



OCTOBER 2026

A ‘New’som Era of CalWORKs

Evaluating the Evolution of California’s Welfare Policy, 2019-2026

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Executive Summary

Throughout its history, the CalWORKs program has sought to reduce poverty in the state by balancing financial assistance for low-income residents with incentives and support for recipients to find jobs and gain independence. Over time, policymakers have vigorously debated how best to strike that balance. Many believe CalWORKs has been one of the state’s most effective anti-poverty programs. According to the California Poverty Measure, a joint research program of the Public Policy Institute of California (PPIC) and Stanford’s Center on Poverty and Inequality, the CalWORKs program has kept hundreds of thousands of California residents out of poverty each year.¹ Nevertheless, even as funding for CalWORKs has increased, the state has continued to have one of the nation’s highest poverty rates, largely due to its extraordinarily high cost of living. CalWORKs remains central to California’s strategy for addressing this challenge.

Throughout its tumultuous existence, CalWORKs has experienced waves of programmatic expansion and retrenchment, often driven by shifts in the political and budgetary landscapes. Soon after his election in 2018, Governor Gavin Newsom laid out clear priorities to reform and expand CalWORKs.² As his eight-year tenure comes to a close in January 2027, this report seeks to analyze the impact of welfare-related legislation enacted during

the Newsom era. Analysis of 47 bills reveals a definitive shift toward inclusivity, with the overwhelming majority of legislative attempts classified as “expansive.” By focusing on reforms to countable income and activity exemptions, the California Legislature has sought to lower barriers for vulnerable populations, including homeless families, pregnant students, and survivors of domestic abuse, signaling a departure from the “work-first” model of the past.

Nonetheless, the findings also highlight a persistent tension between policy goals and fiscal realities. Governor Newsom has frequently acted as a fiscal backstop, using his veto power to redirect costly standalone bills toward the annual budget process, where they were typically narrowed, scaled back, or delayed. Furthermore, while the program has become more generous on paper, a move toward digitized verification, particularly regarding immunization records, suggests growing administrative rigidity. Ultimately, under the Newsom administration, the primary hurdle to the expansion of CalWORKs has not been ideological opposition but rather a gap between expansive ambitions and resource constraints.

¹ Sarah Bohn et al., “Poverty in California,” Public Policy Institute of California, July 2026, https://www.ppic.org/wp-content/uploads/JTF_PovertyJTf.pdf.

² End Child Poverty California, “BREAKING: Governor Releases Child-Centered Budget for 2019-2020,” End Child Poverty California, January 10, 2019, <https://www.endchildpovertyca.org/governor-budget-2019>.

Background

From AFDC to TANF

Long before the existence of CalWORKs and its federal parent program, Temporary Assistance for Needy Families (TANF), welfare for low-income families came in the form of the federal program Aid to Dependent Children (ADC). Congress established ADC in 1935, as part of the New Deal, as a cash assistance program for poor children.³ In 1962, Congress amended the program to include the caretaker (usually the mother) in the federal public assistance calculation and, to reflect this broader focus on the family unit, renamed the program Aid to Families with Dependent Children (AFDC). Both ADC and AFDC functioned as federal-state partnerships, with states playing key roles in administration and partial financing; federal matching grants required states to spend some of their own resources in order to receive federal funding.

Substantial caseload increases between the 1960s and early 1990s led Congress to enact a series of reforms designed to reduce welfare dependency and lower government spending by moving single mothers off cash assistance and into the workforce. First came the introduction of work requirements in 1967, with the Work Incentive Program (WIN).⁴ However, WIN was often unable to place recipients in high-wage jobs that were necessary to eliminate the need for welfare.⁵ Then, in 1988, the Family Support Act (FSA) established the Job Opportunities and Basic Skills (JOBS) training program, which required the participation of welfare mothers in work activities.⁶ In the 1990s, reformers sought to establish more stringent work requirements and discourage welfare dependency through lifetime limits and new behavioral mandates, culminating in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). To emphasize the end of guaranteed, long-term cash assistance for eligible families, PRWORA renamed AFDC Temporary Assistance for Needy Families (TANF). PRWORA also replaced AFDC's matching grant with a more restrictive block grant, and introduced stricter behavioral mandates and multi-tiered sanctions.

