

**ASSEMBLY BILL**

**No. 1747**

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**Introduced by Assembly Member Weber**

February 2, 2016

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An act to add Section 66025.93 to the Education Code, and to amend Sections 10072, 18904.3, and 18995 of the Welfare and Institutions Code, relating to food assistance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1747, as introduced, Weber. Food assistance: higher education students.

(1) Existing federal law provides for the Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. Existing state law authorizes a county to deliver CalFresh benefits through the use of an electronic benefits transfer (EBT) system. Existing federal law authorizes counties to participate in the Restaurant Meals Program.

Existing law establishes the Cal Grant Program under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under the program for participating students attending qualifying institutions. Existing law requires each Cal Grant participating institution, as a condition for its voluntary participation in the Cal Grant Program, to annually report to the commission specified information for its undergraduate programs.

This bill would require, as a condition of participation in the Cal Grant Program, each public and private postsecondary educational institution to ensure that surcharge-free transactions are accessible on each campus

through the EBT system. The bill would also require these institutions that are located in a county that participates in the Restaurant Meals Program to apply to become an approved food vendor for the program, if the institution operates any qualifying food facilities on campus, or to provide contracting food vendors with specified information about the program.

(2) Under existing law, a recipient of public assistance benefits may be charged a fee for cash withdrawal transactions using the EBT system, but excludes CalFresh transactions from this fee.

This bill would additionally exclude from the fee a transaction processed through a point of sale device or an automated teller machine located on the campus of a public or private postsecondary educational institution.

(3) Existing law requires the State Department of Social Services, if private nonprofit organizations are successful in raising money for CalFresh outreach activities and have secured a local governmental agency to serve as the contracting agency, upon request and subject to approval by the United States Department of Agriculture, to act as their state entity for the receipt of matching funds.

This bill would include public postsecondary educational institutions among the entities that may receive matching funds for conducting CalFresh outreach activities, as specified.

(4) Existing law requires the State Department of Social Services to establish and administer the State Emergency Food Assistance Program, to provide food and funding for the provision of emergency food to food banks, as provided. Existing law creates the State Emergency Food Assistance Program Account within the Emergency Food Assistance Program Fund and requires that moneys in the account, upon appropriation by the Legislature, be used by the program for the purchase, storage, and transportation of food grown or produced in California and for the department's administrative costs.

This bill would establish the Public Higher Education Pantry Assistance Account in the Emergency Food Assistance Program Fund, and would require that moneys in the account, upon appropriation by the Legislature, be allocated to the department for allocation to food banks that support on-campus pantry and hunger relief efforts serving low-income students, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. It is the intent of the Legislature to increase the  
2 college graduation rates of low-income Californians and to reduce  
3 the incidence of economic hardship and hunger among low-income  
4 college students.

5 SEC. 2. Section 66025.93 is added to the Education Code,  
6 immediately following Section 66025.92, to read:

7 66025.93. (a) As a condition of its participation in the Cal  
8 Grant Program, each public and private postsecondary education  
9 institution shall do all of the following:

10 (1) Ensure that surcharge-free transactions are accessible on  
11 each campus using the electronic benefits transfer (EBT) system  
12 established pursuant to Chapter 3 (commencing with Section  
13 10065) of Part 1 of Division 9 of the Welfare and Institutions Code.

14 (2) If the institution is located in a county that participates in  
15 the Restaurant Meals Program established pursuant to Section  
16 2020 of Title 7 of the United States Code, the institution shall do  
17 all of the following:

18 (A) Apply to become an approved food vendor for the  
19 Restaurant Meals Program, if the institution operates any qualifying  
20 food facilities on campus.

21 (B) Annually provide all on-campus food vendors not operated  
22 by the institution with information regarding the Restaurant Meals  
23 Program and the manner in which to apply.

24 (C) If an on-campus food vendor has been approved to  
25 participate in the Restaurant Meals Program, annually inform  
26 students about the program using information provided by the  
27 State Department of Social Services.

28 (b) This section does not require an institution to create, operate,  
29 or maintain an EBT system on behalf of on-campus food vendors.

30 (c) To the extent any contract would be substantially impaired  
31 as a result of the application of this section, this section shall apply  
32 only to contracts renewed or entered into on or after January 1,  
33 2017.

