SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS Senator Josh Becker, Chair 2025 - 2026 Regular

Bill No:	AB 777	Hearing Date:	7/1/2025
Author:	Celeste Rodriguez		
Version:	5/1/2025 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Nidia Bautista		

SUBJECT: Food assistance: disasters: utilities

DIGEST: This bill, among its provisions, requires utilities to respond to all data requests from the California Department of Social Services (CDSS), and to establish a dedicated point of contact with CDSS and to establish data sharing agreements to provide the requested data.

ANALYSIS:

Existing law:

- Acknowledges access to sufficient affordable and healthy food as a human right and requires state agencies and departments to consider this state policy. (Welfare and Institutions Code §18700)
- 2) Establishes the CalFresh program to administer the provision of federal Supplemental Nutritional Assistance Program (SNAP) benefits to families and individuals meeting certain criteria, as specified. (Welfare and Institutions Code §18900 *et seq.*)
- 3) Requires CDSS to identify the needed elements in a county human services department disaster plan and develop guidance for the development and submission of that plan. (Welfare and Institutions Code §18917 (a))
- 4) Requires CDSS and county human services agencies, if the President of the United States issues a Major Disaster Declaration with Individual Assistance, to request to operate a federal Disaster SNAP (D-SNAP) for the regions affected by the major disaster. Requires the request to include a waiver request to provide automatic, mass replacement benefits to eligible households and a waiver request to allow households to purchase hot, prepared foods at authorized retailers with their benefits. (Welfare and Institutions Code §18917(d))

- 5) Provides legislative intent that CDSS shall maximize the capacity of counties to maintain timely, adequate, and safe access to all applicable benefits during a disaster. (Welfare and Institutions Code §18917(e))
- 6) Declares legislative intent to maximize food access for all CalFresh recipients. (Welfare and Institutions Code §18919.1(a))
- 7) Establishes the Electronic Benefits Transfer (EBT) Act, and defines the EBT system as a program designed to provide benefits to those eligible to receive public assistance benefits such as the California Work Opportunity and Responsibility to Kids (CalWORKs) and CalFresh. (Welfare and Institutions Code §10065 *et seq.*)
- 8) Authorizes the California Public Utilities Commission (CPUC) to supervise and regulate every public utility in the state and to do all things, whether specifically designated or in addition thereto, which are necessary and convenient in the exercise of such power and jurisdiction. (Public Utilities Code §701)
- 9) Establishes the Public Utility District Act, authorizing the formation and governance of public utility districts to provide services such as electricity, water, and waste management to local communities. (Public Utilities Code §15501 *et seq.*)

This bill:

- 1) Requires electrical corporations, gas corporations, water corporations, and local publicly owned electric utilities to respond to data requests from the CDSS, and requires the CPUC to establish any memorandum of understanding (MOU) or other data sharing agreement necessary to direct those utilities to provide data to the department to maximize food assistance, as provided.
- 2) Requires CDSS to maximize the amount of assistance requested and received through D-SNAP and all other federally funded nutrition assistance, including utilizing that provided utility data, in order to timely seek automated mass replacement of specified federally funded nutrition assistance programs.
- 3) Require CDSS, on or before December 31, 2026, to submit a report to the Legislature related to food assistance, as specified.

- 4) Requires those utilities to have a dedicated point of contact for the CDSS and to establish any MOU or other data sharing agreement necessary to provide the requested data.
- 5) Requires the CPUC to provide technical assistance to the CDSS, including technical assistance to support the above-described report.
- 6) Imposes a state-mandated local program by imposing additional duties on local publicly owned electric utilities.

Background

CalFresh. CalFresh is California's version of the federal SNAP, an entitlement program that provides eligible households with federally funded monthly benefits to purchase food. CalFresh food benefits are 100% federally funded. CalFresh food benefits are issued through an EBT card, accepted at eligible retailers, also known as "Sun Bucks." Recipients can buy groceries but are not allowed to purchase "hot foods" or nonfood items. Grocers and other retailers are paid directly by the federal government for the dollar value of purchases made with CalFresh food benefits. Monthly benefits per household vary based on household size, income, and deductible living expenses. Larger households generally receive more benefits than smaller households and relatively higher-income households generally receive fewer benefits than lower-income households. According to the Legislative Analyst's Office in their October 2024 report concerning the state spending plan, the average benefits in 2024 was \$322 a month per household.

Disaster CalFresh (D-CalFresh). D-CalFresh is the state specific version of the federal Disaster SNAP. The program can be enabled after an emergency or disaster to help victims purchase food. Before California can offer D-CalFresh to victims, a Presidential Major Disaster Declaration for Individual Assistance must be declared, commercial food distribution channels must have been disrupted and restored, and the state must be approved by the federal government to provide it. Disaster areas are defined by the Presidential Declaration. D-CalFresh provides disaster victims with a month's worth of benefits on an EBT card if they are not eligible for the regular CalFresh. For a household to be eligible, a person in that household must (1) live or work in the disaster area, (2) planned to have purchased food during the time of the disaster, (3) have experienced an adverse effect like loss of income or inaccessible resources, and (4) meet the disaster gross income limit which is set by the federal government. According to the CDSS CalFresh Emergency Response Handbook (September 2018), households can receive up to \$292 for a month and do not need to be CalFresh recipients before the disaster.