CalWORKs

CalWORKs is California's name for the federal TANF program, providing time-limited cash aid and supportive services to eligible low-income families with children. In recent decades, CalWORKs has seen many changes to its cash grants, work requirements, and lifetime limits. It has experienced waves of retrenchment, typically during periods of Republican leadership, fiscal strain, or both. In 2009, following the Great Recession, Republican Governor Arnold Schwarzenegger proposed eliminating CalWORKs as part of a package of deep spending cuts to address multi-billion-dollar state budget deficits, but the Democratic-controlled legislature flatly rejected the proposal. Nonetheless, the legislature did pass a variety of cost-saving measures in response to the Great Recession, including grant cuts, elimination of cost of living adjustments (COLAs), reduction of employment services, and reduction of the lifetime limit from 60 months to 48 months, among others.⁷

In 2012, Democratic Governor Jerry Brown ushered in a more expansive period in CalWORKs history. The California Budget Act of 2012 and its trailer bills, including SB 1041, included major reforms to work requirements, work exemptions, and enhanced support services.⁸ Most importantly for future CalWORKs reforms, SB 1041 established its own CalWORKs participation standards, including no rigid time limits on support services or educational activities, equating them with employment activities. SB 1041, while a momentous piece of legislation, introduced many operational challenges for counties and showed limited effects on income below poverty, school enrollment, or receipt of job training.⁹ It was, however, still able to deliver some meaningful improvements for recipients in welfare-to-work participation and increased quarterly real earnings.¹⁰ Despite its significance, SB 1041 is widely viewed as the last major inflection point in CalWORKs reform, with relatively little scholarship examining how its provisions function under subsequent administrative and legislative constraints.

Advocacy groups have shaped the program's evolution over time. In recent years, much of their work has focused on the issue of sanctions, or financial penalties that reduce a family's monthly cash grant when an adult fails to meet program requirements without a valid reason. Over the last decade, the county-led CalWORKs Strategic Initiative (also known as CalWORKs 2.0) and the advocacy coalition Reimagine CalWORKs have been pushing for changes to sanction policies and better access to support services.

In the late 2010s, CalWORKs 2.0 aimed to shift program philosophy by enhancing staff skills and providing more psychological support

3 Gail L. Zellman et al., "Welfare Reform in California: State and County Implementation of CalWORKs in the First Year," RAND, January 1, 1999, https://www.rand.org/pubs/monograph_reports/MR1051.html.

4 Zellman et al., "Welfare Reform in California: State and County Implementation of CalWORKs in the First Year."

5 Zellman et al., "Welfare Reform in California: State and County Implementation of CalWORKs in the First Year."

6 Zellman et al., "Welfare Reform in California: State and County Implementation of CalWORKs in the First Year."

7 Child and Family Policy Institute of California, "CalWORKs Program and Budget History" (Child and Family Policy Institute of California, January 2012), <https://cfpic.org/wp-content/uploads/2021/03/CalWORKs-Recent-History-01.01.12.pdf>.

8 Lois M. Davis et al., "Evaluation of the SB 1041 Reforms to California's CalWORKs Welfare-to-Work Program: Findings Regarding the Initial Policy Implementation and Outcomes," RAND, November 2, 2016, https://www.rand.org/pubs/research_reports/RR1348.html.

9 Davis et al., "Evaluation of the SB 1041 Reforms to California's CalWORKs Welfare-to-Work Program: Findings Regarding the Initial Policy Implementation and Outcomes."

10 Davis et al., "Evaluation of the SB 1041 Reforms to California's CalWORKs Welfare-to-Work Program: Findings Regarding the Initial Policy Implementation and Outcomes."

for recipients.¹¹ More recently, Reimagine CalWORKs has attempted to streamline the appraisal process, expand welfare-to-work activities, defer sanctions, and most notably, repeal the work participation rate penalty pass-through.¹² These initiatives reflect a renewed emphasis on administrative and managerial reform in policymaking.

