distributions vary by county and occur 1-4 times per month. As of January 31, 2015 DFAP counties have distributed over 425,000 DFAP food boxes to over 220,000 households, with an average of 51,000 food boxes per month. Over 70% of the food distributions have occurred in the Tulare Basin (Fresno, Kern, Tulare and Kings.)



CalFresh: Looking to the Future

- Although we need to continue to work to improve participation, we are encouraged by the continued efforts of the counties and the dedicated staff who work to provide CalFresh benefits to the most vulnerable children, seniors and adults in our state.
- With the support of the Legislature and our stakeholders, we will continue to focus on our mission to ensure that eligible households have greater access to food.