



County of Del Norte
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April 14, 2026

The Honorable Monique Límón
Senate President Pro Tempore
1021 O Street, Suite 8518
Sacramento CA, 95814

The Honorable John Laird
Chair, Senate Committee on Budget and
Fiscal Review
1021 O Street, Suite 8720
Sacramento CA, 95814

The Honorable Roger Niello
Vice Chair, Senate Committee on Budget
and Fiscal Review
1021 O Street, Suite 7110
Sacramento CA, 95814

RE: County H.R. 1 Budget Request

Dear President Pro Tempore Limón, Senator Laird, and Senator Niello,

Del Norte County writes to express our commitment to working with the Legislature to protect our safety net from the impacts of H.R. 1. This law fundamentally shifts fiscal responsibility for health and human services programs from the federal government to states and counties. In order to prevent our safety net from crumbling, counties need a true partnership with the state. Toward that end, I write to share a multi-year countywide H.R. 1 budget request that was developed jointly with counties and county association partners.

H.R. 1 will increase county health and human services program costs due to expanded demand for indigent medical care, direct cost shifts to counties, increased county eligibility workload, and changes to Medi-Cal financing. The anticipated impacts of these changes could result in county costs ranging from \$6.0 billion to \$9.5 billion annually at full implementation. Counties have collectively developed a reasonable multi-year request for state funding of **\$1.9 billion in 2026-27 and \$4.5 billion in 2027-28** to address these impacts.

In Del Norte County, approximately 3816 residents receive CalFresh and 12,083 residents receive Medi-Cal benefits. These residents depend on county-administered eligibility systems that must now implement new federal requirements on an accelerated timeline and without adequate funding. With the enactment of HR1, all programs under the Public Assistance/Employment and Training Branch in Del Norte County will now include a work requirement component. Currently, only cash assistance has a work requirement in place. The introduction of additional work requirements will necessitate that more staff members become proficient in the work component and the intensive case management associated with these cases. Consequently, cross-training will be essential for staff to effectively manage intake and eligibility functions, as well as the work requirements. We will need to retrain a significant portion of our workforce, as responsibilities are currently divided, with the majority of staff focusing on eligibility functions and a smaller segment handling Welfare to Work for CalWORKs clients. In addition to training eligibility staff in Welfare to Work, we will also need to hire additional workers and ensure Employment and Training workers acquire knowledge of the eligibility component.

Del Norte County faces limited work and volunteer opportunities due to its size, and clients often cannot travel to neighboring counties to meet the work requirements due to the remote location. Additional funding would not only facilitate the retraining of a substantial portion of our workforce but also enable us to develop more work and volunteer opportunities in collaboration with our community partners and raise awareness within the community regarding this need.

For Del Norte County, the new H.R. 1 Medi-Cal eligibility re-evaluations will place administrative burdens on Eligibility Workers and disrupt health coverage for citizens of the county. Del Norte County has a very high vacancy rate and this will put an undue burden on staff that already carry high caseloads. We are evaluating hiring a contractor to help with eligibility verifications but this is a costly option and will take away from funding dedicated to hiring and retaining county staff. We are a small county and the percentage of persons receiving Medi-Cal benefits is high; approximately 44%. The loss of health coverage will have a negative effect on our population both adults and children and increase indigent care costs for the county.

In addition, Del Norte County cannot meet the increased match that we are facing as a result of H.R. 1. Any loss of administrative funding will negatively affect staffing. Our current vacancy rate of Eligibility and Integrated Case Workers is 36.07% or 22 Full Time Employees (FTE's). The loss of 22% in administrative funding under H.R. 1 could push our vacancy rate to over 50%. With vacancies being this high, error rates would increase which has the

potential to increase the funding loss, delayed approvals, increased wait times and loss of CalFresh benefits to working families.

The county H.R. 1 multi-year budget request is intended to mitigate direct harm to Del Norte County and other California county residents who will lose health and nutrition services, as well as prevent cuts to other critical services that counties provide such as public safety and elections. This request comprehensively addresses the wide-ranging impacts to county health and human services programs. With this funding, counties will be able to maximize the number of individuals who retain Medi-Cal and CalFresh, rebuild county indigent care programs to serve individuals who lose health coverage, and protect needed patient care in public hospitals.

Addressing the health care and nutrition assistance needs of individuals impacted by the H.R. 1 changes to Medi-Cal and CalFresh will be a fundamental, structural element of the state's budget in 2026-27 and for years to come. Del Norte County is eager to partner with the Legislature and the Administration to find workable fiscal and policy solutions to protect Del Norte County's most vulnerable residents. Thank you for your consideration.

Respectfully,

Joey Borges
Chair, Board of Supervisors
Del Norte County

cc: Honorable Members, Assembly Budget Committee
(see below)

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