CalWORKs continued to evolve during the Newsom administration. The COVID-19 pandemic brought about many administrative changes to state welfare programs, including CalWORKs. CalWORKs has shifted to a more adaptive and responsive model, reflecting many of the initiatives brought forth by advocacy groups.¹³ The pandemic also prompted the state to reevaluate its practices, including its work requirements, noncompliance procedures, and performance metrics. The remainder of this report examines these changes in greater detail.

Methodology

To analyze the legislative reshaping of CalWORKs rules during the Newsom administration, this study employed a policy analysis of state legislation from the 2019-2020 through the 2025-2026 sessions. The research specifically focused on non-budget-related legislative rule changes to isolate the impact of the legislative branch on program policy outside of budget requests and trailer bills.

Data Collection and Selection Criteria

Legislative data were retrieved using the LegiScan API¹⁴ with the primary search terms “CalWORKs” and “TANF.” The initial search yielded approximately 140 bills, which were then subjected to a filtering process.

- **Exclusion Criteria:** Budget bills were excluded to maintain a focus on policy-driven rule changes. Additionally, “gut and amend” bills (bills that may have originally been about CalWORKs but were later amended to be related to something else entirely) and those mentioning CalWORKs only tangentially (e.g., as a qualification for an unrelated program) were disregarded.
- **Inclusion Criteria:** The analysis was restricted to bills that passed the legislature and were either chaptered (signed into law) or vetoed. To be included, a bill had to constitute a direct “rule change” affecting eligibility, benefit levels, or entry and exit requirements. Administrative shifts, such as caseworker hiring practices or changes to support services like housing programs, were excluded to focus strictly on changes that directly affect a recipient’s eligibility or assistance received.

Coding Framework

The analysis utilized a custom codebook adapted from the Urban Institute’s Welfare Rules Database (WRD)¹⁵, which provides a standard coding protocol for state cash assistance policies.

Each bill was reviewed and sorted into four primary categories based on the WRD’s classification system:

1. **Initial Eligibility:** Requirements that determine who is allowed to enter the program (e.g., diversion programs, eligibility by types of parents and children, treatment of adults in the household).
2. **Financials:** Anything related to the financial requirements for the family and the amount of cash assistance they receive (e.g., countable income, asset tests, benefit computation, earned income disregards).
3. **Ongoing Eligibility:** Requirements to remain in the program (e.g., behavioral/work mandates, immunization, and sanctions).
4. **Exit:** Rules governing the end of aid (e.g., time limits, transitional benefits).

The bills were further refined into secondary categories using the WRD as a primary reference. In cases in which a bill addressed multiple rules, it was categorized by its primary provision (e.g., a bill primarily altering immunization requirements would be coded as such, even if it included minor sanction changes).

The study quantified the effect of each provision as either expansive (increasing inclusivity) or restrictive (limiting access):

- **Expansive:** Bills that exempted more income, raised asset limits, or removed sanctions and administrative burdens in order to make it easier for the recipient to become or remain eligible.
- **Restrictive:** Bills that added proof requirements or otherwise made it more difficult to become or remain eligible.
- **Ambiguous:** For bills that had mixed impacts or adjustments, the classification was determined by the overall impact on the recipient (e.g., a bill easing eligibility for a specific group was marked expansive despite minor new proof requirements).

Veto Analysis

Vetoed bills were categorized according to the primary reason for rejection:

- **Financial:** Mentions of fiscal impact on the state’s General Fund or loss of state revenue from the bill’s provisions, or suggestions that the bill be considered during the formal budget process.
- **Federal Compliance:** Issues related to federal TANF mandates.
- **Other:** All other veto justifications.

11 Michelle Derr and Mark Ezzo, “Using CalWORKs 2.0 to Improve Programs and the Lives of Families Experiencing Poverty,” *County Welfare Directors Association* (County Welfare Directors Association, September 2022), https://www.cwda.org/sites/main/files/file-attachments/calworks_2.0_cwda_brief.pdf?1681512084.

12 “Transforming CalWORKs Initiative,” n.d., <https://www.cdss.ca.gov/inforesources/calworks/transforming-calworks-initiative>.

