The Board of Supervisors

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1025 Escobar St., 4th floor
Martinez, California 94553

John Gioia, 1st District
Candace Andersen, 2nd District
Diane Burgis, 3rd District
Ken Carlson, 4th District
Shanelle Scales-Preston, 5th District

Contra Costa County

Monica Nino
Clerk of the Board
and
County Administrator
(925) 655-2075

June 23, 2026

The Honorable Gavin Newsom
Governor, State of California
1001 O Street, Suite 9000
Sacramento, CA 95814

RE: **Contra Costa County 2026-27 State Budget Priorities**

Dear Governor Newsom:

On behalf of the Contra Costa County Board of Supervisors, we remain committed to working with you and your Administration to enact a budget that enables counties to provide the essential services California's communities rely on. There is no bigger priority for Contra Costa County than to address the fiscal challenges the state and counties face so that we can accomplish our shared mission to protect the safety and well-being of Californians.

The Legislative Budget Plan, approved by the Legislature as AB 109 (Gabriel) on June 15, 2026, presents a responsible solution that supports several critical priorities necessary to maintaining a high quality of life in our state. This includes funding to implement H.R. 1, address homelessness, reduce crime, and preserve current fiscal requirements for the In-Home Supportive Services (IHSS) program. These programs are not optional; they are fundamental to California's long-term health, safety, and stability.

While building reserves and addressing budget deficits are necessary, Contra Costa County continues to stress that the budget must also mitigate impacts on California's communities, particularly those associated with H.R. 1. Counties deliver a number of health and human services (HHS) on behalf of the state and without additional state support, our County will be forced to mitigate these impacts at the expense of other essential public services, which may include public safety, fire response, elections and more, leaving counties facing significant challenges in delivering the services California communities need and deserve.

As you consider AB 109, which is pending before you, and you negotiate a final budget agreement, Contra Costa County respectfully requests the following to be included in the final 2026-27 State Budget.

County HHS H.R. 1 Impacts
As passed on June 15, 2026, via AB 109, the Legislature's budget plan provides additional funding above the May Revision to support counties in protecting safety net services for vulnerable Californians, including funding for the county eligibility workforce, indigent care and public hospital systems. Without these investments, counties throughout California will be unable to provide critical medical care and nutrition assistance on behalf of the state and millions of Californians.

(1) County Indigent Care Programs: Adopt the Legislature's Action that Provides $125 million General Fund for an Indigent Care/Emergency Only Medi-Cal Program

AB 109 provides $125 million General Fund in 2026-27 for the creation of an emergency only program for the indigent care population that will lose full-scope Medi-Cal due to H.R. 1 community engagement requirements. This funding will help ensure continued access to health care services for hundreds of thousands of Californians while the state develops a long-term approach to meeting the health care needs of medically indigent individuals.

(2) Public Hospital Systems: Adopt the Legislature's Action that Provides $250 million General Fund for Public Hospital Systems

Contra Costa County operates a public hospital and nine community clinics. To help address the fiscal challenges that public hospitals will face under H.R. 1, AB 109 provides $250 million in 2026-27 for public hospital system support. This funding will enable public hospitals to continue to provide quality services to all members of our communities.

(3) County Eligibility Workforce: Adopt the Legislature's Action that Provides $459 million General Fund for County Eligibility Work

AB 109 increases investments beyond what was included in the May Revision to help people maintain their Medi-Cal coverage and CalFresh benefits. Taken together, the Legislature is providing $459 million General Fund for county eligibility workload and administration related to H.R. 1 implementation in 2026-27, with multi-year expenditure authority.

<u>Funding for Distressed Hospitals</u>

Adopt the Legislature's Action to Fund up to $190 million General Fund, Upon Approval of the Department of Finance, for Additional Loans Through the Existing Distressed Hospital Loan Program

Hospitals in California, particularly those in rural areas, are facing significant financial pressures, due to the impacts of H.R. 1, which will reduce health care coverage and increase uncompensated care, limit bargaining power with health plans, and challenge maintaining their workforce.

