# SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2025-2026 Regular Session

AB 593 (Wicks)

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Fiscal: Yes Urgency: No

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### **SUBJECT**

CalFresh: data sharing

### **DIGEST**

This bill narrows the broad carve outs made to existing privacy laws for the sharing of personal information held by public entities with the State Department of Social Services (DSS).

# **EXECUTIVE SUMMARY**

Last year, AB 518 (Wicks, Ch. 910, Stats. 2024) was gutted and amended late in the legislative process and passed by the Legislature shortly thereafter. It allowed all governmental entities in California to share information with DSS for specified purposes notwithstanding any other state law.

This bill attempts to narrow this broad authorization by limiting the purposes for which the sharing can occur, limiting the entities it applies too, and reapplying state laws to this data sharing scheme, except for the protections laid out in California's Information Practices Act of 1977 (IPA) that limit the nonconsensual disclosure of Californians' personal information by state entities. The bill is author-sponsored. It is supported by the California Student Aid Commission. It is opposed by Oakland Privacy. This bill passed out of the Senate Human Services Committee on a vote of 5 to 0.

### PROPOSED CHANGES TO THE LAW

### Existing law:

1) Provides, pursuant to the California Constitution, that all people have inalienable rights, including the right to pursue and obtain privacy. (Cal. Const., art. I, Sec.

1.)

- 2) Authorizes DSS to identify data-sharing opportunities with other state and local public entities, and any other unit of state government, for the purposes of improving the administration of CalFresh, increasing CalFresh participation, measuring the impact of CalFresh, and increasing access to certain services and benefits available to low-income individuals. (Welf. & Inst. Code § 18901.59(a) ("Section 18901.59").)
- 3) Authorizes, notwithstanding any other state law, and to the extent permitted by federal law, public entities to share data with DSS for the above purposes. It provides a nonexclusive list of public entities, including public entities related to health and human services and to justice-involved individuals, including the Department of Corrections and Rehabilitation. (Welf. & Inst. Code § 18901.59(b).)
- 4) Requires DSS to designate an executive-level employee who shall report to the Director of Social Services on the implementation of the provisions of this section and Section 18901.58 of the Welfare and Institutions Code. (Welf. & Inst. Code § 18901.59(c).)
- 5) Requires DSS to develop a methodology for estimating the CalFresh participation rate and identifying characteristics of Californians who are eligible for, but not receiving, CalFresh benefits. Identified characteristics may include, but are not limited to, race, ethnicity, preferred language, age, and location. (Welf. & Inst. Code § 18901.58(a).)
- 6) Authorizes DSS to identify any existing public assistance or public benefit data that may be used to identify Californians who are eligible for, but not receiving, CalFresh benefits. DSS shall utilize the data and metrics described to develop informed and targeted outreach strategies and to maximize federal funding. (Welf. & Inst. Code § 18901.58.)
- 7) Establishes the IPA, which declares that the right to privacy is a personal and fundamental right protected by Section 1 of Article I of the Constitution of California and by the United States Constitution and that all individuals have a right of privacy in information pertaining to them. (Civ. Code § 1798 et seq.)
- 8) Prohibits an agency from disclosing any personal information in a manner that would link the information disclosed to the individual to whom it pertains unless the information is disclosed as specified, including:
  - a) with the prior written voluntary consent of the individual to whom the personal information pertains within the preceding 30 days;
  - b) to a person or another agency if the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected;
  - c) to a governmental entity if required by state or federal law;

- d) to any person pursuant to a search warrant;
- e) pursuant to a subpoena, court order, search warrant, or other compulsory legal process with notification to the individual, unless notification is prohibited by law;
- f) to a law enforcement or regulatory agency when required for an investigation of unlawful activity or for licensing, certification, or regulatory purposes, unless the disclosure is otherwise prohibited by law; and
- g) for statistical and research purposes, as specified. (Civ. Code § 1798.24.)
- 9) Requires each agency to keep an accurate accounting of the date, nature, and purpose of each disclosure of a record made pursuant to specified circumstances; and requires each agency to retain that accounting for at least three years after the disclosure, or until the record is destroyed, whichever is shorter. (Civ. Code §§ 1798.25, 1798.27.)

#### This bill:

- 1) Limits the data sharing authorized by Section 18901.59 to only state public entities and removes some entities from the nonexclusive list. The authorized purposes are also narrowed.
- 2) Reinstates the application of all laws to the data sharing authorization, except for Section 1798.24 of the Civil Code.