34 SEC. 3. Section 10072 of the Welfare and Institutions Code is  
35 amended to read:

36 10072. The electronic benefits transfer system required by this  
37 chapter shall be designed to do, but not be limited to, all of the  
38 following:

1 (a) To the extent permitted by federal law and the rules of the  
2 program providing the benefits, recipients who are required to  
3 receive their benefits using an electronic benefits transfer system  
4 shall be permitted to gain access to the benefits in any part of the  
5 state where electronic benefits transfers are accepted. All electronic  
6 benefits transfer systems in this state shall be designed to allow  
7 recipients to gain access to their benefits by using every other  
8 electronic benefits transfer system.

9 (b) To the maximum extent feasible, electronic benefits transfer  
10 systems shall be designed to be compatible with the electronic  
11 benefits transfer systems in other states.

12 (c) All reasonable measures shall be taken in order to ensure  
13 that recipients have access to electronically issued benefits through  
14 systems such as automated teller machines, point-of-sale devices,  
15 or other devices that accept electronic benefits transfer transactions.  
16 Benefits provided under Chapter 2 (commencing with Section  
17 11200) of Part 3 shall be staggered over a period of three calendar  
18 days, unless a county requests a waiver from the department and  
19 the waiver is approved, or in cases of hardship pursuant to  
20 subdivision (p).

21 (d) The system shall provide for reasonable access to benefits  
22 to recipients who demonstrate an inability to use an electronic  
23 benefits transfer card or other aspect of the system because of  
24 disability, language, lack of access, or other barrier. These  
25 alternative methods shall conform to the requirements of the  
26 Americans with Disabilities Act (42 U.S.C. Sec. 12101, et seq.),  
27 including reasonable accommodations for recipients who, because  
28 of physical or mental disabilities, are unable to operate or otherwise  
29 make effective use of the electronic benefits transfer system.

30 (e) The system shall permit a recipient the option to choose a  
31 personal identification number, also known as a “PIN” number,  
32 to assist the recipient to remember his or her number in order to  
33 allow access to benefits. Whenever an institution, authorized  
34 representative, or other third party not part of the recipient  
35 household or assistance unit has been issued an electronic benefits  
36 transfer card, either in lieu of, or in addition to, the recipient, the  
37 third party shall have a separate card and personal identification  
38 number. At the option of the recipient, he or she may designate  
39 whether restrictions apply to the third party’s access to the  
40 recipient’s benefits. At the option of the recipient head of

1 household or assistance unit, the county shall provide one electronic  
2 benefits transfer card to each adult member to enable them to  
3 access benefits.

4 (f) The system shall have a 24-hour per day toll-free telephone  
5 hotline for the reporting of lost or stolen cards that will provide  
6 recipients, at no additional cost to the recipient, with information  
7 on how to have the card and personal identification number  
8 replaced, and that will allow an authorized representative or head  
9 of household to access, over the telephone, the transaction history  
10 detail for at least the last 10 transactions and to request that the  
11 transaction history detail for at least the past two months be sent  
12 by mail.

13 (g) The system shall have an Internet Web site that will provide  
14 recipients, at no additional cost to the recipient, with information  
15 on how to have the card and personal identification number  
16 replaced, and that will allow an authorized representative or head  
17 of household to view the transaction history detail for at least the  
18 last 10 transactions and to request that the transaction history detail  
19 for at least the past two months be sent by mail.

20 (h) In addition to the ability to receive transaction history detail  
21 pursuant to subdivisions (f) and (g), a county human services  
22 agency shall make available to an authorized representative or  
23 head of household, at no additional cost to the authorized  
24 representative or head of household, all electronic benefit  
25 transaction history details that are available to the county human  
26 services agency within 10 business days after a request has been  
27 received by the agency.

28 (i) (1) A recipient shall not incur any loss of electronic benefits  
29 after reporting that his or her electronic benefits transfer card or  
30 personal identification number has been lost or stolen. The system  
31 shall provide for the prompt replacement of lost or stolen electronic  
32 benefits transfer cards and personal identification numbers.  
33 Electronic benefits for which the case was determined eligible and  
34 that were not withdrawn by transactions using an authorized  
35 personal identification number for the account shall also be  
36 promptly replaced.

