

# SUBCOMMITTEE NO. 3

# Agenda

Senator Dr. Akilah Weber Pierson, Chair  
Senator Shannon Grove  
Senator Caroline Menjivar



**Thursday, March 20, 2025**  
**9:30 am, or upon adjournment of session**  
**1021 O Street – Room 1200**

Consultant: Elizabeth Schmitt

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**5180 DEPARTMENT OF SOCIAL SERVICES****Issue 1: CDSS Housing Programs and Exhaustion of Limited-Term Funding**

**Panel Discussion.** The Subcommittee has requested the following individuals to participate in this discussion:

- Jennifer Troia, Director & Hanna Azemati, Deputy Director, Housing and Homelessness Division, CDSS
- Monica Kirkland, State Policy Director, Alameda Senior Services Coalition
- Megan Van Sant, Senior Program Manager, Mendocino Department of Social Services
- Juwan Trotter, Fiscal & Policy Analyst, Legislative Analyst's Office

**Background: CDSS Housing and Homelessness Programs.** The California Department of Social Services (CDSS) oversees six housing and homelessness programs which are administered locally by counties and Tribes. These programs generally serve specific populations eligible for other social services (such as Adult Protective Services, child welfare, or CalWORKs), and provide housing-related supports for families experiencing homelessness or at risk of homelessness, in order to integrate social services with housing support.

Older adults are the fast growing population experiencing homelessness. According to the California Statewide Study of People Experiencing Homelessness, among single homeless adults, 48 percent were age 50 and older. Among single adults age 50 and older, 41 percent became homeless for the first time at age 50 or older. This study also found that seven percent of homeless adults had children with them, and 26 percent of children living in homeless families were age two or younger. Another 27 percent of homeless adults had children who were not currently living with them. Eighteen percent of adults reported having lost custody of a child to Child Protective Services at some point and 11 percent reported that they did not currently have custody of their minor child due to the child being removed by Child Protective Services.

The department's approach recognizes that housing is foundational to a person maintaining their health and reaching their goals for employment, education, child and family well-being, and long-term stability. The programs utilize evidence-based practices, including Housing First principles, to offer a range of services, including outreach, housing-related case management, housing navigation, as well as housing-related financial assistance including rental subsidies, security deposits, rental arrearages, moving costs, and more. These resources are provided to clients in a flexible and tailored way in order to best meet their needs and ensure sustained housing outcomes. Additionally, programs coordinate with other local government agencies, Tribes, homeless continuums of care, community-based organizations, public housing authorities, and other entities to holistically support individual clients in reaching their housing goals.

The six CDSS Housing and Homelessness programs are described below:

1. **Home Safe Program.** The Home Safe Program supports the safety and housing stability of individuals involved in Adult Protective Services (APS). Home Safe assists APS clients who are experiencing or are at imminent risk of homelessness due to elder or dependent adult abuse,

neglect, self-neglect, or financial exploitation. This may include seniors for whom abrupt changes to life circumstances have left them on the precipice of being homeless for the first time in their lives. The program provides financial assistance and housing-related wrap-around supportive services, including, but not limited to: housing-related intensive case management, housing related financial assistance, deep cleaning to maintain safe housing, eviction prevention, landlord mediation, mobility-related modifications to homes, and connections with local service providers including the homeless Continuum of Care. Home Safe served approximately 7,736 individuals in 2023-24.

2. **Bringing Families Home (BFH) Program.** The BFH Program assists families involved with county or tribal child welfare systems who are experiencing or at risk of homelessness, and for whom housing may be the only barrier to reunification. The program follows the Housing First model and incorporates evidence-based housing interventions, including Rapid Rehousing and Permanent Supportive Housing to reduce the number of families in the child welfare system experiencing homelessness, increase the number of children reunifying with their families, and prevent foster care placement. The BFH program offers financial assistance and housing-related wraparound supportive services including but not limited to, rental assistance, housing navigation, case management, security deposits, utility payments, moving costs, hotel and motel vouchers, legal services, and credit repair. BFH served approximately 4,394 families in 2023-24.
3. **Housing and Disability Advocacy Program (HDAP).** HDAP assists people who are at risk of or experiencing homelessness and are likely eligible for SSI disability benefits. Housing-related financial assistance and wraparound supportive services may include interim housing, rental assistance, housing navigation, security deposits, utility payments, moving costs, legal services (to help secure long-term disability benefits), and credit repair. People experiencing chronic homelessness and those who rely most heavily on state and county-funded services are prioritized. HDAP follows a Housing First model and uses evidence-based housing interventions. HDAP served approximately 16,194 individuals in 2023-24.
4. **CalWORKs Housing Support Program (CalWORKs HSP).** CalWORKs HSP serves families participating in CalWORKs who are at risk of or experiencing homelessness. CalWORKs HSP offers financial assistance and housing-related wraparound supportive services including rental assistance, housing navigation, case management, security deposits, or utility payments. Parents participating in CalWORKs HSP are generally assigned a case manager who helps them find a home, provides financial education, and works with them to retain the home and stable employment. CalWORKs HSP has served over 84,000 families since the program launched in 2014, and approximately 30,616 families in 2023-24.
5. **CalWORKs Homeless Assistance (CalWORKs HA).** CalWORKs HA also serves families who are applicants or recipients of CalWORKs. Temporary CalWORKs HA provides up to 16 days of temporary shelter, and Permanent CalWORKs HA provides payment of a security deposit and last month's rent or rent arrearages to avoid eviction. Unlike the other five housing programs discussed in this section, CalWORKs HA is not a capped program; rather, it is an entitlement to CalWORKs families who are eligible. However, it does not provide the same high level of support and case management as CalWORKs HSP. In 2023-24, over 58,900 families were approved for Temporary CalWORKs HA and 8,800 were approved for Permanent CalWORKs HA.

6. **Community Care Expansion (CCE).** The CCE program funds the acquisition, construction, and rehabilitation of adult and senior care facilities that serve applicants and recipients of Supplemental Security Income (SSI) or Cash Assistance Program for Immigrants (CAPI), including individuals who are at risk of or experiencing homelessness. Funds are also available to preserve residential care settings, including through operating subsidies for existing licensed adult and senior care facilities currently serving SSI or CAPI recipients. CCE is part of a statewide investment in infrastructure funding to address homelessness, support healthcare delivery reform, and strengthen the social safety net, particularly for older or frail adults. The California Health and Human Services Agency has bundled the CCE program with another program, the Behavioral Health Continuum Infrastructure Program. CCE Capital Expansion has created over 3,100 beds in licensed adult and senior facilities, and CCE Preservation has preserved over 2,000 beds in licensed facilities.

**2021 and 2022 budget acts expansion.** The 2021 and 2022 budget acts included a historic expansion of Home Safe, BFH, HDAP, CalWORKs HSP, and CCE, using one-time, multi-year funding. This expansion allowed for local grantees (counties and Tribes) to launch and significantly scale up local capacity to provide housing supports integrated with social services. Programs expanded from 141 to 223 county programs as well as from three to 65 tribal programs (utilizing a \$35 million tribal set-aside). As of 2023, BFH and HSP are serving 67 percent of families receiving homelessness services through their Continuums of Care (CoC), while HDAP and Home Safe are serving nearly 20 percent of individuals who are 55 and older receiving homelessness services through their CoCs. The two charts below detail the prior and ongoing appropriations that made this expansion possible:

PROGRAM	PRIOR APPROPRIATIONS (SINCE 2021)	BUDGET ACT OF 2024
<b>CalWORKs Housing Support Program (HSP)</b>	Budget Act of 2021: \$285 million (\$95 million annual + \$190 million one-time)	<ul style="list-style-type: none"> <li>• \$95 million annual appropriation with reduced one-year encumbrance period</li> </ul>
	Budget Act of 2022: \$285 million (\$95 million annual + \$190 million one-time)	
<b>Bringing Families Home (BFH)</b>	Budget Act of 2021: \$92.5 million one-time	<ul style="list-style-type: none"> <li>• Reappropriate FY 21/22 one-time funds through June 2025</li> <li>• Reappropriate \$80 million of FY 22/23 one-time funds (up to \$40 million through June 2026 and up to \$40 million through June 2027)</li> <li>• No additional or ongoing funding</li> </ul>
	Budget Act of 2022: \$92.5 million one-time	

PROGRAM	PRIOR APPROPRIATIONS (SINCE 2021)	BUDGET ACT OF 2024
Housing and Disability Advocacy Program (HDAP)	Budget Act of 2021: \$175 million (\$25 million annual and \$150 million one-time)	<ul style="list-style-type: none"> <li>\$25 million annual appropriation with local match requirement removed and reduced one-year encumbrance period</li> <li>Reappropriate FY 21/22 one-time funds through June 2025</li> <li>Reduce funding by \$50 million &amp; Reappropriate FY 22/23 one-time funds through June 2026</li> </ul>
	Budget Act of 2022: \$175 million (\$25 million annual and \$150 million one-time)	
Home Safe Program	Budget Act of 2021: \$92.5 million one-time	<ul style="list-style-type: none"> <li>Reappropriate FY 21/22 one-time funds through June 2025</li> <li>Reappropriate FY 22/23 one-time funds through June 2026</li> <li>No additional or ongoing funding</li> </ul>
	Budget Act of 2022: \$92.5 million one-time	
Community Care Expansion (CCE)	Budget Act of 2021: \$805 million one-time	<ul style="list-style-type: none"> <li>No additional or ongoing funding</li> </ul>
	Budget Act of 2022: \$55 million one-time	

Source: CDSS

**Home Safe and Bringing Families Home have no ongoing appropriation.** While some programs (CalWORKs HSP and HDAP) have baseline appropriations that were supplemented with one-time expansion funds in 2021 and 2022, Home Safe and BFH have no ongoing appropriation and will shut down completely when one-time funding expires (largely in the current fiscal year, as discussed below).

Similarly, the operating subsidies provided by the CCE Preservation program are still being expended but when operating subsidies expire, the facilities they are supporting may also be at risk of closure.

**Program outcomes.** CDSS Housing and Homelessness programs are uniquely successful in serving specific vulnerable populations and generally outperform state and national metrics in terms of exits to permanent housing. Below is a summary of outcomes across each program.

**Home Safe outcomes:**

- Over 5,800 clients permanently housed since program launch in 2018.
- 76 percent of participants retained permanent housing six months post program exit; 71 percent retained permanent housing 12 months post program exit.
- In 2022-23, Home Safe served over 40 percent of the Adult Protective Services population with identified housing needs.
- Early findings from the expanded Home Safe program evaluation, launched by UCSF in 2023, indicate Home Safe continues to address a critical gap and no existing alternative program replicates its impact or population served.

**Bringing Families Home (BFH) outcomes:**

- A 2024 evaluation found that family reunifications increased by 20 percent for families who had children in foster care at the time of BFH enrollment as compared to families who did not receive BFH services.
- More than half of BFH families (52 percent) that exited the program by the end of the program’s second year left to a permanent housing arrangement and another 14 percent exited to either community-provided or temporary housing, with only 3 percent reporting exiting to homelessness.

By comparison, across CoCs in California in 2023, just 35 percent of exits in the Homeless Management Information System were to permanent housing.

- BFH reduced the use of shelter and transitional housing by half and doubled the use of rapid re-housing services, which based on evidence is more cost-effective and more likely to lead to stable housing.
- In Mendocino County alone, the BFH program has served 171 households to date who were homeless or at-risk of homelessness. Of the families who have exited the BFH program, only four percent of them were unable to reunite with their children, while 96 percent of households served by BFH were able to obtain or maintain a safe home for themselves and their children.