13 Yu-Ling Chang, MinJee Keh, and Kimberly Salazar, “Rethinking Welfare-to-work Programmes in the Wake of the COVID-19 Pandemic: Lessons From CalWORKs in the United States,” *The British Journal of Social Work* 55, no. 4 (January 30, 2025): 1770–93, <https://doi.org/10.1093/bjsw/bcafoz7>.

14 LegiScan, “LegiScan API,” accessed December 2025, <https://legiscan.com/legiscan>. Distributed under CC BY 4.0.

15 Urban Institute, “Welfare Rules Database,” accessed December 2025, <https://wrds.urban.org>.

Findings

Forty-seven bills related to CalWORKs were identified, of which 31 (66%) were chaptered and 16 (34%) were vetoed (Figure 1). The number of bills passed by the legislature fell off in the 2023-2024 session but rebounded in 2025-2026. The governor vetoed a larger share of bills in the 2019-2020 session than in subsequent sessions.

Rules Changes Categories

The years that saw the most diverse set of bills were 2019-2020 and 2025-2026. These sessions included bills related to all four primary categories: initial eligibility, financials, ongoing eligibility, and exit. By contrast, the 2023-2024 session saw not only the fewest bills but also the least diverse set, covering only two categories: financial and ongoing eligibility (Figure 2).

During the Newsom era, legislators passed more bills related to ongoing eligibility work mandates (18 bills) and financials (16 bills) than to initial eligibility (11 bills) or exit (2 bills). However, there was substantial diversity across secondary categories. Of the 30 secondary categories used by the WRD, bills fell into 17 of these categories (Figure 3).

The top two most commonly occurring categories were countable income and activity exemptions. Countable income outlines the rules the program uses to determine which types of income count toward a family's eligibility and benefit levels. Activity exemptions capture the rules that the program uses to determine which individuals are not required to participate in work activities.