#### **COMMENTS**

# 1. The IPA and Californians' privacy

Article I, Section 1 of the California Constitution provides: "All people are by nature free and independent and have inalienable rights. Among these are enjoying and defending life and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and privacy." Privacy is therefore not just a policy goal, it is a constitutional right of every Californian. However, it has been under increasing assault.

The phrase "and privacy" was added to the California Constitution as a result of Proposition 11 in 1972; it was known as the "Privacy Initiative." The arguments in favor of the amendment were written by Assemblymember Kenneth Cory and Senator George Moscone. The ballot pamphlet stated in relevant part:

At present there are no effective restraints on the information activities of government and business. This amendment creates a legal and enforceable right of privacy for every Californian. The right of privacy . . . prevents government and

business interests from collecting and stockpiling unnecessary information about us and from misusing information gathered for one purpose in order to serve other purposes or to embarrass us. . . . The proliferation of government and business records over which we have no control limits our ability to control our personal lives. . . . Even more dangerous is the loss of control over the accuracy of government and business records on individuals. . . . Even if the existence of this information is known, few government agencies or private businesses permit individuals to review their files and correct errors. . . . Each time we apply for a credit card or a life insurance policy, file a tax return, interview for a job[,] or get a drivers' license, a dossier is opened and an informational profile is sketched.<sup>1</sup>

In 1977, the Legislature reaffirmed through the IPA that the right of privacy is a "personal and fundamental right" and that "all individuals have a right of privacy in information pertaining to them."<sup>2</sup> The Legislature further stated the following findings:

- "The right to privacy is being threatened by the indiscriminate collection, maintenance, and dissemination of personal information and the lack of effective laws and legal remedies."
- "The increasing use of computers and other sophisticated information technology has greatly magnified the potential risk to individual privacy that can occur from the maintenance of personal information."
- "In order to protect the privacy of individuals, it is necessary that the maintenance and dissemination of personal information be subject to strict limits."

Modeled after the Federal Privacy Act of 1974, the IPA governs the collection, maintenance, and disclosure of personal information by state agencies, specifically excluding local agencies. The IPA places guidelines and restrictions on the collection, maintenance, and disclosure of Californians' personal information, including a prohibition on the disclosure of an individual's personal information that can be used to identify them without the individual's consent except under one of a list of specified circumstances. State agencies are required to provide notice to individuals of their rights with respect to their personal information, the purposes for which the personal information will be used, and any foreseeable disclosures of that personal information.

The IPA also provides individuals with certain rights to be informed of what personal information an agency holds relating to that individual, to access and inspect that personal information, and to request corrections to that personal information, subject to specified exceptions. In addition, when state agencies contract with private entities for services, the contractors are typically governed by the IPA.

<sup>&</sup>lt;sup>1</sup> Hill v. National Collegiate Athletic Assn. (1994) 7 Cal.4th 1, 17, quoting the official ballot pamphlet for the Privacy Initiative.

<sup>&</sup>lt;sup>2</sup> Civ. Code § 1798.1.

# 2. Narrowing the broad authorization for disclosing personal information in AB 518

As stated, AB 518 authorized DSS to identify data sharing opportunities with other state and local public entities for a broad set of purposes. It authorized any public entity to share data with DSS for these broad purposes notwithstanding any other law, including all state privacy laws, such as the IPA or the California Medical Information Act. Because of its extremely late introduction, AB 518 was not reviewed by this Committee.

This bill attempts to rein in this extremely broad authorization. It limits the authorization to only include state entities and limits the purposes for which it can be shared to improving the administration of CalFresh and measuring that program's impact. The bill also removes reference to certain types of public entities from the nonexclusive list in the statute, indicating an intent for the bill not to apply to such entities.

Furthermore, this data sharing authorization no longer supersedes all laws, but does continue to apply notwithstanding Section 1798.24 of the Civil Code. That section is the main provision of the IPA limiting the disclosure of Californians' personal information without consent to enumerated circumstances.

# According to the author:

AB 593 clarifies limited exemptions from data sharing restrictions for the narrow purposes of improving CalFresh program administration. The CalFresh program supports people in improving their health and well-being by providing better access to healthy and nutritious foods. Yet, many eligible people are unaware they are eligible to receive benefits.