***HDAP outcomes:***

- Over 8,200 individuals permanently housed since program launch in 2017.
- 77 approval rate for disposed disability applications.
- 92 percent of individuals retained permanent housing six months after disability benefits were approved; 82 percent retained housing 12 months after disability benefits were approved.
- Overall, 50 percent of participants exited to permanent housing in 2023-24.

***CalWORKs HSP outcomes:***

- More than 45,000 families permanently housed since program launch in 2014.
- One of the few programs found to be “likely cost-effective” by the California State Auditor in 2023.
- Auditors found that the average annual cost per family permanently housed by the program was less than the estimated cost to taxpayers for one year of a person experiencing chronic homelessness.

***Community Care Expansion (CCE) outcomes:***

- \$569.7 million awarded in capital expansion funding for the construction of licensed facilities with over 3,100 beds produced or contracted to be produced (61 total projects).
- Seven housing projects providing 499 beds/units have completed construction.
- 13 housing projects providing 725 beds/units have broken ground.
- \$247 million awarded in preservation funding to support operation of licensed homes at risk of closure which have high populations of clients receiving SSI benefits.
- 34 counties participating in CCE Preservation; counties have contracted with 82 facilities and 2,022 beds within those facilities have been preserved.
- 97 percent of the beds preserved by licensed adult and senior care facility operators participating in CCE Preservation were reported occupied by SSI/SSP applicants or recipients.

**2024 Budget Act.** The 2024 Budget Act made the following changes to CDSS housing and homelessness programs:

- **HDAP:** Reduced one-time HDAP funding by \$50 million General Fund in 2025-26, and re-appropriated up to \$100 million General Fund from the 2022 Budget Act to be available through 2025-26. Removed baseline match requirement for HDAP grantees.
- **Bringing Families Home Program.** Delayed \$40 million General Fund for the Bringing Families Home program to 2025-26 and another \$40 million General Fund through 2026-27. Trailer bill

language extends the county or tribe match waiver of one-time funds appropriated for the BFH program through 2027. (While the funds were projected to last through 2026-27 at the 2024 Budget Act, counties are spending down their full allocations in 2024-25 and will likely have no funds available in 2026-27.)

- **Home Safe Program.** Extends the grantee match waiver of one-time funds appropriated for the Home Safe program from June 30, 2025, to June 30, 2026.
- **Data Sharing for Housing Programs.** Trailer bill language permits the Interagency Council on Homelessness to, upon request, share personally identifiable, individual-level data from the Homeless Data Integration System with an agency or department that is a member of the council for purposes of measuring housing instability and examining the effectiveness of, and need for, housing and homelessness programs and other antipoverty programs.

**Programs are ramping down and closing in 2024-25.** The multi-year, one-time funding for the expansions of Home Safe, BFH, HDAP, CalWORKs HSP, and CCE are nearing exhaustion and programs are winding down or closing completely. The 2023-24 fiscal year represents the peak spending and operational period for these programs, with programs projected to serve significantly fewer individuals in 2024-25 and 2025-26.

While the impact of the expiration of this funding will vary by program and county, it is clear that most programs will either shut down completely or significantly scale down between 2024-25 and 2025-26. For programs that have an ongoing appropriation (CalWORKs HSP and HDAP), this means programming will continue, but at significantly lower levels, with fewer resources to spread across to serve people in need of services. For Home Safe and BFH, these programs will close down completely, meaning families and individuals who are involved in Adult Protective Services or child welfare and who are homeless will not have access to housing support. The chart below details county Home Safe and BFH programs which have either already closed or will close soon.

Program	SOON TO CLOSE: Number of counties expected to close by July 2025 based on having spent 70%-99% of funding as of September 30, 2024, and/or notification to CDSS of planning closure -	CLOSED: Number of counties that have exhausted <i>all</i> funds as of September 30, 2024, and/or who have notified CDSS that program is closed.
<b>Home Safe</b>	Amador, Del Norte, Glenn, Humboldt, Inyo, Kern, Kings, Marin, Merced, Mono, Monterey, Napa, Riverside, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Clara, Shasta, Sierra, Siskiyou, Trinity, Tulare, Tuolumne, Yolo, Yuba <b>TOTAL: 27</b>	Colusa, Fresno, Madera, Mariposa, Nevada, San Bernardino, Sonoma, Tehama <b>TOTAL: 8</b>
<b>Bringing Families Home</b>	Tuolumne, Siskiyou, Shasta, San Bernardino, Placer, Mendocino, Kings, Inyo, Humboldt, El Dorado, Colusa, Contra Costa, Plumas <b>TOTAL: 13</b>	Kern, Madera, Napa, Solano, Ventura, Yuba <b>TOTAL: 6</b>

Although HSP and HDAP have ongoing funding, some grantees have indicated they will be or already have modified program operations in the following ways:

- Significantly reducing emergency housing/hotel assistance.
- Pausing new enrollments or significantly reducing the number of participants they can serve.
- Offering much more limited range supports, including a shorter timeframe for monthly rental subsidies and a lower rate of financial assistance.

Maintaining existing service levels would cost approximately \$81 million General Fund annually for Bringing Families Home and approximately \$84 million General Fund annually for Home Safe, beginning in 2025-26. The Governor’s budget does not contain any proposal to continue funding these programs.

Approximately \$173.8 million General Fund annually would be needed to sustain service levels for CalWORKs HSP and approximately \$133.1 million General Fund annually would be needed to maintain service levels for HDAP.

**Subcommittee Staff Comment and Recommendation – Hold Open.** Subcommittee staff notes that CDSS Housing and Homelessness programs provide housing supports to especially vulnerable populations. Home Safe and BFH by definition provide housing to vulnerable seniors and children who have experienced abuse or neglect (seniors involved in Adult Protective Services and children involved in child welfare), yet these programs are shutting down completely in the current year.

These programs have proven to be uniquely successful, with high rates of exits to permanent housing compared to overall state and national rates, and cost-effective, according to a recent state audit.

In the absence of a Governor’s budget proposal, all of these effective programs face a fiscal cliff. Home Safe and BFH will shut down completely. Meanwhile CalWORKs HSP and HDAP will continue at a fraction of current capacity.

The result of this fiscal cliff will be significantly diminished capacity to respond to the needs of vulnerable families, seniors, and children who are homeless or at risk of becoming homeless. Given the critical role these programs play in the state’s overall response to homelessness the total loss or diminishment of these programs will likely leave more individuals and families homeless.

For Bringing Families Home, it also means the loss of crucial housing support that has proven to increase the chances of successful family reunification.

**Questions.** The Subcommittee requests the Administration respond to the following:

1. What are the key outcomes of the state’s expansion of CDSS housing and homelessness programs that began in 2021 and 2022? How have these programs supported individuals and families who are homeless or at risk of homelessness? What lessons has the Administration learned broadly about how to address homelessness through these programs?
2. Please provide an update on the Community Care Expansion, including operating subsidies for licensed homes serving residents who receive SSI/SSP. Can the expansion of CalAIM provide needed operating subsidies for older or disabled adults who need assisted living care?



3. As a result of the multi-year expansion funding depletion, what will be the impacts of the following: (1) BFH and Home Safe dropping to a baseline of zero, (2) CalWORKs HSP and HDAP returning to baseline appropriations, and (3) CCE operating subsidies expiring? What will be the impact locally to clients currently receiving services or eligible to receive services? What will be the impacts statewide on homelessness?

**Issue 2: Housing and Homelessness Program Complaint Resolution**

**Trailer Bill Language – Governor’s Budget.** Proposed trailer bill language would establish minimum complaint resolution requirements for CDSS housing programs, and declare these requirements sufficient to meet due process for non-entitlement programs.

**Background: CDSS Housing and Homelessness Programs.** CDSS oversees several housing and homelessness programs administered locally by counties and Tribes, including Home Safe, Housing and Disability Advocacy Program (HDAP), Bringing Families Home (BFH), and CalWORKs Housing Support Program (CalWORKs HSP). These programs generally serve specific populations receiving other social services and provide additional housing-related supports for families experiencing homelessness or at risk of homelessness, in order to integrate social services with housing support. CDSS housing and homelessness programs were expanded significantly via limited-term, multi-year funding included in the 2021 and 2022 budget acts. For more background on CDSS Housing and Homelessness programs and the 2021 and 2022 Budget Act expansions, see Issue #1 of this agenda.

**Proposed trailer bill would establish a county-level complaint resolution process.** Currently, there is no formal or statewide process to address complaints from applicants and participants in Home Safe, HDAP, Bringing Families Home, and CalWORKs HSP. The Governor’s proposed trailer bill would do the following for these four programs:

- Express legislative intent that the processes outlined below are sufficient to meet any applicable due process requirements for the provision of notices for the non-entitlement programs referenced.
- Require counties opting in to Home Safe, BFH, HDAP, and CalWORKs HSP to implement and conduct complaint resolution processes according to minimum requirements established by the department.
- Establishes the following five minimum requirements for the complaint resolution process:
  - (1) Informing applicants and recipients of their right to engage in a complaint resolution process;
  - (2) An objective decision-maker;
  - (3) The right to present information in support of the complaint;
  - (4) A written decision describing the outcome of the complaint, and
  - (5) Any other criteria developed by the department.
- Requires CDSS to develop program guidance on a procedure for counties to inform recipients of housing-related services and assistance being provided to the recipient. Requires this guidance to include specified elements, including:
  - (1) A written housing plan describing the assistance being provided, updated at regular intervals;
  - (2) An update to the housing plan if a recipients’ housing-related direct financial assistance is being reduced or discontinued, including a rationale for the change;

- (3) A formal process for discontinuing a recipient from a program;
- (4) Any other criteria developed by the department.
- Makes implementation of the processes described above subject to the availability of funding authorized by the Legislature for the applicable programs.
  - Allows (but does not require) CDSS to develop a department-level written appeal process to allow applicants and recipients to appeal a decision made as part of a county complaint resolution process, subject to appropriation.
  - States that the county-level process described above and the department-level process, if implemented, are the sole administrative remedies available to any applicant or recipient in the programs.
  - Allows CDSS to implement and administer the processes described above through all-county letters or similar written instructions from the department.
  - Requires CDSS to consult with the County Welfare Directors Association, counties, and advocates for program applicants and recipients on the development of the county-level, and potential state-level, processes described above.
  - Requires the use of existing funding appropriated for the four housing programs for administration of the complaint resolution process.

**No formal due process mechanism currently exists for these programs.** Home Safe, BFH, HDAP, and CalWORKs HSP are relatively new programs that have expanded across many new counties and Tribes over the last five years. The programs are optional for counties, and while the program structure is generally consistent throughout the state, counties have discretion to implement in ways that meet local needs. As a result of the discretionary nature of these programs, in some counties and at the state level, there is no formal administrative remedy for people participating in these programs to resolve complaints or program violations.

According to CDSS, “while some county grantees have independently established a local complaint resolution process and provide housing plans...county processes are inconsistent across the state, and CDSS has not issued formal guidance with minimum requirements on these processes. In counties without a local complaint resolution process for these programs, applicants and recipients may not have any options for administrative remedies when complaints regarding county actions or other issues arise.”