Figure 1. Number of CalWORKs Bills Passed Per Legislative Session, 2019-2026

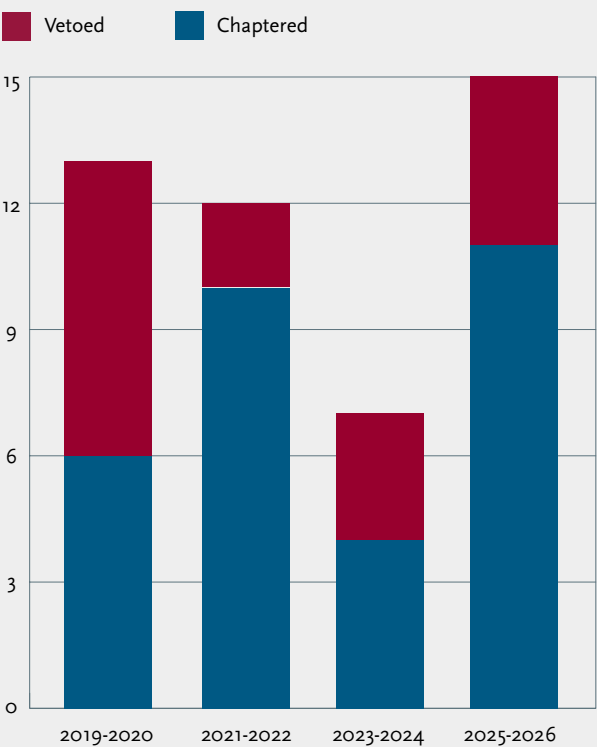


Figure 2: CalWORKs Bills by Primary Category Per Legislative Session, 2019-2026

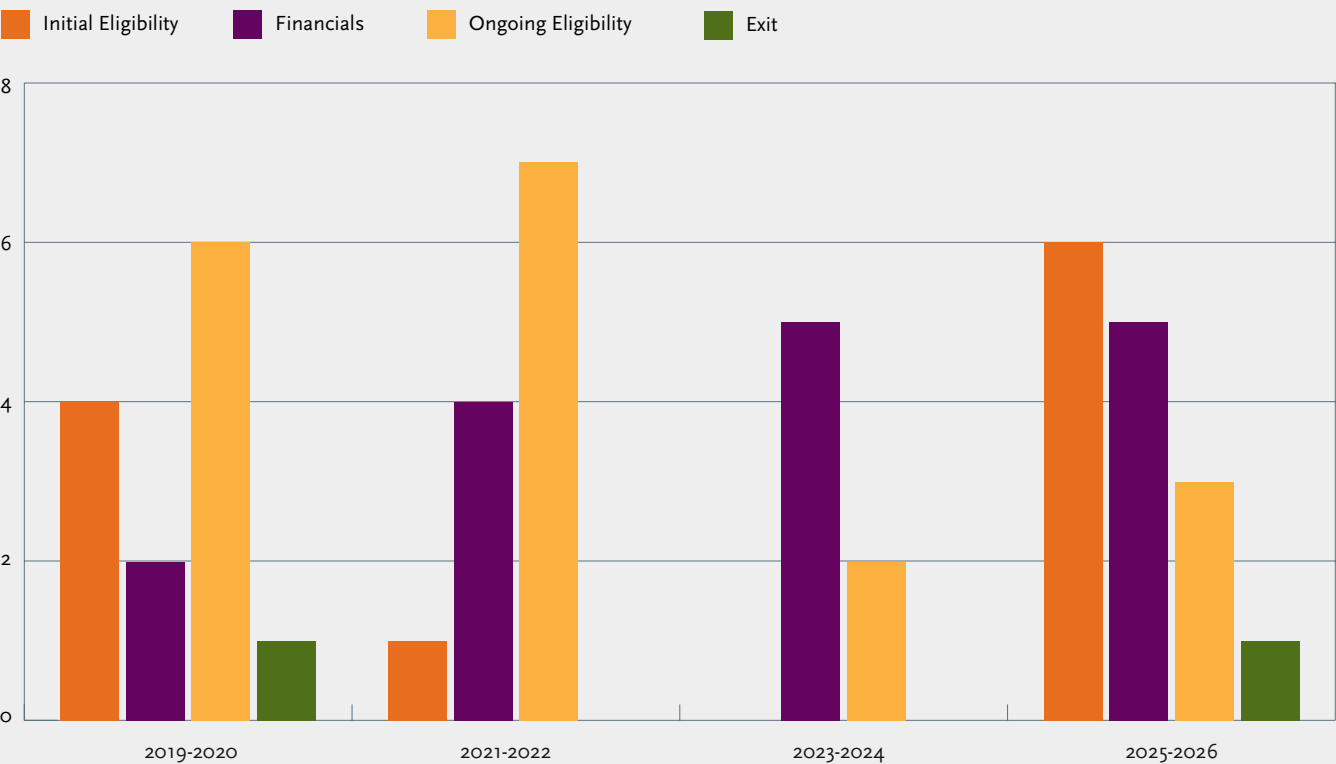
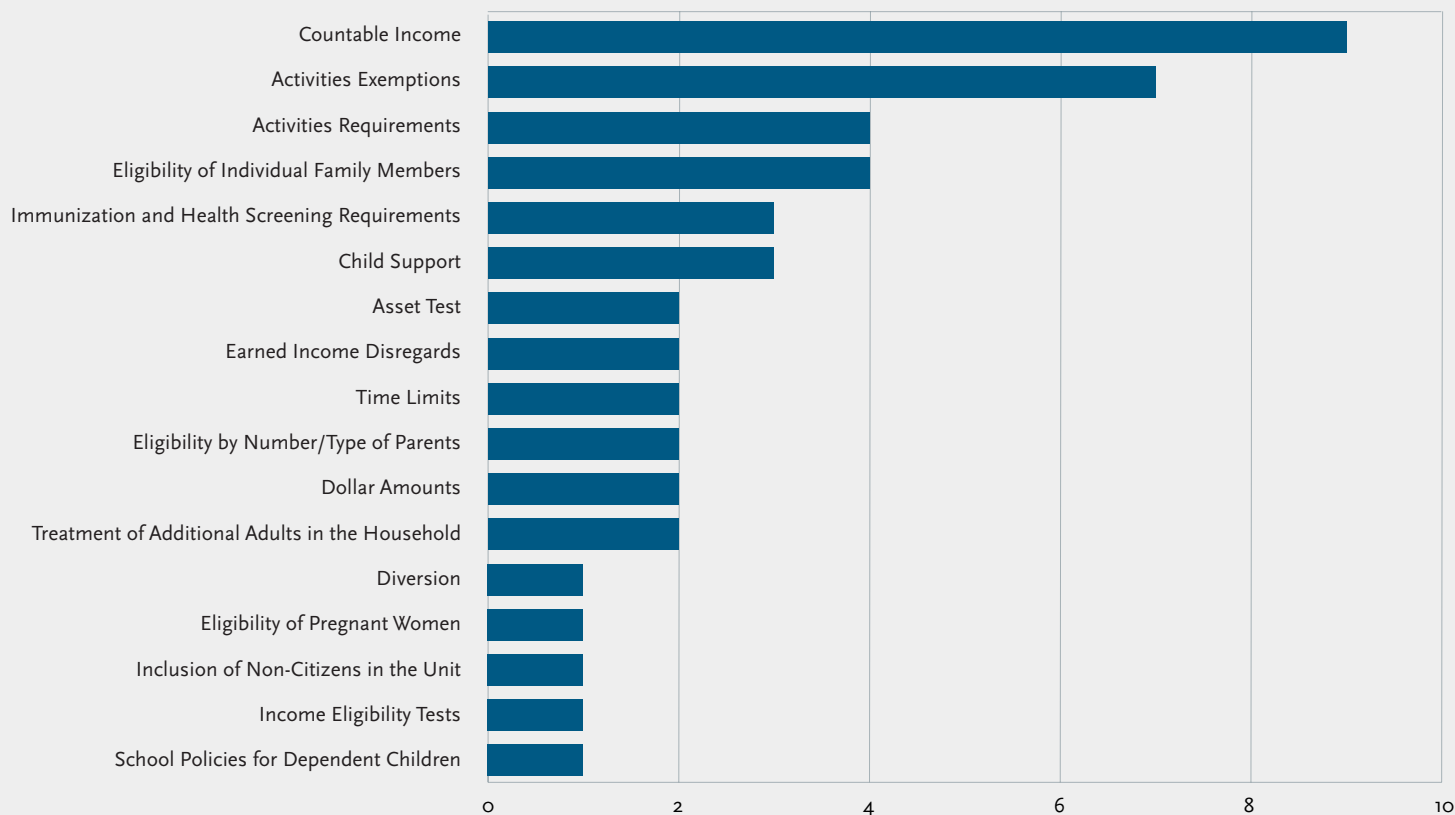


