



## County of Santa Cruz Board of Supervisors

### Agenda Item Submittal

**From:** County Executive Office

**Subject:** Resolution Opposing Federal Cuts to Safety Net Programs

**Meeting Date:** May 6, 2025

**Formal Title:** Adopt resolution opposing federal cuts to safety net programs that would result in increased state costs, lower benefit levels, and reduced eligibility for services, and economic harm, and take related actions

### Recommended Actions

Adopt resolution opposing federal cuts to safety net programs, and authorize the Board Chair and staff to join efforts to oppose safety net cuts on behalf of County residents.

### Executive Summary

Federal safety net programs provide basic needs support to Santa Cruz County residents. Proposals in Washington, D.C. to extend existing tax cuts through budget reconciliation may significantly impact critical programs such as SNAP (CalFresh), Medicaid (Medi-Cal), TANF (CalWORKs), school nutrition programs and many other programs, leading to reduced eligibility, lower benefit levels, and increased costs for the State of California and local governments. This item and resolution have been prepared at the request of the Board Chair in anticipation of the federal budget reconciliation process this summer.

### Discussion

In Santa Cruz County, thousands of residents rely on these programs for food, healthcare, and income support. Cuts at the federal level could result in direct harm to children, families, seniors, veterans, and other vulnerable residents, while undermining economic activity generated by safety net spending. The proposed resolution affirms the County's commitment to protecting the health and well-being of its residents and urges the County's Congressional delegation to oppose legislation that would jeopardize these essential programs.

The County has long worked in partnership with federal and state governments to deliver essential services that improve quality of life and promote public health and economic resilience. However, recent Congressional proposals threaten to reverse progress by imposing harsh restrictions or funding cuts to programs that form the backbone of the local safety net.

### Impact on Santa Cruz County Residents

- CalFresh (SNAP): In March 2025, 41,765 households in Santa Cruz County—including 13,782 children—received CalFresh benefits, with over \$6.5 million spent at local grocery stores monthly. Proposed federal changes could reduce participation by an estimated 34%.
- Medi-Cal (Medicaid): One-third of all County residents (89,576 individuals), including 57% of children and nearly 9,000 seniors, rely on Medi-Cal. Any rollback in federal funding or changes to cost-sharing could jeopardize coverage and strain local health systems.

- **Economic Ripple Effect:** According to the U.S. Department of Agriculture, every \$1 in SNAP generates up to \$1.80 in economic activity, supporting jobs in agriculture, food distribution, and retail. Cuts would harm not only recipients but the broader economy.
- **Broader Impacts:** The changes under consideration could also affect TANF (CalWORKs), school nutrition, and housing supports, with ripple effects for public health, educational outcomes, and workforce participation.

Federal proposals to roll back eligibility and benefit levels or make it more difficult to access benefits through work requirements and other onerous requirements, would significantly impact residents who rely on these programs, including children, economically disadvantaged families, people experiencing homelessness and more. National organizations—including the National Association of Counties (NACo), National League of Cities (NLC), and U.S. Conference of Mayors—have raised bipartisan concerns regarding the impact of these proposals, and local governments across the nation are calling on Congress to protect vulnerable populations and avoid shifting federal responsibilities onto already strained state and local budgets.

### **Financial Impact**

Reduction in benefits would create significant financial impacts to County operations across departments.

### **Strategic Initiatives**

Equity Framework - County Facilities & Infrastructure

Operational Plan - Comprehensive Health & Safety, Attainable Housing, Dynamic Economy

Climate Action - Government Operations

### **Submitted By:**

Carlos J. Palacios, County Executive Officer

### **Recommended By:**

Carlos J. Palacios, County Executive Officer

### **Artificial Intelligence Acknowledgment:**

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.