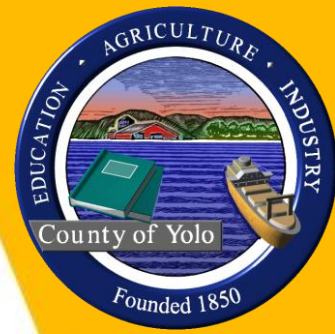


H.R. 1 & SNAP/CalFresh Administrative Funding

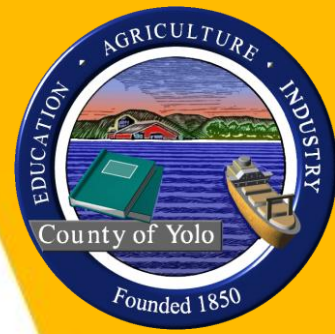
Health & Human Services Agency, Service Centers Branch
December 9, 2025

Mónica Morales, HHSA, Agency Director
Soua Moua, Deputy Director, Service Centers
Tico Zendejas, Director, Service Centers



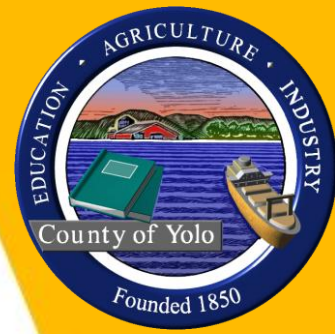
Background

- H.R. 1 was signed into law on July 4, 2025.
- Significant changes were made to SNAP (CalFresh) and Medicaid (Medi-Cal) programs, including but not limited to:
 - Placing restrictions on program eligibility requirements.
 - Reducing benefit allotments and services covered.
 - Imposing additional administrative requirements for counties and participants.
 - Shifting program costs from the federal government to states and consequently, to counties.
- Under Section 10106 of H.R. 1, CalFresh administrative funding changes are expected to go into effect October 2026.



CalFresh Benefits in Yolo County

COUNTYWIDE	
October 2025 Caseload & Benefits	19,002 households
	27,821 residents
	\$5.96m in benefits
	\$313 benefit average per household
FY 24/25 Total Benefits Issued	\$67.84m (currently 100% of benefits are federally funded)
PARTICIPANTS BY CITY/AREA	
Davis	9,096 residents
West Sacramento	8,944 residents
Woodland	7,601 residents
Winters	932 residents
Esparto	461 residents
Dunnigan	251 residents
Knights Landing	185 residents
Brooks, Capay, Clarksburg, Guinda, Madison, Rumsey, Yolo	302 residents



CalFresh Benefits Demographics

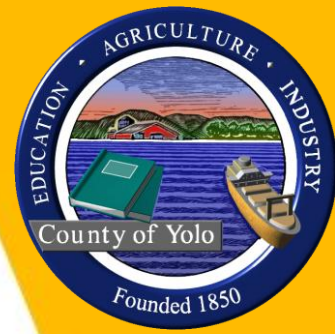
ELDERLY (60 and over)		Children 0-10		0-17 individuals		Homeless	
Cities	# of people	City	# of children 0-10	City	# of children 0-17	Cities	# of people
DAVIS	659	DAVIS	544	DAVIS	941	DAVIS	509
DUNNIGAN	69	DUNNIGAN	38	DUNNIGAN	68	DUNNIGAN	30
ESPARTO	104	ESPARTO	107	ESPARTO	197	ESPARTO	51
KNIGHTS LANDING	51	KNIGHTS LANDING	25	KNIGHTS LANDING	41	KNIGHTS LANDING	25
MADISON	24	MADISON	12	MADISON	27	WEST SACRAMENTO	1294
WEST SACRAMENTO	2024	WEST SACRAMENTO	1598	WEST SACRAMENTO	2782	WINTERS	82
WINTERS	249	WINTERS	186	WINTERS	340	WOODLAND	1035
WOODLAND	1641	WOODLAND	1322	WOODLAND	2290		
Grand Total	4883	Grand Total	3884	Grand Total	6787	Grand Total	3050