37 (2) A recipient shall not incur any loss of cash benefits that are  
38 taken by an unauthorized withdrawal, removal, or use of benefits  
39 that does not occur by the use of a physical EBT card issued to the  
40 recipient or authorized third party to directly access the benefits.

1 Benefits taken as described in this paragraph shall be promptly  
2 replaced in accordance with the protocol established by the  
3 department pursuant to paragraph (3).

4 (3) The State Department of Social Services shall establish a  
5 protocol for recipients to report electronic theft of cash benefits  
6 that minimizes the burden on recipients, ensures prompt  
7 replacement of benefits in order to minimize the harm to recipients,  
8 and ensures program integrity. This protocol may include the  
9 automatic replacement of benefits without the need for recipient  
10 reporting and verification.

11 (j) Electronic benefits transfer system consumers shall be  
12 informed on how to use electronic benefits transfer cards, how to  
13 protect their cards from misuse, and where consumers can use their  
14 cards to withdraw benefits without incurring a fee, charge, or  
15 surcharge.

16 (k) The electronic benefits transfer system shall be designed to  
17 inform recipients when the electronic benefits transfer system does  
18 not function or is expected not to function for more than a one-hour  
19 period between 6 a.m. and midnight during any 24-hour period.  
20 This information shall be made available in the recipient's preferred  
21 language if the electronic benefits transfer system vendor contract  
22 provides for services in that language.

23 (l) Procedures shall be developed for error resolution.

24 (m) No fee shall be charged by the state, a county, or an  
25 electronic benefits processor certified by the state to retailers  
26 participating in the electronic benefits transfer system.

27 (n) Except for CalFresh transactions *and transactions processed*  
28 *through a point of sale device or an automated teller machine*  
29 *located on the campus of a public or private postsecondary*  
30 *educational institution pursuant to Section 66025.93 of the*  
31 *Education Code*, a recipient may be charged a fee, not to exceed  
32 the amount allowed by applicable state and federal law and  
33 customarily charged to other customers, for cash withdrawal  
34 transactions that exceed four per month.

35 (o) The electronic benefits transfer system shall be designed to  
36 ensure that recipients of benefits under Chapter 2 (commencing  
37 with Section 11200) of Part 3 have access to using or withdrawing  
38 benefits with minimal fees or charges, including an opportunity  
39 to access benefits with no fee or charges.

1 (p) A county shall exempt an individual from the three-day  
2 staggering requirement under subdivision (c) on a case-by-case  
3 basis for hardship. Hardship includes, but is not limited to, the  
4 incurrence of late charges on an individual's housing payments.

5 (q) A county shall use information provided by the department  
6 to inform recipients of benefits under Chapter 2 (commencing with  
7 Section 11200) of Part 3 of all of the following:

8 (1) The methods of electronic delivery of benefits available,  
9 including distribution of benefits through the electronic benefits  
10 transfer system or direct deposit pursuant to Section 11006.2.

11 (2) Applicable fees and charges, including surcharges, consumer  
12 and privacy protections, and liability for theft associated with the  
13 electronic benefits transfer system.

14 (3) How to avoid fees and charges, including opting for delivery  
15 of benefits by direct deposit and using the electronic benefits  
16 transfer card solely at surcharge free locations.

17 (4) Where to withdraw benefits without a surcharge when using  
18 the electronic benefits transfer system.

19 (5) That a recipient may authorize any available method of  
20 electronic delivery of benefits and instructions regarding how the  
21 recipient may select or change his or her preferred method of  
22 electronic delivery of benefits and that the recipient shall be given  
23 the opportunity to select the method prior to the first payment.

24 (6) That a recipient may be entitled to an alternative method of  
25 delivery if the recipient demonstrates an inability to use an  
26 electronic benefits transfer card or other aspect of the system  
27 because of disability, language, lack of access, or other barrier  
28 pursuant to subdivision (d) and instructions regarding how to  
29 determine whether the recipient qualifies for an alternative method  
30 of delivery.

31 (7) That a recipient may be entitled to an exemption from the  
32 three-day staggering requirement under subdivision (c) on a  
33 case-by-case basis for hardship pursuant to subdivision (o) and  
34 instructions regarding how to determine whether the recipient  
35 qualifies for the exemption.