Last year AB 518 (Wicks & Jackson) was signed into law, requiring the Department of Social Services (DSS) to develop a methodology for determining the state's CalFresh participation rate and identifying characteristics of residents who are eligible but not receiving benefits. In a letter submitted to the Assembly Journal last year, I committed to collaborate with the Newsom Administration on further legislation to clarify the scope of AB 518. This legislation reflects this commitment to ensure the scope of data sharing does next extend beyond the boundaries of what is necessary.

Nearly 30% of eligible residents don't participate in the CalFresh program, equating to an estimated \$3.5 billion in federal food-assistance funding that stays in Washington each year rather than being spent in our grocery stores and farmer's markets to nourish our neighbors and families. AB 593 strikes a better balance to protect Californians' privacy while permitting the careful use of data in a safe and tailored manner that will inform

strategies to maximize CalFresh food benefits and decrease the number of low-income individuals and families facing hunger.

# 3. Stakeholder positions

The California Student Aid Commission writes in support:

AB 593 looks to clarify the limitations on information that CDSS and other state entities would be allowed to distribute as part of a data sharing agreement. This includes data that is necessary to conducting outreach opportunities, facilitating enrollment in public benefits and measuring the impact of CalFresh on the health of Californians. By narrowing the scope of the data that is allowed to share between entities, AB 593 ensures that the original goal of improving the CalFresh system is being met without any concern over potential recipients having their privacy breached.

Writing in opposition, Oakland Privacy highlights their opposition to last year's bill:

The bill broadly and completely preempts all state privacy laws with no exceptions. This includes not only the Information Practices Act of 1977 (IPA) which provides general public sector privacy rights similar to CPRA rights for the private sector, but other important state laws including CMIA (Confidentiality of Medical Information Act), SOPIPA (Student Online Personal Information Protection Act) and data breach regulations. Laws like CIMA and SOPIPA are contracts with Californians. Simply mooting them on three days notice with the details to be filled in later is not something California would tolerate from the private sector.

Even worse, this selective exemption covering literally all of the personal information held by the State is directly targeted at low-income people, who are already statistically more vulnerable to abusive privacy practices. The term "pay for privacy" refers to tiers of individuals whose income level determines how much privacy protection they can access. We find it regretful for the State to endorse a lesser level of state protection for the personal information of Californians who are poor or exhibit the demographic indicators associated with a need for food subsidies. As written, that is unfortunately what the bill creates.

Preventing hunger is a worthy cause, but not at the expense of the permanent loss of rights provided in Article 1 of the California Constitution to the people of this state and that have been in state statute for forty-seven years.

The reality is that many Californians will not want the Department of Social Services scanning their tax returns, utility bills, employment records, health records, and their children's student records and financial aid documents to check their eligibility for a program they never applied for and may not want - without their consent or knowledge – and under a broad exemption from data confidentiality laws.

Oakland Privacy goes on to request one additional amendment to the bill:

Re-entry data from CDCR, namely lists of people who are exiting from California state prisons in coming days and weeks is of enormous value to the Department of Homeland Security and federal immigration enforcement. In fact, the provision of those lists to ICE by California sheriffs was one of the key motivations for the passage of the California Values Act, which prevented such information from getting to immigration enforcement for a variety of criminal offenses that were very carefully determined to separate public safety risks from the rest of the inmate population. We cannot overstate how much federal immigration enforcement wants those jail release reports and we are not confident that if they become part of the SNAP data held by CDSS that the state will be able to protect them from federal inspection or delivery via federal health and human services.

We are not doing Californians any favors if we are offering them food subsidies with a side helping of deportation.

Accordingly, given that the bills intent for increased Cal-Fresh access for re-entry services has been addressed by recent legislation and the clear dangers of this bill's proposed data sharing with CDCR, we ask the committee to remove CDCR from the list of agencies that will be sending information to CDSS on possible new recipients of Cal-Fresh benefits.

## **SUPPORT**

California Student Aid Commission

### **OPPOSITION**

Oakland Privacy

### **RELATED LEGISLATION**

<u>Pending Legislation</u>: AB 1337 (Ward, 2025) amends the IPA by expanding the definition of "personal information," extending its scope to cover local governmental entities, and

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bolstering protections regarding disclosures and accounting. AB 1337 is currently in this Committee and is being heard the same day as this bill.

<u>Prior Legislation</u>: AB 518 (Wicks, Ch. 910, Stats. 2024) *See* Background Summary & Comment 2.

# **PRIOR VOTES:**