**Small rural communities included in grand total but not shown due to confidentiality*

Benefits of SNAP Participation

- Reduces food insecurity by as much as 30%¹
- A dollar of SNAP benefit invested in children returns \$62 in value over their lifetime²
- SNAP access improves health³, education², and employment² outcomes for children
- In an economic downturn, \$1 of SNAP spent generates \$1.54 in economic activity⁴

Current CalFresh Administration in Yolo County



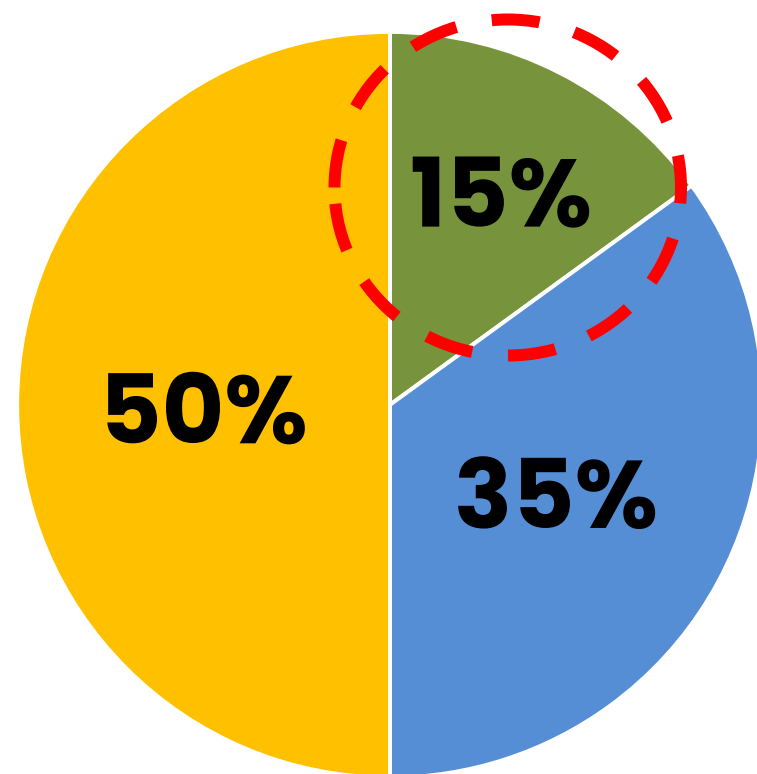
CalFresh Administration Activities (data from FY 24/25):

- Applications processing (received 21,000 applications)
- EBT card printing and issuance (issued 12,300 cards)
- Active Case Management
 - Mid-Period Reports
 - Semi-Annual Reports (received 11,100 reports)
 - Annual Recertifications (processed 14,700 recertifications)
- Client inquiries
 - In-person (assisted 8,400* walk-ins)
 - Call Center (answered 31,300* calls)
- Hearings
- Program integrity
- Policy and systems support
- Business process support