<u>In-Home Supportive Services (IHSS)</u>

Adopt the Legislature's Action to Reject the IHSS Cost Shift Proposal

AB 109 rejects the Administration's proposal that would shift costs to counties for hours per case growth within the IHSS program. This cost shift is estimated to result in increased county costs of $360.6 million starting in 2027-28 and growing each year. Contra Costa County opposes this proposal because it would undermine the existing IHSS fiscal structure, incorrectly attribute the cause of hours growth, and negatively impact IHSS recipients and providers.

<u>Medi-Cal Mobile Crisis Benefit</u>

Adopt the Legislature's Action to Reject the Administration's Proposal to Make Mobile Crisis a County-Optional Medi-Cal Benefit and Instead Provide $125 million from the 988 Special Fund and $53 million in Proposition 35 (MCO Tax) Funding for Mobile Crisis Services

Medi-Cal mobile crisis is currently a statewide benefit, preventing hospitalizations and law enforcement encounters with people who need behavioral health services in the community. The Administration's proposal to make it a county-optional benefit would shift the costs to counties, which are already struggling with flat realignment funding and the impacts to county finances from H.R. 1. Mobile Crisis programs like Contra Costa County's A3 Program (Anyone, Anywhere, Anytime) help ensure that people in crisis can receive 24/7 behavioral and mental health crisis response service. It provides immediate phone support, triage, and in-person field teams equipped to de-escalate mental health or substance use crises for residents of all ages, helping result in better outcomes and literally save lives.

<u>Homeless Housing, Assistance, and Prevention (HHAP) Program</u>

Build Upon the Legislature's Action to Fund HHAP at $900 million General Fund in 2026-27 by Reinstating Intent Language to Fund an Additional $1 billion General Fund for HHAP in 2027-28, and Pass Trailer Bill Language (TBL) to Streamline Distribution of Funding by September 1, 2026

AB 109 provides an additional $400 million General Fund for Round 7 of HHAP, in addition to the $500 million already appropriated. The $900 million General Fund in total funding is almost the full amount counties advocated for in 2026-27. The Legislature's budget plan also includes placeholder TBL to implement the funding. Contra Costa County looks forward to working with you and the Legislature to ensure that there is streamlined distribution of Round 7 funding by September 1, 2026, and that new funding requirements are appropriate, realistic, and not administratively burdensome.

Proposition 36
Build Upon the Legislature's Action on Proposition 36 Funding

AB 109 allocates $50 million one-time General Fund to support the implementation of Proposition 36 and language that indicates the allocation will be determined in future legislation.

The inclusion of funding for local implementation of Proposition 36 in the Legislative Plan is a strong first step in recognizing the will of the voters in passing the initiative and the ongoing challenges counties face in delivering necessary services. However, Contra Costa County must continue to reinforce the dire need for ongoing funding across multiple impacted county departments, with a particular demand for recovery support services and building out treatment capacity.

Victims of Crime Act (VOCA)
Adopt the Legislature's Action to Provide $50 million for VOCA Funding

AB 109 includes $50 million one-time General Fund to supplement funding for VOCA, an increase of the $25 million General Fund proposed in the May Revision, to support counties and other service providers in maintaining critical victim services for thousands of survivors statewide.

Indigent Defense
Adopt the Legislature's Action to Provide $5 million one-time General Fund for an Indigent Defense Pilot Program

AB 109 provides $5 million one-time General Fund for an indigent defense pilot program, geared towards supporting counties in disproportionately impacted areas of the state, who have demonstrated a willingness to improve their systems of indigent defense.