State law requires CDSS to request additional federal waivers when seeking authorization for D-SNAP. These include: the Timely Reporting Waiver, which extends the 10-day deadline for CalFresh recipients to report food loss; the Automated Mass Replacement Waiver, which allows CDSS to automatically replace a portion of benefits for households in the affected area without requiring an application; and, the Hot Foods Waiver, which temporarily permits the purchase of hot, prepared foods in designated zip codes.

Disaster Plans. State law requires each county to submit a D-CalFresh Plan annually for every federal fiscal year. The plan must outline how the county will ensure the timely delivery of D-CalFresh benefits and describe arrangements for mutual aid support from at least two other counties. Counties submit their plans to CDSS, who then compiles and submits to the United States Department of Agriculture (USDA) Food and Nutrition Service. CDSS is also responsible for maintaining a D-CalFresh Handbook that provides guidance on program administration, best practices, and protocols for maintaining communication with the state during implementation.

In addition to D-CalFresh planning, counties are required to notify CDSS whenever a county welfare department closes during regular business hours due to a disaster or other emergency. As outlined in the Manual of Policies and Procedures Section 11-601, counties are required to ensure that individuals can still apply for and receive CalFresh, CalWORKs, and Medi-Cal benefits, including emergency benefits within required timeframes. Counties are also required to post notices about their hours of operations and the procedures in place for accessing benefits during closures.

CDSS Emergency Response Handbook. According to the CDSS Emergency Response Handbook, CalFresh households experiencing food loss—the spoilage or destruction of food purchased with CalFresh benefits as a direct result of a disaster—can request replacement benefits by submitting a replacement affidavit within 10 days of loss. This timeframe may be extended to 30 days if a Timely Reporting Waiver is approved. The affidavit form can be submitted in person, by mail, fax, telephone or online. Counties are required to verify the loss, which may involve contacting agencies like the Red Cross or local fire departments. Once verified, replacement benefits should be issued within two business days. For losses due to power outages, the replacement amount if typically 70% of the calculated benefit, reflecting the proportion of perishable food likely lost.

Criteria for approval of automated mass replacement include evidence that at least 50% of households in the area experienced food loss and that power outages lasted four hours or more. Disaster-impacted areas are typically defined by ZIP code,

though they may also include entire counties or broader geographic regions. To support the Automatic Mass Replacement (AMR) Waiver, particularly in cases involving power outages, CDSS or county welfare departments must obtain data from local or state utility providers, which is outlined below. For events like major flooding, CDSS allows counties to assume food loss without requiring the same level of documentation as for power outages.

To assist counties in working with utility companies, CDSS includes a Power Outage Data Request Checklist in its Emergency Response Handbook. CDSS encourages counties to proactively build relationships with local utility providers, as obtaining necessary documentation after a disaster can be difficult. The checklist advises counties to request:

- A list of ZIP codes where 50% or more households or meters experienced a power outage lasting for four more hours;
- The start and end dates of the reported outages; and,
- Confirmation that ZIP codes with 15 or fewer households or meters may be excluded to protect personally identifiable information.

In addition to the above information, specific caseload data must also be secured for the geographic area, either by CDSS or the county welfare department (CWD), including:

- Number of CalFresh households in affected area(s);
- Number of CalFresh individuals in affected area(s); and,
- Estimated amount of replacement benefits.

Once the caseload data has been provided and CDSS and CWD have completed the AMR Waiver request, the request will be submitted by CDSS to the USDA Food and Nutrition Service (FNS) for approval. If approved, CDSS, the CWD, and their respective consortia, will work together to coordinate the automatic issuance of replacement benefits to CalFresh households in the geographic area. The FNS will specify the percentage of benefits that will be replaced in their approval of the AMR Waiver request.

Once the AMR Waiver request has been approved, CWDs will work with CDSS and their respective consortia to schedule the issuance of automatic mass replacement benefits. Most often, automatic mass replacement benefits are issued via an overnight batch process. Only ongoing CalFresh households residing in the qualifying geographic area(s) at the time of the disaster are eligible to receive replacement benefits on an automatic mass basis.

Comments

Need for this bill. The proponents of the bill contend it is necessary to address a critical gap in our state's disaster response system, specifically a lack of timely and thorough utility outage data, needed to provide access to federal food assistance programs during and following disasters. When disasters occur, the CDSS is required to submit a thorough request to the federal government in order to trigger emergency food programs like D-SNAP. For these requests to be followed through, there must be accurate data submitted relating to which communities were impacted by the disaster. The proponents of this bill state that many utility providers default on consistently providing the required data for multiple reasons, including but not limited to, delays and the absence of formalized agreements with CDSS. They express concerns that the risks of not providing access to critical aid can often leave families in disaster zones without the necessary resources to recover during and after a disaster. This can lead to spoiled food, a loss of income, and increasing food insecurity especially considering the impacts of climate change and the increasing scope, severity, and frequency of natural disasters in our state. AB 777 seeks to fix this issue by requiring that utility companies create formalized data sharing agreements, designate points of contact, and that they provide their aggregated outage date and share it with DSS in a timely manner. As such, the bill will ensure that eligible households do not continue to be excluded from receiving needed aid during emergencies.