*Includes counts for both CalFresh and Medi-Cal as data unable to be separated

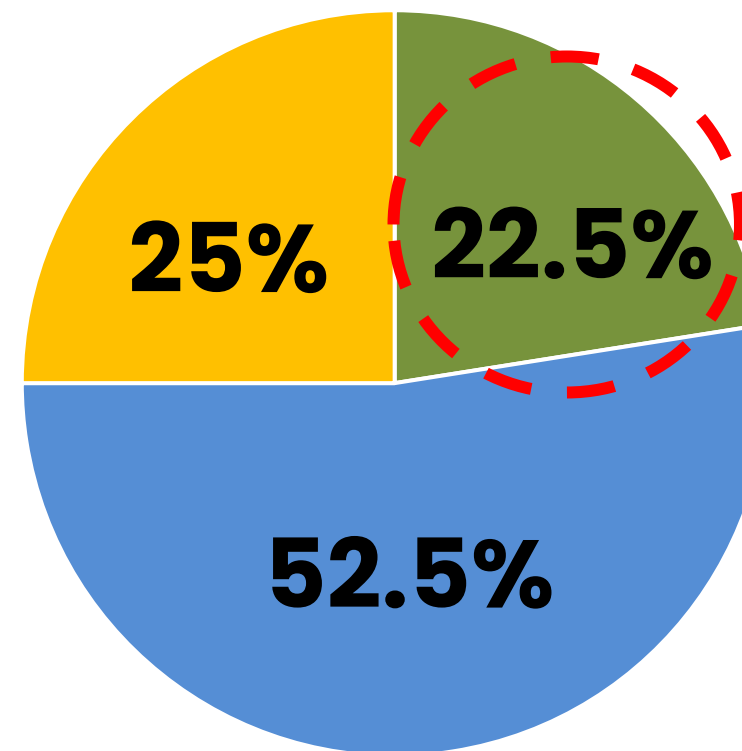
CalFresh Administrative Cost Sharing

Current Admin Cost Sharing



■ County ■ State ■ Federal

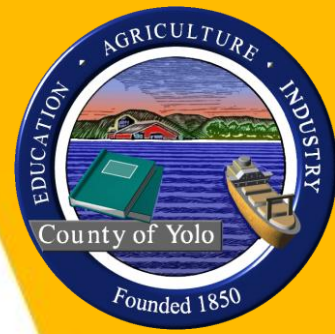
H.R. 1 Admin Cost Sharing



■ County ■ State ■ Federal

State statute requires counties cover 30% of non-federal share.

New costs sharing would start October 2026.

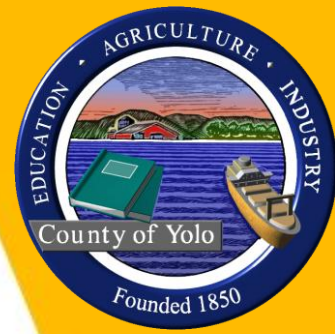


Current CalFresh Administration in Yolo County

FY 25/26 Adopted Budget for CalFresh

Total County Cost (15%)*	\$1,917,189
State Cost (36%)	\$4,618,032
Federal Cost (49%)	\$6,219,509
Total CalFresh Budget	<u>\$12,754,730</u>

*We are using close to \$700K of County General Fund CalWORKs MOE to generate additional CalFresh state/federal revenues.



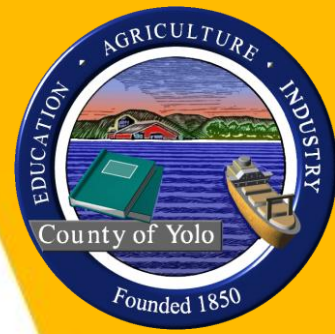
Maximizing CalFresh Administration in Yolo County

FY 25/26 Maximizing Budget for CalFresh

Total County Cost (15%)	\$2,515,077
State Cost* (35%)	\$5,868,514
Federal Cost (50%)	\$8,383,591
Total CalFresh Budget	\$16,767,183

A total of \$2.5m in county contribution (**an additional \$600k**) would have drawn down the full state allocation. Our overall CalFresh budget could have been \$16.8m, an additional \$4m.

*State's allocation is calculated based off prior year allocation, expenditures and anticipated workload. The less we spend, the less likely our future allocation will grow.



H.R. 1 Administrative Cost Scenario A

Maximized CalFresh Budget Based on State Allocation

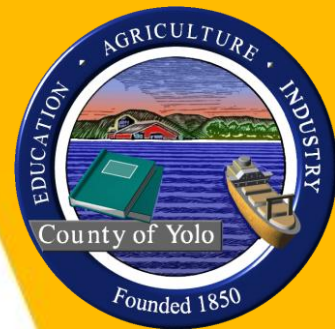
Total County Cost (22.5%)	\$3,772,616
State Cost* (52.5%)	\$8,802,771
Federal Cost (25%)	\$4,191,796
Total CalFresh Budget	\$16,767,183

Increase in County Share = \$1,855,427

In order to fully utilize our state allocation, our county contribution would need to grow by \$1.86m. In 2021, CDSS measured Yolo's CalFresh Program Reach Index (PRI) at 47%; the PRI statewide was 77%⁵.

Under this budget, HHS would have capacity to enroll another estimated 3,000-5,000 residents.