Figure 3: Bills by Secondary Category Across All Sessions



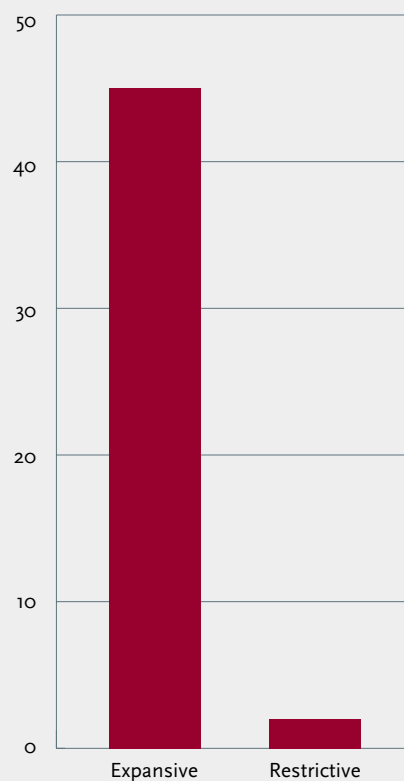
An Expansive Trend

All but two Newsom-era CalWORKs bills were expansive (Figure 4). Some notable examples of expansive bills include:

- **SB 1065 (Hertzberg–D, 2019)**, to exempt Homeless Assistance from the liquid asset limit when determining eligibility.
- **SB 521 (Smallwood-Cuevas–D, 2023)**, to exempt pregnant and parent students from welfare-to-work activities.
- **SB 792 (Arreguin–D, 2025)**, to increase the income ceiling from 70% to 85% of the state median income.
- **AB 969 (C. Rodriguez–D, 2025)**, to temporarily exempt abuse victims from program requirements.
- **AB 461 (Ahrens–D, 2025)**, to remove the truancy sanction for parents and children who are marked chronically truant.