Similar outage data sharing efforts in existence. The proponents of this bill cite the 2019 CPUC Decision 19-07-015, Order Instituting Rulemaking Regarding *Emergency Disaster Relief Program* (R. 18-03-011) where the CPUC adopted emergency disaster relief program for electric, natural gas, water, and sewer utility customers under the agency's jurisdiction. The emergency disaster relief program is designed to ensure that California utility customers who experience a housing or financial crisis due to a disaster, keep vital utility services and receive financial support in the wake of a disaster. The emergency disaster relief program is required to be implemented upon a Governor of California's state of emergency declaration or a Presidential State of Emergency declaration, when a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service. Among its many provisions, the decision includes a requirement that these utilities work in coordination with government agencies by providing aggregate outage data, including the number of customer accounts affected, duration, areas impacted by the disaster. The data must then be reported to government agencies like California Office of Emergency Services and California Department of Forestry and Fire Protection during disasters. Within that proceeding, Southern California Edison (SCE) shared that it provides that it provides information useful to other government agencies like the CDSS to other entities at an aggregated level that

cannot be used to identify a specific customer in order to support providing assistance to only those affected by the disaster. Specifically, SCE stated it provided information to CDSS that included the percentage of customers affected for four hours or more within a particular zip code. In this regard, this bill attempts to further formalize these requirements and extend them to publicly owned electric utilities.

Amendments needed. As currently drafted, this bill requires utilities to share data with CDSS upon request, potentially on an ongoing basis. Additionally, this bill requires the CPUC to direct all the specified utilities, including publicly owned electric utilities, to develop agreement with CDSS. However, the CPUC is not generally tasked with directing these utilities which for which the CPUC's authority is more limited. *As such, the author and committee may wish to:*

- Clarify that data requests by CDSS of utilities are limited to those in relation to addressing nutritional assistance during disasters.
- Clarify the CPUC only directs the investor-owned utilities to develop agreements with CDSS, whereas, local governing boards of publicly owned utilities adopt agreements with CDSS.
- Clarify the data requested is aggregated by zip code.

Dual Referral. Should this bill be approved by this committee, it will be re-referred to the Senate Human Services Committee.

Prior/Related Legislation

AB 607 (Gloria, Chapter 501, Statutes of 2017) the Community Resiliency and Disaster Preparedness Act of 2017, required specified actions on the part of the CDSS and the county human services agencies in order to prepare for and respond to the needs of low-income residents in the event of a disaster.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT:

California Association of Food Banks (Co-Sponsor) End Child Poverty California (Co-Sponsor) Western Center on Law & Poverty (Co-Sponsor) Feeding San Diego Food for People, the Food Bank for Humboldt County Food in Need of Distribution Food Bank GLIDE Los Angeles Regional Food Bank Mazon: a Jewish Response to Hunger Second Harvest Food Bank of Orange County Second Harvest Food Bank of Santa Cruz County Second Harvest of Silicon Valley

OPPOSITION:

Oakland Privacy, unless amended

ARGUMENTS IN SUPPORT: The sponsors of this bill, California Association of Food Banks, End Child Poverty California, and Western Center on Law & Poverty, state:

We must ensure all available federal food assistance reaches disproportionately impacted Latine, Black, and other households with low-incomes who experience the highest rates of poverty-related hunger and also bear the brunt of climate-related environmental crises.

...With the increasing frequency and severity of natural disasters in California, FEMA has designated 48 of 58 counties as moderate to very high risk. In 2023 alone, California implemented D-CalFresh on five separate occasions across 28 counties. The recent Los Angeles Firestorms and winds demonstrated that power can be out in several communities, simultaneously, straining the ability to timely collect all necessary data. Lack of timely or complete data from electric utilities can mean requests for federal assistance do not include eligible households or are not approved. For example, in Santa Clara in June 2023, FNS denied DSS' request for Disaster CalFresh. Maximizing federally funded food benefits like D-CalFresh and CalFresh will help to improve grocery affordability for low income Californians and electricity customers, who also struggle to afford utility bills.

ARGUMENTS IN OPPOSITION: Oakland Privacy states:

With regard to this particular bill, and the manifest necessity to feed people during disasters and emergencies, what we would like to see is specific language in the bill that the data sharing MOU's between the utilities and the Department of Social Services are not ongoing, but provide data during disasters and emergencies regarding outages and areas in need of support. In our reading of the bill, the data transfers are not limited to specific times of disasters and emergencies and we are in agreement with the Assembly Human Services consultant who suggested that be specified in the bill. The amendments the committee ended up with strongly suggest that intent, but are not as specific as we would like to see.