CDSS states that the minimum requirements established in the proposed trailer bill will ensure counties are properly communicating with program participants about housing-related assistance they can expect from the program and are notifying them of significant changes to the services provided in their plan. CDSS also states that complaint resolution process will allow counties to act quickly to address concerns while maintaining flexibility to operate programs consistent with the needs of the local community.

**Most social services programs are subject to state hearings.** The CDSS State Hearings Division provides full and timely hearings to recipients and applicants of California public assistance programs.

The primary programs are CalWORKs, CalFresh, In-Home Supportive Services, Foster Care, and Adoption Assistance Program, as well as Medi-Cal, and Covered California, and other programs.

Welfare and Institutions Code (WIC) 10950 establishes the right to a state hearing: “If any applicant for or recipient of public social services is dissatisfied with any action of the county department relating to his or her application for or receipt of public social services, if his or her application is not acted upon with reasonable promptness, or if any person who desires to apply for public social services is refused the opportunity to submit a signed application therefor, and is dissatisfied with that refusal, he or she shall, in person or through an authorized representative, without the necessity of filing a claim with the board of supervisors, upon filing a request with the State Department of Social Services or the State Department of Health Care Services, whichever department administers the public social service, be accorded an opportunity for a state hearing.”

WIC 10051 defines public social services as: “those activities and functions of state and local government administered or supervised by [CDSS] or the State Department of Health Services and involved in providing aid or services or both, including health care services and medical assistance, to those people of the state who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.”

The four housing programs are optional for counties to administer, and while they are state-funded, the program budgets are capped, unlike major entitlement programs. (As discussed in Issue #1, HDAP is capped at \$25 million annually, CalWORKs HSP is capped at \$95 million annually, and BFH and Home Safe have no ongoing appropriation).

**Legal aid providers oppose the trailer bill as currently drafted.** In a March 2025 letter, a coalition of nonprofit legal services organizations who represent program participants express concerns with the proposed trailer bill language and recommend amendments to better protect the rights of people in the programs.

The legal services organizations write that the proposed language “would not provide adequate due process protections for housing and homelessness program recipients and could have the effect of reducing the accessibility and efficacy of these programs. The proposed trailer bill language does not guarantee a hearing by an unbiased decision-maker, the right to present and confront evidence, and other necessary components of due process in situations where counties reduce, suspend, or discontinue aid and/or services under these programs.”

The legal services organizations note it is unclear what the intended relationship is between the complaint resolution process and the formal process for program discontinuance, and that there is no requirement for a notice of any adverse action. These organizations also note that the proposed housing plan requirement has the potential to be used to justify the termination or reduction of assistance. These groups recommend the following changes to the trailer bill language:

- Provide for state hearings in situations where CalWORKs HSP, Home Safe, BFH, or HDAP assistance is being reduced, suspended, or terminated.

- Require counties to publish written policies and procedures regarding administration of the housing and homelessness programs.
- Ensure that any housing plans created pursuant to these programs are consistent with Housing First and are not used to deny or discontinue assistance to eligible recipients.

Additionally, these organizations assert that CalWORKs HSP is subject to more specific due process requirements, inclusive of the right to appeal to a state agency, because it is a component of the state's TANF program. The legal services organizations note that premature or inappropriate termination of housing assistance through these programs have led to eviction and family homelessness. They also share that client experiences with the General Assistance/General Relief program, which varies across counties, have resulted in an array of due process issues, such as failure to provide notice of denial, which prevents the applicant from appealing.

**Subcommittee Staff Comment and Recommendation – Hold Open.** Subcommittee staff notes that given the lack of any formal administrative remedy to address client issues related to Home Safe, BFH, CalWORKs HSP, and HDAP, it is appropriate for the state to establish complaint resolution, due process, and appeal requirements for these programs. However, it is not clear that the trailer bill as currently drafted achieves the due process necessary to protect the rights of individuals and families who may be arbitrarily or unfairly denied housing supports through these programs. The Subcommittee may consider modifying the proposed trailer bill to strengthen the level of due process afforded by the trailer bill as currently drafted.

**Questions.** The Subcommittee requests the Administration respond to the following questions:

1. Please provide a brief overview of the proposed trailer bill. What alternatives did the department consider in developing this proposal? What existing county-level process would this mirror?
2. The trailer bill states that the county-level complaint resolution process and the state-level appeal process are the sole administrative remedies for participants in the four housing programs, but then conditions those processes on the availability of funding, and on a future appropriation, respectively. Given the current state of funding for these programs, how would the Administration define the availability of funding?

**Issue 3: Homelessness Programs Data Budget Change Proposals**

**Governor’s Budget – homelessness program data budget change proposals.** The Governor’s budget contains two budget change proposals related to housing and homelessness program data collection, as follows:

1. **Homelessness programs data collection and sharing (AB 799).** CDSS requests \$421,000 General Fund for two positions to oversee data sharing, coordination, and analysis associated with AB 799 (Luz Rivas, Chapter 263, Statutes of 2024) to support the quarterly sharing of funding opportunities and to assist in the annual publication of a statewide report on homelessness in collaboration with the California Interagency Council on Homelessness.
2. **Limited-term resources for housing and homelessness data reporting solution (HHDRS).** CDSS requests \$219,000 General Fund for one limited-term position to support the Housing and Homelessness Data Reporting Systems Implementation, Maintenance, and Operations.

Both proposals are summarized below.

**Homelessness programs data collection and sharing (AB 799)**

**Background: AB 799.** AB 799 (Luz Rivas, Chapter 263, Statutes of 2024) requires the California Interagency Council on Homelessness (Cal ICH) to publish quarterly updates on funding opportunities available to counties and to compile an annual report on the efficacy of homelessness programs in California, including fiscal and outcome data from every homelessness program administered by the state. CDSS collects and publishes fiscal and outcome data on programs it administers, but is requesting additional resources to coordinate and align reporting and analysis with Cal ICH.

**Staffing and resources request.** CDSS requests two permanent research data supervisor positions to oversee data sharing, coordination and analysis associated with the AB 799 requirements. Specifically, the two permanent positions would be responsible for the following:

- Participate in the development of fiscal and outcome data collection requirements;
- Collection, cleaning, and submission of required data elements;
- Consultation in the aggregation and publication of statewide data;
- Provide the council updated information on new or existing funding opportunities on a quarterly basis;
- Engage with stakeholders, including Legislature, grantees, and advocates, on questions regarding the methodology behind and implications of newly available data.

**Limited-term resources for housing and homelessness data reporting solution (HHDRS).**

**Background: housing and homelessness data reporting solution (HHDRS).** The Housing and Homelessness Data Reporting System (HHDRS) is designed to ensure timely and accurate data reporting across housing and homelessness programs. The project is anticipated to go live in spring 2025. CDSS

requests one limited-term position to oversee the implementation, maintenance, and operation of the system in 2025-26.

**Staffing and resources request.** According to CDSS, the requested IT specialist position is essential to operationalizing the vision of HHDRS, including change management, training, system maintenance, and technical support to all 300+ housing grantees. Effective implementation of HHDRS, in turn, will enable CDSS to leverage data to increase accountability and improve the impact of each program addressing the homelessness crisis. CDSS states that as the HHDRS system enters implementation phase, HHDRS management and operations activities will be a new workload. This workload is essential to ensure accurate reporting and sufficient support for local operators. Without sufficient support, local capacity constraints may lead to inaccuracy or untimely data reported to CDSS.

**Subcommittee Staff Comment and Recommendation – Hold Open.**

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide a brief overview of the two budget change proposals in this issue: (1) Homelessness Programs Data Collection and Sharing (AB 799 implementation) and (2) Limited-term resources for housing and homelessness data reporting solution.

**Issue 4: One California Program and Immigration Legal Services Funding**

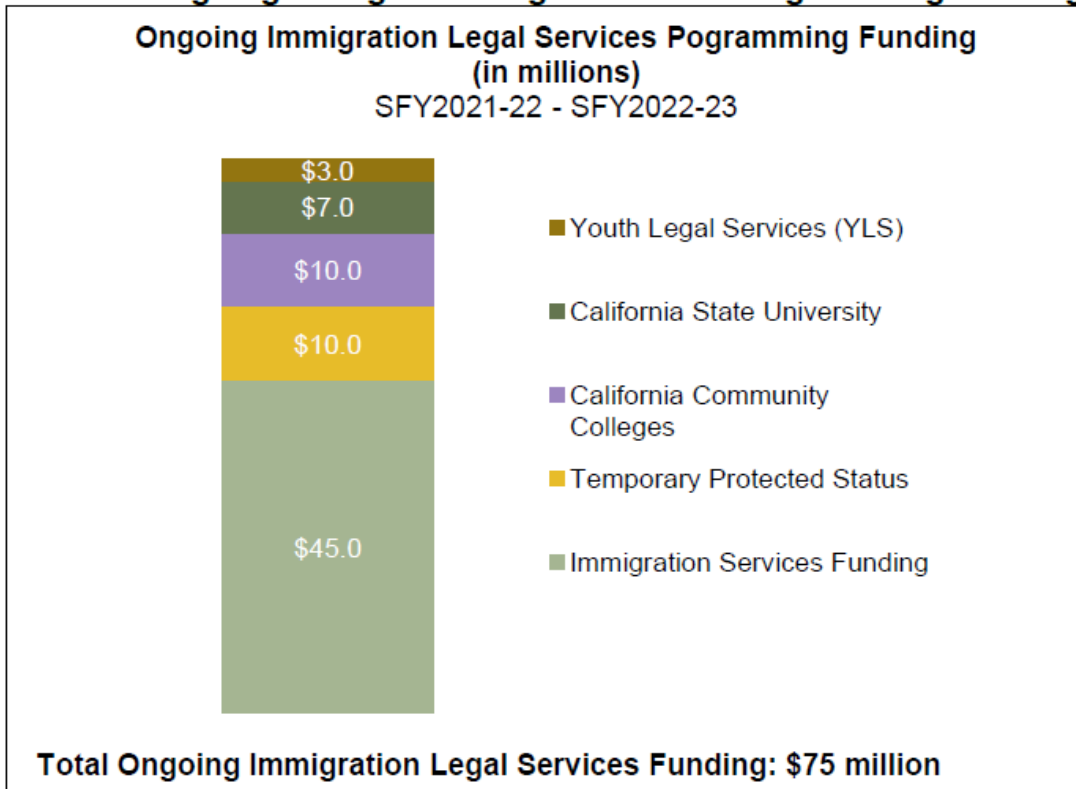
**Panel Discussion.** The Subcommittee has requested the following individuals to participate in this discussion:

- Jennifer Troia, Director & Eliana Kaimowitz, Director, Office of Equity, CDSS
- Shiu-Ming Cheer, Deputy Director of Immigrant &. Racial Justice, California Immigrant Policy Center
- Juwan Trotter, Fiscal & Policy Analyst, Legislative Analyst’s Office

**Governor’s Budget and Special Session – Immigration Legal Services Funding.** The Governor’s 2025-26 budget contains \$75 million to maintain funding for ongoing immigration legal services programs. Since 2015-16, the state has provided some level of funding for pro bono immigration legal services, education, and outreach through qualified nonprofit organizations. CDSS also develops programs and administers funding to provide critical assistance to immigrants during emergency situations. Immigration services funding is administered through the CDSS Office of Equity division.

The primary immigration legal services program is the Immigration Services Funding (ISF) program, commonly known as the “One California,” program, which has a budget of \$45 million General Fund per year. In addition, CDSS administers more specialized legal services programs that serve holders of Temporary Protected Status, students of California Community Colleges and the California State University, and unaccompanied minors (known as Youth Legal Services.)