The two bills categorized as restrictive sought to tighten immunization and health screening requirements. The restrictive bills were SB 276 (Pan–D, 2019) and AB 1797 (Weber Pierson–D, 2021). SB 276 states that the electronic California Immunization Registry record is the only documentation a governing authority (including the agencies that verify CalWORKs eligibility) may accept for a medical exemption. For a CalWORKs recipient, the shift from informal paper verification, such as an employer note or doctor's letter, to a single, mandatory digital record is a move toward stricter compliance rules. It reduces the ways a parent can prove program compliance, thereby increasing the risk of financial penalties. AB 1797 authorizes county human services agencies, including CalWORKs agencies, to assess immunization histories of CalWORKs participants directly through the state database, shifting away from the flexibility provided by paper records. Both bills impact how parents may verify vaccinations, a core program requirement that, if unmet, could lead to sanctions.

Figure 4: Number of Expansive and Restrictive Bills Across All Sessions



Variety of Vetoes

Most of the bills that Governor Newsom vetoed were vetoed for financial reasons. The governor either cited direct costs or General Fund impacts. Bills vetoed for financial reasons were typically redirected to the annual budget process. Notably, every vetoed bill was expansive in nature.

Two bills were flagged for potentially not being in compliance with federal law. AB 274 (Bryan–D, 2023) would have exempted any grant, award, scholarship, loan, or fellowship benefit from being countable income when determining a participant’s eligibility; Governor Newsom vetoed the bill because it “does not limit the benefits identified to those used for educational purposes, which is out of compliance with federal laws.”¹⁶ AB 474 (Ward–D, 2025) would have excluded income from nonprofit home-sharing arrangements from countable income; Newsom cited concerns over “inherent inconsistencies with federal benefit rules.”¹⁷

The “Other” category contained one bill. SB 912 (Beall–D, 2019) would extend support services access to nonminor dependents who would have aged out of those services during a state of emergency beginning after January 1, 2021. The governor cited the unpredictability of pandemics as the reason this bill would be an ineffective spending mandate.¹⁸

16 Governor Gavin Newsom, Veto message to the California State Assembly regarding Assembly Bill 274, September 30, 2024, Office of the Governor, <https://www.gov.ca.gov/wp-content/uploads/2024/09/AB-274-Veto-Message.pdf>.

17 Governor Gavin Newsom, Veto message to the California State Assembly regarding Assembly Bill 474, October 1, 2025, Office of the Governor, <https://www.gov.ca.gov/wp-content/uploads/2025/10/AB-474-Veto.pdf>.

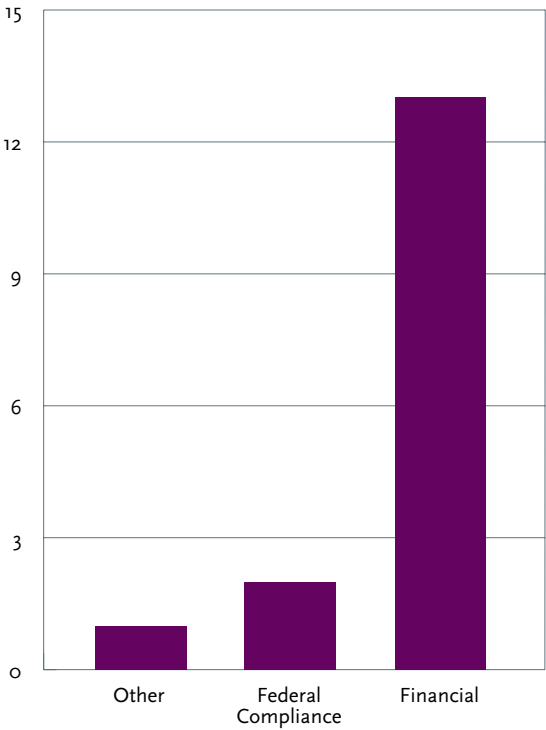
18 Governor Gavin Newsom, Veto message to the California State Senate regarding Senate Bill 912, September 28, 2020, Office of the Governor, <https://www.gov.ca.gov/wp-content/uploads/2020/09/SB-912.pdf>.