36 (r) A county is in compliance with subdivision (q) if it provides  
37 the recipient a copy of the information developed by the  
38 department. A county may provide a recipient information, in  
39 addition to the copy of the information developed by the  
40 department, pursuant to subdivision (q), either verbally or in

1 writing, if the county determines the additional information will  
2 benefit the recipient’s understanding of the information provided.

3 SEC. 4. Section 18904.3 of the Welfare and Institutions Code  
4 is amended to read:

5 18904.3. ~~(a) Where private nonprofit organizations are~~  
6 *(a) If a private nonprofit organization or a public postsecondary*  
7 *educational institution is successful in raising money for CalFresh*  
8 *outreach activities and~~has~~ *has* secured a local governmental  
9 agency to serve as the contracting agency, the department shall,  
10 upon request and subject to approval by the United States  
11 Department of Agriculture, act as ~~their~~ *the organization’s or*  
12 *institution’s* state entity for receipt of matching funds.*

13 (b) Any reduction in federal funding to the state that is due to  
14 the result of any audit of CalFresh outreach contracts or activities  
15 shall be applied to the appropriate local government that served  
16 as the contracting agency for CalFresh outreach activities.

17 SEC. 5. Section 18995 of the Welfare and Institutions Code is  
18 amended to read:

19 18995. (a) On and after January 1, 2012, the State Department  
20 of Social Services shall establish and administer the State  
21 Emergency Food Assistance Program (SEFAP). The SEFAP shall  
22 provide food and funding for the provision of emergency food to  
23 food banks established pursuant to the federal Emergency Food  
24 Assistance Program (7 C.F.R. Parts 250 and 251) whose ongoing  
25 primary function is to facilitate the distribution of food to  
26 low-income households.

27 (b) (1) The State Emergency Food Assistance Program Account  
28 is hereby established in the Emergency Food Assistance Program  
29 Fund established pursuant to Section 18852 of the Revenue and  
30 Taxation Code, and may receive federal funds and voluntary  
31 donations or contributions.

32 (e)

33 (2) Notwithstanding Section 18853 of the Revenue and Taxation  
34 Code, the following shall apply:

35 (1)

36 (A) All moneys received by the State Emergency Food  
37 Assistance Program Account shall, upon appropriation by the  
38 Legislature, be allocated to the State Department of Social Services  
39 for allocation to the SEFAP and, with the exception of those  
40 contributions made pursuant to Section 18851 of the Revenue and



1 Taxation Code and funds received through Parts 250 and 251 of  
2 Title 7 of the Code of Federal Regulations, shall be used for the  
3 purchase, storage, and transportation of food grown or produced  
4 in California. Storage and transportation expenditures shall not  
5 exceed 10 percent of the SEFAP fund's annual budget.

6 ~~(2)~~

7 (B) Notwithstanding paragraph (1), funds received by the State  
8 Emergency Food Assistance Program Account shall, upon  
9 appropriation by the Legislature, be allocated to the State  
10 Department of Social Services for allocation to the SEFAP as  
11 described in paragraph (1), and shall, in part, be used to pay for  
12 the department's administrative costs associated with the  
13 administration of the SEFAP.

14 (c) (1) *The Public Higher Education Pantry Assistance Program*  
15 *Account is hereby established in the Emergency Food Assistance*  
16 *Fund established pursuant to Section 18852 of the Revenue and*  
17 *Taxation Code.*

18 (2) *Notwithstanding Section 18853 of the Revenue and Taxation*  
19 *Code, funds in the Public Higher Education Pantry Assistance*  
20 *Account shall, upon appropriation by the Legislature, be allocated*  
21 *to the State Department of Social Services for allocation to food*  
22 *banks established pursuant to Parts 250 and 251 of Title 7 of the*  
23 *Code of Federal Regulations that meet both of the following*  
24 *criteria:*

25 (A) *The primary function of the food bank is the distribution of*  
26 *food to low-income households.*

27 (B) *The food bank has identified specific costs associated with*  
28 *supporting on-campus pantry and hunger relief efforts serving*  
29 *low-income students.*