*This is provided the state's allocation to Yolo grows in accordance with their increased share under H.R. 1



H.R. 1 Administrative Cost Scenario B

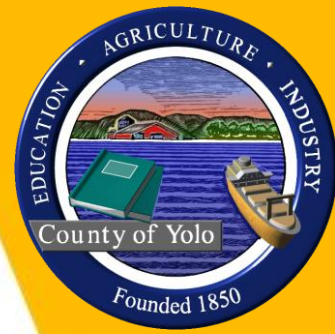
CalFresh Budget With Same Level of Service as FY 25/26

Total County Cost (22.5%)	\$2,869,814
State Cost* (52.5%)	\$6,696,233
Federal Cost (25%)	\$3,188,683
Total CalFresh Budget	\$12,754,730

Increase in County Share = \$952,625

In order to keep our overall level of services flat, the county's share would need to increase by approximately \$950k.

*This is provided the state's allocation to Yolo grows in accordance with their increased share under H.R. 1



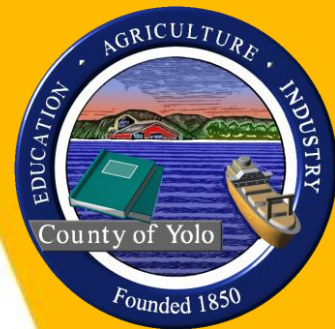
H.R. 1 Administrative Cost Scenario C

County Share With No Additional Increase	
Total County Cost (22.5%)	\$1,917,189
State Cost (52.5%)	\$4,473,441
Federal Cost (25%)	\$2,130,210
Total CalFresh Budget	\$8,520,840

Reduction in Overall Budget = \$4,233,890

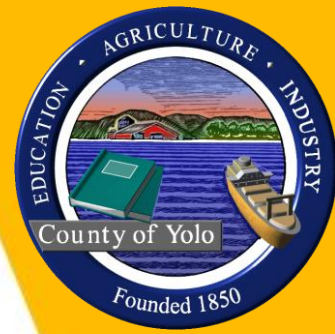
Without increasing the county's share in CalFresh, operations will have to be reduced by \$4.2m.

This could translate into a reduction of 1/3 of our caseload, approx. **8,400** individuals.



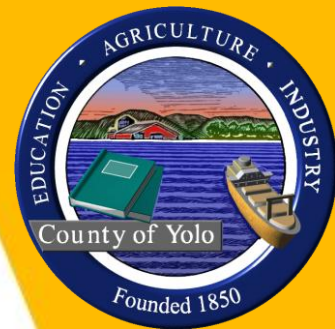
Impact of Budget Reduction If We Do Nothing

- Inevitable decline in services and access
 - 73 FTEs (65 after applying salary savings) budgeted to CalFresh
 - Monday through Friday, 8am-4pm office hours at 4 locations
 - Monday through Friday, 8am-4pm Call Center hours
 - H.R. 1 policies implementation and harm mitigation efforts
 - Compliance with program accuracy and timeliness requirements
 - This could translate into a reduction of 1/3 of our caseload, approximately 8,400 individuals.

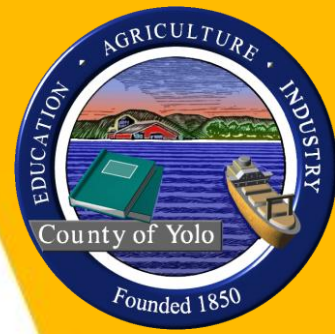


Current Uncertainties

- Federal changes
- Federal and state litigation
- California's state budget response
 - Potential for additional financial impacts to counties
- HHSA structural deficit
- County structural deficit



Questions/Comments?



Citations

1. Ratcliffe, Caroline et al. (2011) [*How Much Does the Supplemental Nutrition Assistance Program Reduce Food Insecurity?*](#), National Library of Medicine
2. Bailey, Martha J. et al (2024) [*Is the Social Safety Net a Long-Term Investment? Large-Scale Evidence From the Food Stamps Program*](#), The Review of Economics Studies
3. Hoynes, Hilary W. et al (2012) [*Long Run Impacts of Childhood Access to the Safety Net*](#), National Bureau of Economic Research
4. Canning, Patrick & Stacy, Brian (2019) [*The Supplemental Nutrition Assistance Program \(SNAP\) and the Economy: New Estimates of the SNAP Multiplier*](#), United States Department of Agriculture
5. California Department of Social Services (2021) [*CalFresh Data Dashboard: Program Reach Index*](#)