Discussion

A Supportive Shift

The expansive nature of the overwhelming majority of bills passed during the Newsom era marks a definitive departure from more punitive 1990s-era welfare policies designed to limit program entry. Although these bills consisted of modest, piecemeal expansions, they represented a persistent effort to make CalWORKs less punitive and more inclusive. Lawmakers targeted activity exemptions in particular, suggesting increasing sensitivity to barriers to work such as family instability and educational participation, as well as a desire to protect vulnerable subpopulations such as pregnant students (SB 521, Smallwood-Cuevas–D, 2023) and survivors of abuse (AB 969, C. Rodriguez–D, 2025).

Figure 5: Rationales for Vetoes of CalWORKs Bills, 2019-2026



Budget Barriers

While California continues to pursue expansive measures, the findings suggest a tension between legislative ambition and fiscal reality. Governor Newsom has served as a fiscal guardrail, often limiting the expansionary goals of the legislature through the veto process. The fact that most vetoes cite a financial rationale indicates that while there is political will to expand CalWORKs, that goal often conflicts with budgetary constraints.

Importantly, while this report analyzes standing policy bills, which establish core statutory frameworks and program definitions, other program expansions in California also occur through budget trailer bills. The budget process typically includes negotiations with the

governor, making it much more difficult for the governor to reject specific CalWORKs changes. The frequency of vetoes for standing bills suggests that the governor has preferred to retain control of program spending. The governor has often cited his own concurrent efforts in the executive branch or the need for more holistic budgetary considerations rather than piecemeal mandates. California has faced consecutive deficits that have limited the scope for ambitious reform, yet Governor Newsom still approved smaller, low-cost rule changes that incrementally expanded the program.

Political Hegemony

All of the CalWORKs bills that reached the governor's desk during the Newsom era were sponsored by Democrats. The absence of Republican-authored bills is a stark reflection of California's polarized policy landscape. In this era of Democratic political domination, the debate over CalWORKs appears to have shifted from bipartisan negotiation to internal partisan discussion. The debate has centered not on whether to expand CalWORKs, but rather on how much.

The CalWORKs policy landscape cannot be fully understood without considering the impact of advocacy groups. Coalitions such as Reimagine CalWORKs, composed of labor unions (e.g., SEIU) and public interest groups (e.g., County Welfare Directors Association), offer a clear left-leaning vision of welfare reform. Because the goals of these organizations generally align with the Democratic supermajority's platform, a legislative echo chamber forms, ensuring the Democrats' vision of CalWORKs makes it to the governor's desk. While this process may ensure the passage of more liberal, expansive reforms, it also limits robust opposition, leaving the governor as a frequent gatekeeper.

The Implementation Burden

While the Newsom administration's legislative agenda almost exclusively focused on expanding access, isolated measures surrounding the California Immunization Registry proved to be notable exceptions. In these rare instances, replacing flexible verification methods, like paper doctor's notes, with centralized digital databases, the state may have inadvertently created new administrative burdens for the very families it intends to support.

The success of the supportive shift in legislation ultimately depends on whether the administrative infrastructure can keep pace. Most reforms introduce new state mandates on local agencies. Execution relies on county governments, which have historically taken long periods of time to fully implement changes. If the state continues to expand program rules without addressing the logistical hurdles faced by counties, reform efforts risk remaining purely symbolic.

Conclusion

The Newsom administration and Democrat-controlled legislature have continued to incrementally move CalWORKs away from its "work-first" roots. The state has passed expansive reforms that have lowered administrative barriers, broadened activity exemptions, and eased eligibility rules, while relying heavily on the veto to force costly expansions into the annual budget negotiation process. As California continues to expand the definition of a "safety net," the ultimate measure of CalWORKs will be whether these expansive rules are successfully implemented and reach the families they are meant to serve.

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