**Chart 1. Ongoing Immigration Legal Services Programming Funding**





CDSS has also administered immigration-related funding for certain one-time or emergency programs, such as the Rapid Response Program, which generally provides shelter services at the southern border.

As part of the 2025 special session, SBX1-2 (Wiener and Gabriel) Chapter 4, Statutes of 2025, added an additional \$10 million to the One California/Immigration Services Funding program in 2024-25.

**Background: One California Program/ Immigration Services Funding.** Under the One California program, qualified nonprofit organizations provide the following legal services to immigrants with varying immigration status/categories: immigration consultations, application assistance, and full scope direct representation for immigration benefits and remedies including, but not limited to, Naturalization, Deferred Action for Childhood Arrivals (DACA), U Visas, Violence Against Women Act (VAWA) self-petitions, and Asylum, and Removal Defense.

The department’s core services are the Immigration Services Funding (ISF) provider network and Removal Defense (RD) program. CDSS funds 85 ISF organizations to provide free immigration legal services and to conduct education and outreach activities in immigrant communities. These organizations also provide services across an additional 77 extension offices and/or subgrantees. Overall, ISF services are offered at 162 service locations. Currently the ISF providers have a three-year service agreement that began January 1, 2024, and ends on June 30, 2027.

The Removal Defense program provides legal representation to individuals currently in or facing removal proceedings. The Removal Defense program is supported with an average annual allocation of \$10 million from the ongoing ISF and TPS/UUM funding. Currently the Removal Defense providers have a three-year service agreement that began October 1, 2022, and ends on June 30, 2025.

**Capacity building.** CDSS has made investments to various regions including the Central Valley, Central Coast, Northern regions via specific capacity initiatives and within ongoing legal service programs. These regions have historically been underfunded due to a variety of reasons, namely remote geographic location and lack of immigration services providers who meet experience qualifications to provide complex legal services. The department has recognized these barriers and invested in these regions highlighting the efforts to increase legal service capacity and expand the reach of resources to hard-to-reach individuals.

Region	Ongoing Legal Programs	Equity and Capacity Initiatives	Total
Central Coast	\$5,321,687	\$1,540,699	\$6,862,386
Central Valley	\$7,502,831	\$4,103,164	\$11,605,995
Northern	\$1,996,909	\$3,960,613	\$5,957,522

Additionally, the department implemented an Immigration Legal Fellowship (ILFP) aimed to increase the number of removal defense attorneys and the capacity of nonprofit organizations to provide removal defense services in the Central Coast, Central Valley, and Inland Empire regions. These fellowships provide intensive removal defense training and mentoring, as well as practical experience serving rural communities. These efforts help ensure there is quality representation for Californians throughout each region of the State.

In 2022-23, the department allocated \$27 million General Fund one-time to expand immigration legal service capacity across California, known as the Immigration Legal Services Support Project (ILSSP).

The project allowed existing immigration legal services providers to hire and train new attorneys and other individuals who can become accredited representatives with the United States Department of Justice (DOJ) Office of Legal Access Programs (OLAP), thus increasing the capacity of California's network of community-based organizations delivering legal services to immigrants. Applicants requested a total of \$38.6 million in funding for these positions, approximately \$11 million more funding than CDSS allocated for the program, demonstrating a high need for expanding immigration legal service capacity across the state. A total of 101 new Department of Justice candidates and 35 new Immigration attorneys were hired throughout the regions.

**Children's Holistic Immigration Representation Project (CHIRP).** In 2022-23, the Children's Holistic Immigration Representation Project (CHIRP), was created in response to an increase of unaccompanied undocumented minors (UUMs) released to sponsors in California. CHIRP provides holistic legal advocacy for unaccompanied children, with an emphasis on trauma-informed intervention to ensure that unaccompanied minors have both legal services and appropriate care. Each youth is assigned a fully integrated team that includes an attorney and a social services staff member (either a social worker or a case manager) to accompany them throughout the case. CHIRP was funded with \$13.6 million General Fund for a two-year project in 2022-23. To date, awarded organizations have assisted a cumulative total of 582 clients with legal and/or social services. The department was able to continue funding the CHIRP program with existing funds through 2024-25, but funding for CHIRP expires in June 2025.

**Rapid Response Program.** The Rapid Response program is operated through grants or contracts to entities that provide critical assistance to immigrants, primarily for humanitarian response at the southern border and for natural disaster response. This program has been funded with one-time funding in the 2021, 2022, and 2023 Budget Acts. The 2024 Budget Act re-appropriated unspent funding from prior years to sustain critical sheltering services at the border. Over the last three years, nonprofit organizations were also awarded \$158 million in federal Shelter and Services Program, of which only \$3.8 million has been disbursed by the federal government. The re-appropriated funding from the 2024 Budget Act is filling the gaps for nonprofit organizations operating shelters that have limited access to those federal funds.

**Special Session supplement for One California Program.** As part of the 2025 special session, SBX1-2 (Wiener and Gabriel) Chapter 4, Statutes of 2025, added an additional \$10 million to the One California/Immigration Services Funding program for the 2024-25 fiscal year to respond to the increased need for immigration legal services. According to CDSS, the supplemental \$10 million will be used both to augment grants for existing providers and for proposals for competitive grants to respond to emerging needs, such as expanding capacity in underserved areas. The augmentations to existing agreements will take about three months to roll out and the new competitive proposals will take about six months to roll out.

**Federal immigration issues.** Immigration policy is set by the federal government; the state does not control immigration policy. However, federal immigration actions impact Californians and immigration legal services providers and the state are responding to rapidly evolving federal actions. According to CDSS, key areas of concern include the following:

- Through Executive Orders, directives from agencies and public statements, the new federal administration is making changes to migration management measures that were established in previous administrations, eliminating certain humanitarian protections and leaving hundreds of thousands without the ability to apply for relief and putting them at risk of removal. This includes

termination of parole programs for Ukrainian, Cuban, Haitian, Nicaraguan, and Venezuelan parole programs and the revocation of TPS for Venezuelans.

- The federal government is allowing immigration enforcement operations at sensitive locations such as churches, schools, and hospitals. The prior policy only permitted immigration enforcement operations in these areas under exigent circumstances or with prior approval from leadership.
- Executive actions have prohibited work authorization documents for individuals who are unlawfully residing in the US even if they have a pending immigration application.
- There are increased fears across communities, resulting in individuals not accessing government services for which they are eligible. This fear is impacting US citizens and people with legal status, as well as undocumented Californians.
- The potential for immigration enforcement in or near schools has caused fear among immigrant and refugee youth and families. Local education agencies are reporting an increase in absenteeism. If absenteeism becomes chronic due to fear of increased deportations, newcomer students may experience lower academic performance.
- Unaccompanied Undocumented Minors (UUM) already face challenges with navigating the federal immigration system and will experience instability due to further isolation, threatened reductions in federal funding for support, fears of deportation, and separation from sponsors/family members. They are at increased risk of exploitation such as trafficking.
- The federal government allocates and administers funding for refugee resettlement. As a result of recent federal executive orders, the U.S. State Department issued stop work orders to all national Resettlement Agencies (RAs) directing them to immediately cease providing services to refugee and Special Immigrant Visa (SIV) holder newcomers through the Reception & Placement program. The work order required a four-month pause beginning January 27, 2025, in services and supports. The stop-work order led some of the local RAs across the state to reduce or furlough their staff.
- Newly arrived refugees and immigrants holding SIVs rely on reception and placement services that the RAs provide for their essential initial support which includes housing, furniture, clothing, food, English classes, case management, referrals, enrolling children in schools, getting them IDs, SSNs, transportation, job placement, and other key social services designed to integrate refugees in the community and place them on a path to self-sufficiency in the U.S.

### **Subcommittee Staff Comment and Recommendation – Hold Open.**

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide a brief status update on the \$10 million for CDSS immigration legal services funding included in SB 2-X1 as part of the special session package.
2. How does the One California program funding reach areas of the state where legal services are hard to access? What are the current challenges with program reach, and how have recent investments in organizational capacity building supported regional capacity?

3. Please provide an update on the Children’s Holistic Immigration Representation Project. What are the key outcomes of this project and what will happen to children in the program when the project expires at the end of this fiscal year?

**Issue 5: Office of Equity Budget Change Proposals**

**Governor’s Budget – Office of Equity budget change proposals.** The Governor’s budget contains two budget change proposals for the CDSS Office of Equity, as follows:

1. **Office of Equity new staffing resources.** CDSS requests \$188,000 General Fund and \$219,000 federal funds in 2025-26 and \$184,000 General Fund and \$213,000 federal funds ongoing for two permanent positions to ensure continuous oversight and implementation of emerging and expanded programs and workloads in the Office of Equity.
2. **Permanent existing state operations.** CDSS requests \$385,000 General Fund and \$149,000 federal funds in 2025-26 and ongoing to make three limited-term positions permanent.

Both proposals are summarized below.

The Office of Equity within CDSS was established in 2020 and includes the Office of Tribal Affairs, the Civil Rights, Accessibility & Resource Equity Branch, the Immigrant Integration Branch, the Office of Immigrant Youth, the Office of the Foster Care Ombudsperson, and the Equal Employment Opportunity Office.

**Office of Equity new staffing resources**

**Background: Equal Employment Opportunity Office.** California Government Code requires every state agency to have an effective equal employment opportunity (EEO) program. All state agencies and departments have an affirmative duty to take reasonable steps to prevent and promptly address discrimination and harassment in the workplace and the members of the public served. To promptly address discrimination and harassment, the EEO Office must conduct timely investigations and present findings to the hiring authority to take immediate action to eliminate any discriminatory practices identified in investigations. The EEO Office has seen a sharp rise in cases since 2014 (36 cases, compared to 132 in 2024-25) and does not have adequate staff to keep up with the workload. The EEO Office workload increases as the number of department employees increases. Currently, the EEO Office budget is \$1.34 million and the office has eight positions.

**Background: Office of Immigrant Youth.** The Office of Immigrant Youth administers state and federal programs funded by the Legislature and the federal Office of Refugee Resettlement (ORR) serving immigrant and refugee youth. In the last two years, CDSS responded to the extension and expansion of federally funded initiatives by expanding existing programs and supporting the growing network of service providers. As these initiatives increase, additional staffing is needed to ensure appropriate oversight of social support programs for federally eligible youth populations. The Office of Immigrant Youth budget has a budget of \$2.07 million and 17 authorized positions.

**Staffing and resource request.** This request includes two total positions, one new Associate Governmental Analyst position under the EEO Office and one new Staff Services Manager II under the Office of Immigrant Youth. The EEO Office position would be responsible for workload associated with handling increasing discrimination and harassment investigations, including:

- Reduce backlog of investigations.

- Comply with statutory requirement to conduct investigations in a timely manner.
- Comply with Government Code requirements to integrate equal employment opportunity into every aspect of human resource management policies and practices in the recruitment, examination, selection, training, and advancement of employees.
- Promptly address discrimination and harassment allegations to ensure a workplace free of discrimination.
- Conduct timely investigations and present findings to the hiring authority to take immediate action to eliminate any discriminatory practices identified in investigations.

The Office of Immigrant Youth position would be 100 percent federally funded and would support the extension and expansion of federally funded programs serving refugee children and their families and unaccompanied refugee minors. Federal funds support services for newcomers including refugees, Special Immigrant Visa holders, and federally eligible parolees from Afghanistan and Ukraine. Expected outcomes from this position include:

- Increased capacity to oversee expanded local funding allocations.
- Increased capacity to conduct monitoring activities and support the planning and implementation of quality improvement goals.
- Increased capacity to support efforts to ensure parity in foster care and independent living services for Unaccompanied Refugee Minors.
- Increased capacity to support and coordinate the network of service providers.
- Increased support for staff overseeing evaluation of programs for refugee youth and families.

### **Permanent existing state operations**

**Background: Office of Tribal Affairs.** The Office of Tribal Affairs, housed under the CDSS Office of Equity, builds better government-to-government relationships with CDSS and California Indian Tribes (Tribes), Counties, Tribal Governments, and Native American stakeholders. The CDSS OTA is responsible for implementing the Department’s Tribal Consultation Policy, government-to-government Tribal Consultations, Tribal Advisory Committee Meetings, and federal and state laws that impact Tribes, tribal organizations and consortia, and American Indian/Alaska Native children and families. This includes effective implementation of the Indian Child Welfare Act (ICWA). The Office of Tribal Affairs has a budget of \$2.34 million and 13 authorized positions.

**Staffing and resources request.** CDSS requests three existing limited-term positions in the Office of Equity be made permanent, noting that recent program expansions have been achieved using limited-term funds. Of these three positions, two positions are under the Office of Tribal Affairs and one is under the Office of Immigrant Youth (described above). The three positions are: Staff Services Manager II, Associate Governmental Program Analyst, and Executive Secretary.

The two positions under the Office of Tribal Affairs would enable the Office to address workload related with ICWA regulations, which are intended to protect the best interests of Indian Children and promote the stability and security of Indian Tribes and families by establishing minimum federal standards for the removal of Indian children and placement of such children in homes that will reflect the unique values of Indian culture (25 U.S. C. 1902). Expected outcomes of continuing these positions include:

- Provide robust engagement and meaningful consultations with Tribes.

- Gather reliable data to inform policy and program development.
- Ensure transparency and accountability to Tribes and tribal stakeholders.
- Raise staff awareness of tribal impacts in the development of policy, policy guidance, regulations, and program development.
- Deliver efficient policies and procedures to effectively guide CDSS in tribal matters.
- Enable CDSS programs to effectively respond to inquiries coming from counties, Tribes, and stakeholders.
- Maintain staff understanding of ICWA regulations within the purview of their work.
- Review legislation to identify tribal impacts.
- Advise on policy and program development.
- Address historical inequities and inform systems change that address disproportionality and disparity.

The one position under the Office of Immigrant Youth is partially federally funded and is needed to ensure compliance with state and federal policies and regulations under the federal Refugee Resettlement Program and state programs supporting the integration of immigrant and refugee children. According to CDSS, this position will allow California to oversee the implementation of post-release services for Unaccompanied Undocumented Minors, maintain compliance with Title 45 C.F.R. Part 400 et seq., which requires the Refugee Resettlement Program to provide for the effective resettlement of refugees and to assist them to achieve economic self-sufficiency as quickly as possible, and Title 45 C.F.R. sections 400.112(a) and 400.116(a), which require the state to provide youth in the Unaccompanied Refugee Minors program with the same range of benefits and services available in traditional child welfare and foster care programs. Expected outcomes of this position include:

- Ensure adequate administration and oversight of grants and contracts to operate social supportive services, placement, and care of vulnerable immigrant and refugee children and youth.
- Maintain the structure built to deliver culturally and linguistically responsive social support services to Unaccompanied Refugee Minors, Unaccompanied Undocumented Minors, and refugee youth and families resettling in California.
- Provide adequate oversight of foster care, referrals and placement, and independent living services to youth in the Unaccompanied Refugee Minors program.
- Facilitate internal coordination and strengthen connections to support youth in foster care and youth experiencing a breakdown in placement.
- Increase service providers' access to case consultations to provide child-specific support to address complex placement and service needs.
- Continue building and improving the capacity of the network of service providers, including non-profit community-based organizations and local education agencies to improve service delivery.

#### **Subcommittee Staff Comment and Recommendation—Hold Open.**

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide an overview of the following budget change proposals in this issue: (1) Office of Equity new staffing resources, and (2) Permanent existing state operations.

**Issue 6: Adult Programs: In-Home Supportive Services, SSI/SSP, and Adult Protective Services**

**CDSS Adult Programs.** CDSS oversees an array of programs serving adults and individuals with disabilities:

- **In-Home Supportive Services (IHSS)** is a Medi-Cal program administered by CDSS that allows low-income individuals who are blind, over 65, or have disabilities to receive personal care and assistance with daily living in their own home by a provider of their choice, delaying or avoiding more expensive institutional settings. Eligibility is based on Medi-Cal eligibility and assessed need for supportive services.
- **Supplemental Security Income/ State Supplemental Payment (SSI/SSP)** provides a monthly cash benefit for adults who are blind, over 65, or have disabilities to meet basic living expenses. The SSI portion is funded by the federal government and SSP is the state portion funded by the General Fund. Eligibility is based on federal criteria including income and asset limits last updated in 1989 and assessed disability.
- **Adult Protective Services** is a realigned program operated in each county that investigates and provides services to adults age 60 and over or dependent adult who are victims of abuse, neglect, or exploitation.

**Governor’s Budget –In-Home Supportive Services (IHSS).** The revised 2024-25 budget includes \$25.8 billion (\$9.5 billion General Fund) for the IHSS program and administration costs. This reflects an increase of \$654.9 million (\$365.8 million General Fund) from the 2024 Budget Act, reflecting growth in caseload, cost per hour, and hours per case.

The Governor’s proposed 2025-26 budget includes \$28.5 billion (\$10.6 billion General Fund) for IHSS, an increase of \$3.3 billion (\$1.4 billion General Fund) compared to the 2024 Budget Act. This also reflects an increase in projected caseload, cost per hour, and hours per case. Overall, the Governor’s budget projects a 10 percent increase in total funds for IHSS compared to revised 2024-25 estimates.

IHSS costs are shared between federal, state, and local governments. Approximately 98 percent of the IHSS caseload receives federal financial participation, with the majority of the caseload receiving about 50 percent federal financial participation, about four percent receiving 90 percent federal financial participation, and about two percent in the IHSS Residual program receiving only state and county funding.

IHSS caseload in 2024-25 is 717,814 and is projected at 771,650 for 2025-26, a 7.5 percent increase. IHSS recipients generally are eligible to receive up to 283 hours per month of assistance with tasks such as bathing, dressing, housework, and meal preparation. Social workers employed by county welfare departments conduct an in-home assessment of an individual’s needs in order to determine the amount and type of service hours to be provided. In most cases, the recipient is responsible for hiring and supervising a paid IHSS provider—oftentimes a family member or relative. The average number of service



hours that will be provided to an estimated 771,650 IHSS recipients is projected to be 123.7 hours per person per month in 2025-26 (which is the same number of hours per case estimated for 2024-25).<sup>1</sup>

The Legislative Analyst's Office notes that based on the most recent actual caseload data, it appears that the IHSS caseload is growing at a faster rate than the Governor's 2025-26 budget proposal – meaning that actual costs may be higher than projected for 2025-26. Many factors contribute to IHSS caseload growth, including: the phase-in of full-scope Medi-Cal regardless of immigration status from 2020-2024, the elimination of the Medi-Cal asset test effective January 2024, and changes to streamline eligibility for minor recipients of IHSS in 2023.

**IHSS Career Pathways Program.** As a part of the 2021 Budget Act, the state was required to submit a package of home- and community-based services (HCBS) enhancements—known as the HCBS Spending Plan—to the federal government as a condition of drawing down additional federal funds resulting from a temporary 10 percentage point increase to the federal Medicaid match rate. California's plan included approximately \$3 billion in HCBS enhancements (which would be matched by an additional \$1.6 billion in standard Medicaid funds, totaling \$4.6 billion), across 26 new initiatives.

The HCBS Spending Plan included \$295 million for the IHSS Career Pathways program, a training program to increase the quality of care, recruitment, and retention of IHSS providers. Providers participating in the IHSS Career Pathways program were paid for the time that they participated in the trainings and were eligible for incentive payments upon completion of certain trainings. In order to be eligible for certain incentive payments, IHSS providers must continue to work for IHSS recipients for a certain amount of time after the completion of the training. To be eligible for the largest incentive payment (\$2,000), a provider must continue to work for a particular recipient for a minimum of 40 hours a month for six months after completing training.

As of January 8, 2025, 59,316 unduplicated providers completed at least one training course and CDSS has approved and paid providers for 1,429,512 claims for time spent in training. CDSS approved and paid providers for the following incentives:

- 83,376 15-Hour Training Incentives (\$500 each)
  - General health and safety: 17,276
  - Adult education: 63,929
  - Cognitive impairments and behavioral health: 1,985
  - Complex physical care needs: 186
- 7,638 One-Month Incentives (\$500 each)
  - Cognitive impairments and behavioral health: 6,719
  - Complex physical care needs: 919
- 4,957 Six-Month Incentives (\$2,000 each)
  - Cognitive impairments and behavioral health: 4,289
  - Complex physical care needs: 668

Over \$55 million in incentives were issued directly to IHSS providers who completed trainings. All HCBS Spending Plan programs had a spending deadline of December 31, 2024. Due to initially slow spending

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<sup>1</sup> Legislative Analyst's Office, "The 2025-26 Budget: In-Home Supportive Services," March 6, 2025.

data within the IHSS Career Pathways Program, the 2024 Budget Act included Supplemental Report Language requiring regular updates on the expenditure of the \$295 million dedicated to the program. However, the IHSS Career Pathways Program ultimately exceeded its HCBS Spending Plan allocation and closed enrollment in September 2024. Approximately \$90 million in excess expenditures was offset by underspending in other HCBS Spending Plan programs. However, a gap of approximately \$24.1 million remains after available HCBS Spending Plan offsets. The Administration has reported to the Joint Legislative Budget Committee that they are evaluating how to address the excess costs.

**Analysis of regional or statewide collective bargaining.** The 2023 Budget Act included \$1.5 million for CDSS to analyze the costs and benefits of transitioning the IHSS program from the current county level collective bargaining model to a statewide or regional collective bargaining model. This analysis was due January 2025; CDSS is in the final stages of compiling this analysis.

The 2024 Budget Act also required CDSS to review the budgetary methodology used to determine annual funding for IHSS county administration costs, beginning in 2025-26.

**Governor's Budget – SSI/SSP.** The Governor's revised 2024-25 budget includes \$11.1 billion (\$3.6 billion General Fund) for SSI/SSP, which reflects a decrease of \$211.9 million (\$55.9 million General Fund). The total fund decrease reflects a lower average grant, partially offset by a slower caseload decline than previously projected in the 2024 Budget Act. The costs for the CAPI program are \$239.7 million General Fund in 2024-25.

The 2025-26 Governor's budget includes \$11.2 billion (\$3.6 billion General Fund) for SSI/SSP, which reflects a decrease of \$83.6 million (\$61.3 million General Fund) compared to the Budget Act of 2024. The total fund decrease reflects a lower average grant, partially offset by a slower caseload decline than previously projected in the 2024 Budget Act as well as the full-year impact of the 2025 COLA of 2.5 percent, and the half-year impact of the anticipated 2026 Federal COLA of 2.3 percent. The costs for the CAPI program are \$254 million General Fund in 2025-26.

SSI/SSP caseload for 2025-26 is projected at 1,078,708 individuals, about a 0.7 percent decrease from the revised 2024-25 estimate (SSI/SSP caseload has been on a steady decline for years due to several factors, including the asset limit of \$2,000 for individuals and \$3,000 for couples.) The maximum SSI/SSP monthly payment effective January 2025 is \$1,206.94 for individuals and \$2,057.83 for couples. Projected 2025-26 maximum grant levels generally equate to about 90 percent of the federal poverty line for individuals and 114 percent of the federal poverty for couples, as shown in the LAO chart below.

## SSI/SSP Monthly Maximum Grant Levels<sup>a</sup>

	2023-24 (Actual)	2024-25 (Actual)	2025-26 (Projected)
<b>Maximum Grant—Individuals</b>			
SSI	\$943.00	\$967.00	\$989.00
SSP	239.94	239.94	239.94
<b>Totals</b>	<b>\$1,182.94</b>	<b>\$1,206.94</b>	<b>\$1,228.94</b>
Percent of federal poverty level <sup>b</sup>	94.26%	92.54%	90.45%
<b>Maximum Grant—Couples</b>			
SSI	\$1,415.00	\$1,450.00	\$1,483.00
SSP	607.83	607.83	607.83
<b>Totals</b>	<b>\$2,022.83</b>	<b>\$2,057.83</b>	<b>\$2,090.83</b>
Percent of federal poverty level <sup>b</sup>	118.76%	116.76%	113.87%
<sup>a</sup> The maximum monthly grants displayed refer to those for aged and disabled individuals and couples living in their own households, effective as of January 1 of the respective fiscal year. <sup>b</sup> Compares grant level to federal poverty guidelines from the U.S. Department of Health and Human Services for 2024 and 2025. Estimates of federal poverty guidelines for 2026 are based on the LAO Consumer Price Index for All Urban Consumers projection. The 2026 federal poverty guidelines will not be finalized until fall 2025.			

Source: LAO

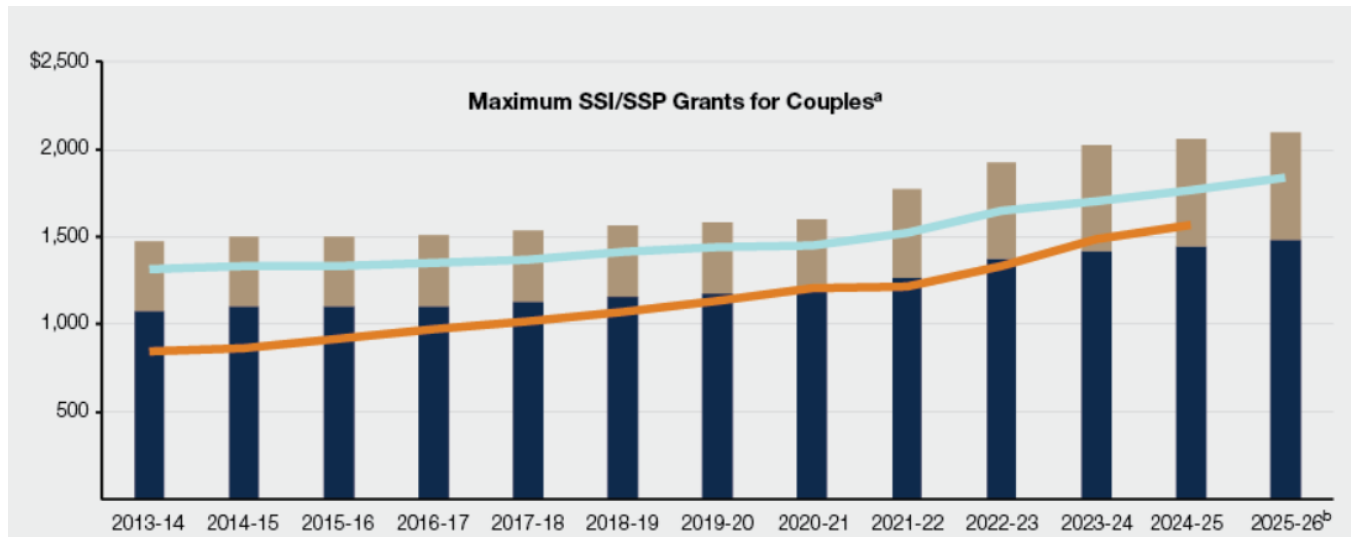
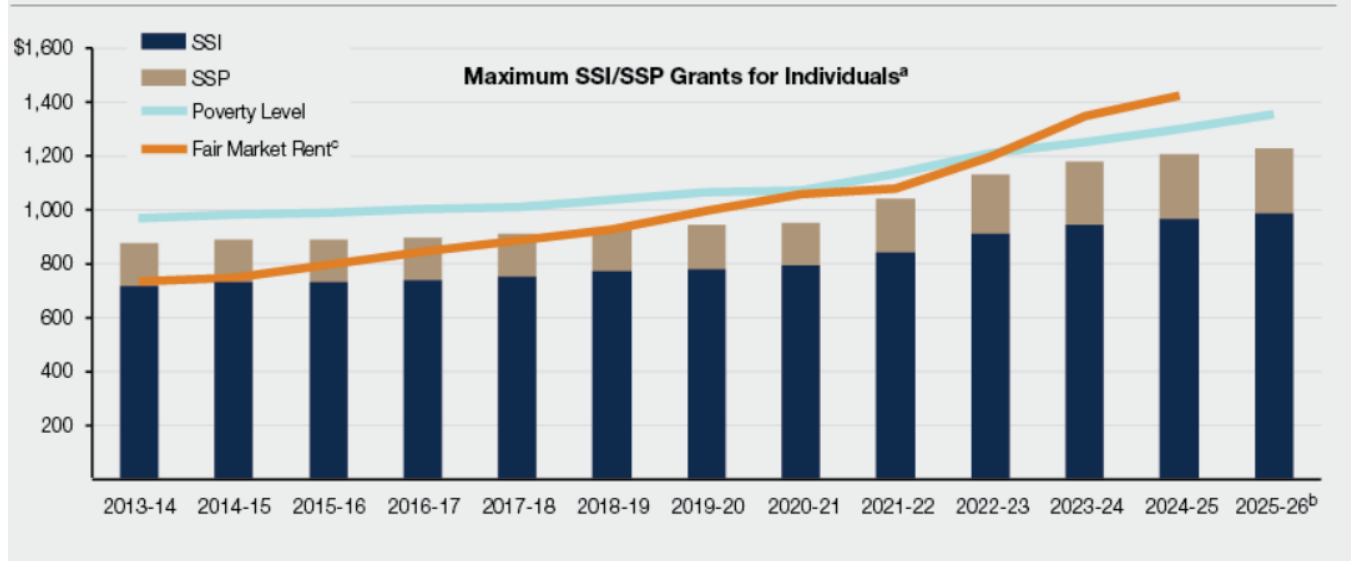
Many individuals who receive SSI/SSP struggle to maintain stable housing and meet basic living expenses. While the maximum SSI/SSP grant is above the federal poverty line for couples, it is below the federal poverty line for individuals, and as shown in the LAO chart above, will fall further below the federal poverty line in 2025-26.

The projected increases to maximum SSI/SSP grant levels in 2025-26 are entirely due to the estimated federal SSI COLA. The Governor’s budget estimates that the federal COLA for the SSI portion of the grant will be 2.5 percent in 2025-26, increasing maximum SSI grants by \$22 for individuals and \$33 for couples in January 1, 2026 (the actual federal SSI COLA will not be known until fall 2025). The Governor’s budget does not propose any change in the maximum SSP grants for 2025-26.

Most SSI/SSP recipients (roughly 60 percent) live in the 14 counties with the highest fair market rents, all of which are located within the Central Coast and San Francisco Bay regions, as well as Los Angeles, Orange, and San Diego Counties. In all of these 14 counties, the maximum SSI/SSP grant for couples is less than the fair market rent for a one-bedroom unit. This includes nine counties (where 22.5 percent of SSI/SSP recipients live) where the maximum SSI/SSP grant for couples is less than the fair market rent

for a studio apartment. The chart below, provided by the LAO, demonstrates maximum SSI/SSP grants for individuals and couples compared to both fair market rent and the federal poverty level.

### Maximum SSI/SSP Grants for Individuals and Couples Compared to Federal Poverty Level & Fair Market Rent



<sup>a</sup> The maximum SSP grant levels for aged and disabled individuals and couples living in their own households, effective January of each fiscal year.  
<sup>b</sup> Federal poverty guidelines as established by the US department of Health and Human Services up to 2024-25. Federal poverty guidelines for 2025-26 are estimates.  
<sup>c</sup> Fair market rents for an efficiency unit are displayed for individuals while fair market rents for a one-bedroom unit are displayed for couples. All fair market rents are from the US Department of Housing and Urban Development website (<https://www.huduser.gov/portal/datasets/fmr.html>).



Source: LAO

**Adult Protective Services.** Each county in California has an Adult Protective Services (APS) agency to support adults 60 and older and dependent adults who are unable to meet their own needs or are victims of abuse, neglect, or exploitation. County APS social workers investigate cases of abuse and arrange for services such as legal support, counseling, money management, and housing stabilization. Most common identified areas of need are self-care, independent living, ambulatory needs, cognitive needs, and financial abuse and neglect. In 2023-24, counties received 277,661 reports of abuse and opened 205,055 cases. Detailed data on APS cases is available on CDSS's APS Data Dashboard.<sup>2</sup>

The APS program was realigned to the counties in 2011; however state General Fund and some federal funds support specific APS programs including a statewide training curriculum, the development of a statewide data warehouse, and most significantly, the expansion of APS services to adults ages 60-65, which is supported by \$70 million General Fund ongoing beginning in 2021-22. The 2021-22 APS expansion also included an enhanced focus on housing and extended case management, in line with the ramp up of the Home Safe program. (See Issue #1 for more information on the Home Safe Program). In total, statewide funding for APS was approximately \$293.3 million in 2023-24.

The 2024 Budget Act included limited-term federal fund authority of \$369,000 in 2024-25 and \$257,000 in 2025-26, including two positions, to begin planning and development efforts toward a data warehouse for the APS program. This project is currently in development.

#### **Subcommittee Staff Comment and Recommendation – Hold Open.**

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide a brief overview on the Governor's proposed budget and caseloads for IHSS, SSI/SSP, and Adult Protective Services.
2. Please provide an update on the IHSS Career Pathways Program. What are the key outcomes of this program, both on IHSS caregivers and IHSS recipients?
3. Will the approximately \$24 million in IHSS Career Pathways expenditures that exceed available offsets from other HCBS programs need to be covered by the General Fund in the Governor's May Revision?
4. How will the depletion of Home Safe funding (discussed in Issue #1) affect the state's Adult Protective Services program and caseload?

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<sup>2</sup> [Workbook: STATEWIDE APS SOC 242](#)

**Issue 7: Community Care Licensing Overview**

**Background—Community Care Licensing.** The Community Care Licensing Division (CCLD) under CDSS oversees the licensure or certification of approximately 72,716 licensed facilities that include childcare centers; family child care homes; adult day care facilities; foster family homes; children, adult, and senior residential facilities, and licensed home care organizations. CCLD is responsible for protecting the health and safety of individuals served by those facilities. Licensing program analysts investigate any complaints lodged, and conduct inspections of the facilities. CCLD has a total of 1,593 authorized positions. In 2023-24, CCLD completed 39,000 facility inspections, 17,000 case management visits, 18,000 complaint investigations, and 8,300 applications for licensure.

**Governor’s Budget.** The 2024-25 Governor’s budget for CCLD is \$259.3 million total funds. This is comprised of \$130.6 million General Fund, \$95 million federal fund, \$6.5 million reimbursements, and \$27.2 million special funds.

Licensed facilities must pay an application fee and an annual fee, which are set in statute. The revenue from these fees is deposited into the Technical Assistance Fund (TAF) and is expended by the department to fund administrative and other activities in support of the licensing program. In addition to these annual fees, facilities are assessed civil penalties if they are found to have committed a licensing violation. Civil penalties assessed on licensed facilities are also deposited into the TAF, and are required to be used by the department for technical assistance, training, and education of licensees.

CCLD uses an inspection tool known as the CARE Tool to conduct statutorily mandated inspections of licensed facilities. In 2023-24, the compliance rate for facilities inspected was over 98 percent. Despite high compliance, CCLD issued over 25,000 citations and provided technical assistance to licensees over 8,000 times during inspections. In 2023, the most common area of noncompliance included errors in records.

**Updates on Guardian Background Check System.** The 2023 Budget Act included \$4 million General Fund for an increase of staff in the Care Provider Management Bureau for processing background checks, providing technical assistance, and customer services, in order to address a substantial background check backlog. The 2023 Budget Act also included \$900,000 limited-term funding to (1) support ongoing IT maintenance for the Guardian background check system and (2) initiate planning activities to develop a replacement to the Guardian system.

The average caseload backlog has decreased by 21 percent from 1,482 in the last quarter to 1,164 in the third quarter of 2024 (as of September 2024). The department continues to see backlogs trending down due to focused efforts on streamlining processes/procedures, training, and optimizing resource allocations. The average processing time for background checks is 3 days for clearances, 7-14 days for simplified exemptions, and 99 days for standard exemptions and other manual determinations.

**Updates on fire impacts.** CCLD monitors and responds to natural disasters and emergencies affecting facilities and homes licensed by the department. The January 2025 Los Angeles fires had an outsized impact on licensed facilities. CDSS reports the following impacts to licensed facilities as a result of the Los Angeles fires:

- Adult residential facilities: 230 monitored, 116 impacted (i.e. evacuated), 20 destroyed, 2 sustained significant damage.
- Child care facilities: 633 monitored, 435 impacted, 42 destroyed, 9 sustained significant damage.
- Children’s residential facilities and homes: 50 monitored, 39 impacted, 5 destroyed, one sustained significant damage.
- Across all facility types, 67 facilities were destroyed.

In response to the fires, CCLD has been working with licensed facilities on an individual basis to assess their needs. Recent executive orders provide flexibility to facilitate the movement of residents to other facilities, streamline new applications for licensure (for example, if a facility needs to move locations), and waive licensing fees for impacted licensees, among other emergency responses.

**Subcommittee Staff Comment and Recommendation – Informational Item.** No action is needed.

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide an update on the impacts of the Los Angeles fires on licensed facilities. How is the Community Care Licensing Division assisting licensees to retain or regain licensure? What are common barriers that prevent impacted facilities from resuming operations and regaining licensure?
2. Please provide an update on the Guardian replacement system project.

**Issue 8: Licensing Budget Change Proposals**

**Governor’s Budget—licensing budget change proposals.** The Governor’s budget includes four budget change proposals implementing legislation that affect the Community Care Licensing Division (CCLD) under CDSS, as follows:

1. **Administrative support for pool safety (AB 2866).** CDSS requests two permanent positions and one limited-term position to support the new workload under AB 2866 (Pellerin, Chapter 745, Statutes of 2024), which requires child care centers and family child care homes in single-family dwellings with in-ground pools to add specified safety features.
2. **Anaphylactic policy (AB 2317).** CDSS requests five positions to support the new workload created by AB 2317 (Stephanie Nguyen, Chapter 563, Statutes of 2024) to provide guidance and training on anaphylactic prevention and emergency responses in child care facilities.
3. **Children’s camps regulation (AB 262).** CDSS requests \$1.8 million General Fund for a contractor and four positions to conduct the work outlined in AB 262 (Holden, Chapter 341, Statutes of 2024) which requires CDSS to prepare a report, informed by consultation with a wide variety of stakeholders, on children’s camps that includes recommendations for a definition of a children’s camp, minimum health and safety requirements, and responsibilities and requirements for camp oversight to the Legislature.
4. **Resident services and rights support (SB 1406).** CDSS requests \$743,000 General Fund in 2025-26, \$725,000 General Fund in 2026-27, and \$549,000 General Fund in 2027-28 and ongoing for three permanent positions and two-year limited-term funding equivalent to one position, to implement SB 1406 (Allen, Chapter 340, Statutes of 2024), which increases the number of days, from 60 to 90, for which a licensee of a residential care facility for the elderly (RCFE) must provide written notice to residents or their representatives prior to any increases in the rate structures for fees and services.

**Administrative support for pool safety (AB 2866).**

**Background: AB 2866.** AB 2866 (Pellerin, Chapter 745, Statutes of 2024), creates additional requirements for child care centers and family child care homes with pools, and requires the child care licensing program to update pool safety regulations. The bill was introduced due to increased drowning, highlighting the need for stricter pool safety regulations. Specifically, the bill requires child care facilities with pools to add life rings, rescue poles, and fences, covers, and alarms, as specified. CDSS expects a high volume of provider inquiries and intends to provide various communications and technical assistance to the field.

**Staffing and resource request.** CDSS requests \$549,000 General Fund in 2025-26, \$537,000 in 2026-27, and \$414,000 ongoing for one permanent Associate Governmental Program Analyst (AGPA)/Staff Services Analyst (SSA), one two-year limited-term AGPA in the Community Care Licensing Division, and one permanent Senior Legal Analyst in the Legal Division to support the new workload created by AB 2866:



- The AGPA/SSA will be the lead expert on pool safety and will be responsible for: drafting policy and procedure memos, researching inquiries and responding to questions, and providing notifications and instructions to internal staff and affected licensees.
- The Legal Analyst will assist with drafting regulations. They will also develop training and guidance materials and provide ongoing legal assistance to staff.
- The limited-term AGPA will develop Adult and Senior Care regulations or Interim Licensing Standards as well as provide additional communication to the adult and senior care field staff and licensees in the form of Provider Information Notices (PIN).

According to CDSS, these positions will allow the department to update regulations to meet the higher pool safety standards and also update the Department's Compliance and Regulatory Enforcement (CARE) Tools. The CARE tool updates will assist Licensing Program Analysts (LPAs) when conducting inspections in licensed facilities. New fields will need to be added to the CARE Tools so that LPAs can verify compliance with the updated pool safety requirements that are outlined in the new Health and Safety Code and in the regulations that will be drafted.

### **Anaphylactic policy (AB 2317)**

**Background: AB 2317.** AB 2317 (Stephanie Nguyen, Chapter 563, Statutes of 2024), requires CDSS, in consultation with the California Department of Education (CDE), to establish an anaphylactic policy by July 1, 2027. This policy will include guidelines and training recommended for child daycare personnel to prevent anaphylaxis and procedures to be used during a medical emergency resulting from anaphylaxis. The bill also requires CDSS, in consultation with the Emergency Medical Services Authority (EMSA) and CDE, to create informational materials in multiple languages and post them on each of the departments' websites on or before September 1, 2027. The legislation specified certain provisions that must be included in the anaphylactic policy, including staff training, emergency administration of epinephrine auto-injectors, and health care plans for children with allergies, among others.

**Staffing and resource request.** In order to implement AB 2317, CDSS requests \$1.03 million General Fund in 2025-26, \$1 million General Fund in 2026-27, and \$698,000 ongoing for five positions: one permanent staff services manager (SSM) I Specialist, three permanent licensing program analysts (LPAs), and one limited-term attorney:

- The SSM I Specialist will establish an anaphylactic policy that sets forth guidelines and procedures outlined in the legislation and create informational materials detailing the anaphylactic policy. This position will provide technical assistance during the implementation process of the anaphylactic policy and new training requirements. They will also be the lead for outreach efforts and coordinating meetings with CDE and other required collaborating entities outlined in the bill.
- Three LPAs are needed to verify the new training requirements, review the plan for each licensee as required in the legislation, and verify the medication is on-site and not expired. The addition of three LPAs is to help offset the workload increase across the state as these new requirements will increase time spent during the inspection process for each LPA in the field by about 5-10 minutes.

- One limited-term Attorney IV for two years will help to establish the anaphylactic policy, implement regulations, and create training materials for impacted CDSS staff and childcare providers.

### **Children’s camps regulation (AB 262).**

**Background: AB 262.** AB 262 (Holden, Chapter 341, Statutes of 2024) requires CDSS to consult with a variety of stakeholders on children’s camp safety. The department must provide recommendations on the following: (1) the definition of a children’s camp; (2) the government agency or agencies necessary to adopt and enforce standards; and (3) minimum health and safety requirements to protect children attending children’s camps to the Legislature, within 24 months of receiving appropriated funds for this purpose. By approving the state operations and contract funds request, the department would consider the mandate for appropriation met and would commence the work required by AB 262.

**Staffing and resource request.** According to CDSS, the department will need to contract with a vendor to carry out the consultation requirements in AB 262, in addition to four positions, for a total cost of \$1.81 million in 2025-26 and \$787,000 for the next three fiscal years. Based on previous vendor contracts, CDSS estimates \$1 million for a contractor to oversee the process and to coordinate efforts including stakeholder engagement, a statewide survey to capture the number of potential children’s camps, and to identify cost drivers when defining a children’s camp. This contract would be a one-time cost. The CDSS staff is needed to oversee the work of the contractor, conduct research related to children’s camp regulation in other jurisdictions, help coordinate and run the workgroups, and develop recommendations as outlined in AB 262.

The positions include two permanent full-time Staff Services Manager (SSM) II (Specialists) and one permanent full-time Associate Governmental Program Analyst (AGPA) for contract management and workgroup oversight and one Research Data Analyst (RDA) II.

- The two SSM II positions will develop the request for proposal and manage and oversee a contract outlining the AB 262 requirements.
- The AGPA will support the work of the SSM IIs, assist with research, and be responsible for reviewing other states' regulations and oversight of camps, gathering relevant data to support recommendations, participating in the workgroups, and assisting in stakeholder communications.
- The RDA II would support this work by assisting with the cost estimate for implementation of the recommendations included in the report and by supporting the analysis of any survey results received as a part of this process. The RDA II will ensure the data approaches are measurable, achievable, and verifiable.

### **Resident services and rights support (SB 1406).**

**Background: SB 1406.** SB 1406 (Allen, Chapter 340, Statutes of 2024), extends the timeframe (from 60 to 90 days) for RCFE licensees to provide a written notice to residents or the resident’s representatives regarding any increase in the fee rates or rate structures for services and requires a detailed justification for the increase. SB 1406 additionally grants residents in privately operated facilities the personal right to request, refuse, or discontinue a service. CDSS anticipates an increase in the number of complaints,

citations, and regulatory and enforcement queries due to this change in part because there may be disagreements between residents and facilities about whether a service is necessary to help support the resident's safety.

**Staffing and resource request.** CDSS requests \$743,000 General Fund in 2025-26, \$725,000 General Fund in 2026-27, and \$549,000 General Fund ongoing and four positions (three permanent positions and one-limited term) to implement SB 1406. The positions include:

- Three permanent positions: one Staff Services Manager (SSM) I and two Associate Governmental Program Analysts (AGPAs) positions in Community Care Licensing Division's Centralized Complaint and Information Bureau (CCIB) to address the increased complaints and mitigate delays in monitoring licensed facilities and protecting the health and safety of residents.
- One limited-term AGPA position in its Policy Development Bureau (PDB) to implement updates to current policy, provider information notices and guidance letters, regulations, forms, and the CARE licensing inspection tool.

**Subcommittee Staff Comment and Recommendation – Hold Open.**

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide a brief overview of the four proposals in this issue: (1) Administrative support for pool safety, (2) Anaphylactic policy, (3) Children's camps regulations, and (4) Resident services and rights support.

**Issue 9: State Operations Reductions and Vacancies**

**Governor’s Budget – State operations reductions and vacancies.** The 2024 Budget Act included two control sections (Control Section 4.05 and Control Section 4.12) that aimed to implement efficiencies across state agencies in order to produce ongoing General Fund savings without adverse effects on state services. Both control sections established statewide administrative exercises led by the Department of Finance to (1) identify efficiencies in each department and (2) eliminate vacant positions and related funding.<sup>3</sup>

The 2024 Budget Act assumed General Fund savings of \$2.2 billion in 2024-25 and \$2.8 billion ongoing beginning in 2025-26 to reduce General Fund state operations expenditures by up to 7.95 percent. Although the budget assumed this level of savings could be achieved, it did not actually reduce departmental budgets by this amount. Instead, the reduction was made to the overall budget totals and remained “unallocated” to departments.<sup>4</sup> The 2024 Budget Act also assumed savings of \$1.5 billion (\$762.5 million General Fund) resulting from vacant positions across all departments; these savings were also left unallocated. The two control sections also included specific requirements for the Department of Finance to allocate and implement the savings across the Administration and report specified information on the General Fund savings and vacant positions to the Joint Legislative Budget Committee. According to the LAO, the Governor’s 2025-26 budget assumes lower savings than assumed in the 2024 Budget Act.

**CDSS reductions.** CDSS has shared the information below on the department’s solutions to address the requirements of Control Section 4.05:

**Control Section 4.05 State Operations Reductions**

- \$7,000,000 Shift additional personnel costs where allowable to federal funding to maximize federal fund and offsets General Fund costs.
- \$6,281,000 Temporary hiring freeze<sup>1</sup>
- \$3,087,000 Reduce operating expense and equipment spending (travel, training, office supplies, etc.)
- \$2,000,000 Reduce IT procurement spending.
- \$1,000,000 Reduce licensed facility temporary manager funding to meet expected need<sup>2</sup>
- \$19,368,000 TOTAL**

<sup>1</sup>Since the Temporary Hiring Freeze savings is one-time only, CDSS is working to identify ongoing savings of \$6.2 million.

<sup>2</sup>CDSS is funded to place temporary managers in licensed facilities when those facilities are being closed down. The Department will retain \$3.9 million for this purpose after the proposed reduction which the department states should be sufficient to meet needs.

<sup>3</sup> Legislative Analyst’s Office, “The 2025026 State Budget: State Departments’ Operational Efficiencies (Control Sections 4.05 and 4.12), February 19, 2025.

<sup>4</sup> LAO.

According to CDSS, the department was able to identify positions in child welfare programs that are currently supported with General Fund but are eligible to be funded by federal Title IV-E funds. As a result, federal funds can be used to offset General Fund, reducing overall General Fund costs.

**Subcommittee Staff Comment and Recommendation – Hold Open.** The reductions CDSS has identified seem generally in line with the goal of achieving General Fund savings without negatively impacting direct services.

**Questions.** The Subcommittee requests the Administration respond to the following:

1. Please provide a brief overview of how the department is implementing state operations and vacancies reductions pursuant to Control Sections 4.05 and 4.12 of the 2024 Budget Act, and the impacts of these changes.

**NOT FOR PRESENTATION****Issue 10: Proposals for Investment**

**Proposals for Investment.** The Subcommittee has received the following proposals for investment:

- **Bolster California’s Immigration Legal Services Programs to Keep California Families Together.** A coalition of organizations including the California Immigrant Policy Center, Immigrant Legal Resource Center, Vera Institute of Justice, Immigrant Legal Defense, Central American Resource Center of Los Angeles, and Immigrant Rights and Education Network, propose \$60 million General Fund one-time to increase access to immigration legal services. According to this coalition, “while current funding for California’s immigration legal services programs support thousands of children and families every year, additional investments are urgently needed to meet the high demand for legal services amid the increase in immigration enforcement and rapid shifts in immigration policy changes by the federal administration. Investments are needed to meet emerging needs, especially in underserved regions such as the Central Valley, Central Coast, and Inland Empire, to provide legal services and community education support, and support for legal orientation and services programs for vulnerable individuals, including children, facing deportation that are cut off from federally funded legal services programs.”

The coalition states “as of December 2024, more than 179,000 people, including children and families, in California are facing deportation in immigration courts without legal representation. Unlike criminal court, people, including children, facing deportation in immigration court are not provided a lawyer if they cannot afford one.” The coalition also notes that “federal stop-work orders have halted critical legal services funded by the federal government, cutting off access to representation for thousands of vulnerable children and families in California... While there has been some temporary relief from these orders, more actions by the federal government are anticipated. This reinforces the necessity for California to prioritize state funding to help bolster and stabilize legal access and representation services that countless Californians rely on to navigate the complexity of the immigration system and relief available to them under existing law.”

- **Transition Collective Bargaining for IHSS Providers from the County to the State Level.** UDW/AFSCME Local 3930 and SEIU request \$1 million General Fund and \$1 million federal fund in 2025-26 and ongoing to cover staffing costs related to implementing current legislation, AB 293 (Haney), to create statewide bargaining for IHSS providers. If approved, the funding would support 10 positions in CDSS or the California Department of Human Resources (CalHR) to establish a state collective bargaining team to oversee changes in provider orientation and potential programming changes to the IHSS case management system. According to these organizations, “California is facing a growing care crisis due to the rapidly increasing population of older adults. Demand for IHSS providers far exceeds supply. IHSS provider wages range from \$16 to \$21.50 per hour, with an average of \$17.60. This is far below the estimated \$28.72 per hour living wage for an adult without children or \$51.15 for a family of four.... From 2017 to 2023, the average annual turnover rate of IHSS providers not related to their clients was 23.76 percent, while the turnover rate for family providers averaged 11.59 percent. High turnover greatly disrupts

quality and continuity of care, leading to negative health outcomes for recipients, especially those without family members able to serve as their providers.”

These organizations state that “to address the crisis, UDW and SEIU California propose shifting IHSS collective bargaining from the county to the state level. Under this mode, wage and benefits disparities across the counties would be reduced and lead to improved provider recruitment, retention, and stability. States like Connecticut, Illinois, Massachusetts, Minnesota, Washington, and Oregon have improved wages, benefits, and retention through statewide bargaining.”

- **End Poverty for SSI/SSP Older Adults and People with Disabilities.** Californians for SSI, a statewide coalition of organizations across the aging, disability rights, housing and homelessness, anti-hunger, and anti-poverty sectors, propose \$468 million General Fund in 2025-26, \$507 million in 2026-27, and \$524 million General Fund in 2027-28 and ongoing to support three changes in the SSI/SSP program:
  1. Provide an ongoing cost-of-living increase (\$78 million General Fund in 2025-26, \$162 million General Fund in 2026-27, and \$167 million General Fund ongoing) to SSP grants.
  2. Revive an emergency grant program for older adults and people with disabilities (\$20 million General Fund in 2025-26 ongoing for five years).
  3. Lift SSI/SSP grants to at least the Federal Poverty Line (\$370 million General Fund in 2025-26, \$325 million General Fund in 2026-27, and \$337 million General Fund in 2027-28 ongoing for five years).

According to Californians for SSI, “current funding levels still fall short of what individuals living on SSI/SSP need to live safely and comfortably in California, due to the ongoing harm caused by recession-era cuts in 2009 and 2011 when California cut the SSP and eliminated the yearly Cost-of-Living Adjustment (COLA) for the state portion (SSP grant). If the COLA had been maintained, grant levels would already have exceeded the Federal Poverty Line. The SSP grant for January 2025 would be at \$430.62 if the COLA had been applied since January 2008, instead of the current \$240. When you take into account the state-portion (SSP) and the federal portion (SSI), the maximum grant for an individual in 2025 is about \$1,206, or 92.5 percent of the federal poverty line.”

“Simultaneously, we must finally close the gap and bring every SSI/SSP older adult and individual with a disability above the poverty level. California’s housing crisis means that SSI recipients remain in dire need, and many continue to be at risk of homelessness and unstable housing. SSI/SSP grants are so low that in 2024, the rent for a studio exceeded one-half of the SSI grant in all 58 counties and was higher than the entire grant in 25 counties. The LAO also noted that currently, 60 percent of SSI/SSP recipients live in 14 counties with the highest Fair Market Rent. Rent, food, and healthcare costs would exceed ALL counties’ SSI/SSP grants... We urge California leadership to appropriate a 5-step increase to lift SSP grants to the Federal Poverty level.”

“It is nearly impossible for older adults and people with disabilities on SSI to save up for emergencies, given the low grant levels, and due to the SSI asset limit test of \$2,000 for individuals and \$3,000 for couples... In the past, California had an emergency grant program for Supplemental Security Income,

In-Home Supportive Services, or Cash Assistance Program for Immigrants, which CA4SSI coalition members found critical to ensuring they could survive in California... Reviving an emergency grant program will support older adults and people with disabilities facing emergencies, by ensuring they can get financial assistance in a one-time lump sum. The funding could be used for a variety of reasons, including but not limited to: moving costs to help prevent homelessness, house repairs to prevent unsafe or unhealthful conditions, maintain heating/cooling systems, and maintain safe and operating stoves and refrigerators.”

- **Equity in Access to 2-1-1 Social Care Resource Connection and Disaster Services.** 2-1-1 California, Inland SoCal United Way 2-1-1, and United Ways of California propose \$20 million General Fund one-time in 2025-26 to support core operations for local 2-1-1 providers, establish 24/7 2-1-1 operations in counties that have limited 2-1-1 service, support 2-1-1 data sharing, and support 2-1-1 disaster response and recovery work.

According to these organizations, “2-1-1 is a critical gateway to accessing social care, preventive, crisis, and disaster resources, and is a trusted source of information for Californians of all backgrounds and languages. To date, counties, local governments, and philanthropic funders have carried funding for local 2-1-1 programs, with no significant core operations funding from the state, despite an increasing reliance on the services 2-1-1 operators provide as trusted messengers during the COVID-19 pandemic and recent disasters. This has resulted in variability and inequity in access to 2-1-1 services across the state, and vulnerability to local government budget constraints and federal funding changes resulting in loss of 2-1-1 coverage and capacity. Counties large and small around the state are struggling with insufficient local funding to meet community demand for 2-1-1 service, resulting in hundreds of thousands of calls unanswered, straining disaster response capacity, and leaving over 722,000 Californians without access to 2-1-1 services and many more at risk of losing service.”

**Subcommittee Staff Comment and Recommendation – Hold Open.**