Development Impact Fees
Adopt the Legislature's Action to Defer the Development Impact Fee Proposal

The Legislature's budget plan defers action on the Administration's Development Impact Fee TBL proposal, which would discourage or prohibit county development impact fees assessed on affordable housing projects. Our County imposes impact fees to fund development related essential infrastructure and services such as water, sewer, fire protection, parks, flood control, and libraries. These fees are strictly cost recovery tools, not revenue sources, and they enable the infrastructure necessary for new housing and economic development. Without development impact fees, communities cannot afford infrastructure necessary to support development that ensures the safety, health, and vibrancy of our communities.

Thank you for considering Contra Costa County's position on the above budget issues. We urge the state to meet this moment and stand with counties to protect the essential services millions of Californians rely on every single day.

Sincerely,

Diane Burgis

DIANE BURGIS
Chair, Board of Supervisors

cc: Honorable Members, Contra Costa County Board of Supervisors
Honorable Members, Contra Costa County State Legislative Delegation
Monica Nino, County Administrator
Jami Morritt, Chief Assistant Clerk of the Board
Michelle Rubalcava & Geoff Neill, Nielsen Merksamer

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Contra Costa County

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July 20, 2026

The Honorable Sabrina Cervantes
Chair, Senate Appropriations Committee
State Capitol, Room 412
Sacramento, CA 95814

RE: **AB 2216 (Aguiar-Curry) Sacramento-San Joaquin Delta Conservancy. – OPPOSE UNLESS AMENDED**

Dear Chair Cervantes:

As Chair of the Contra Costa County Board of Supervisors, I write to respectfully oppose AB 2216, unless amended. We initially supported the bill to expand and update the Sacramento San Joaquin Delta Conservancy (Delta Conservancy) to cover the remaining portions of the Delta counties by creating a Valley Conservancy and to better serve its current jurisdiction in the legal Delta and Suisun Marsh with the request that Contra Costa County be included in the expansion. The proposed expansion as currently written includes the entirety of Sacramento, San Joaquin, Solano, and Yolo counties and leaves out a portion of Contra Costa County (CCC). We understand that this is based on the potential to dilute future funding. This is unjustified because the proposed Valley conservancy boundary does not follow a recognized watershed boundary, as shown in the maps enclosed.

From both a policy and fairness perspective, Contra Costa County should receive the same treatment as the other Delta counties included in the expansion. Contra Costa shares many of the same watershed, agricultural, habitat, and climate resilience challenges as the other counties eligible under the bill. Excluding only Contra Costa creates an inequitable result and arbitrarily denies our communities access to the same opportunities for partnership and investment that the bill extends to neighboring counties.

The latest version of the bill includes protections like the following language, which would ensure that any projects in the expanded area - including projects that would take place in the expanded area of CCC, benefit the Delta watershed.

> *"(b) It is the intent of the Legislature that the expansion of the Sacramento-San Joaquin Delta Conservancy to the Valley, Lake, and Delta Conservancy not distract or supplant the conservancy's work in the Delta in any way. Rather, the intent of the expansion is to provide additional resources to achieve the conservancy's mission within the Delta.*"

Since its creation in 2010, the Delta Conservancy has consistently worked with local communities to identify shared objectives and develop locally supported priority projects that provide a statewide benefit. AB 2216 will expand the areas receiving those benefits, supporting greater watershed scale projects and new sources of funding. The Delta Conservancy has provided over $130 million in state and federal funding for more than 140 projects that improve recreation opportunities, drive tourism, fund locally backed restoration and climate resilient programs and support Delta agriculture.

Contra Costa County is uniquely positioned at the intersection of the Valley, the Delta, and the San Francisco Bay. Accordingly, the following amendments are requested to reflect this:

- Section 32310 (j): "*Valley" means the lands within the Counties of Yolo, Sacramento, Solano, San Joaquin <u>and Contra Costa</u> that are outside of the Delta.*"

We appreciate the intent of this legislation and respectfully offer these amendments to ensure that this legislation effectively carries out its stated goals.

Thank you for considering these amendments and our position. We are happy to answer any questions.

Sincerely,

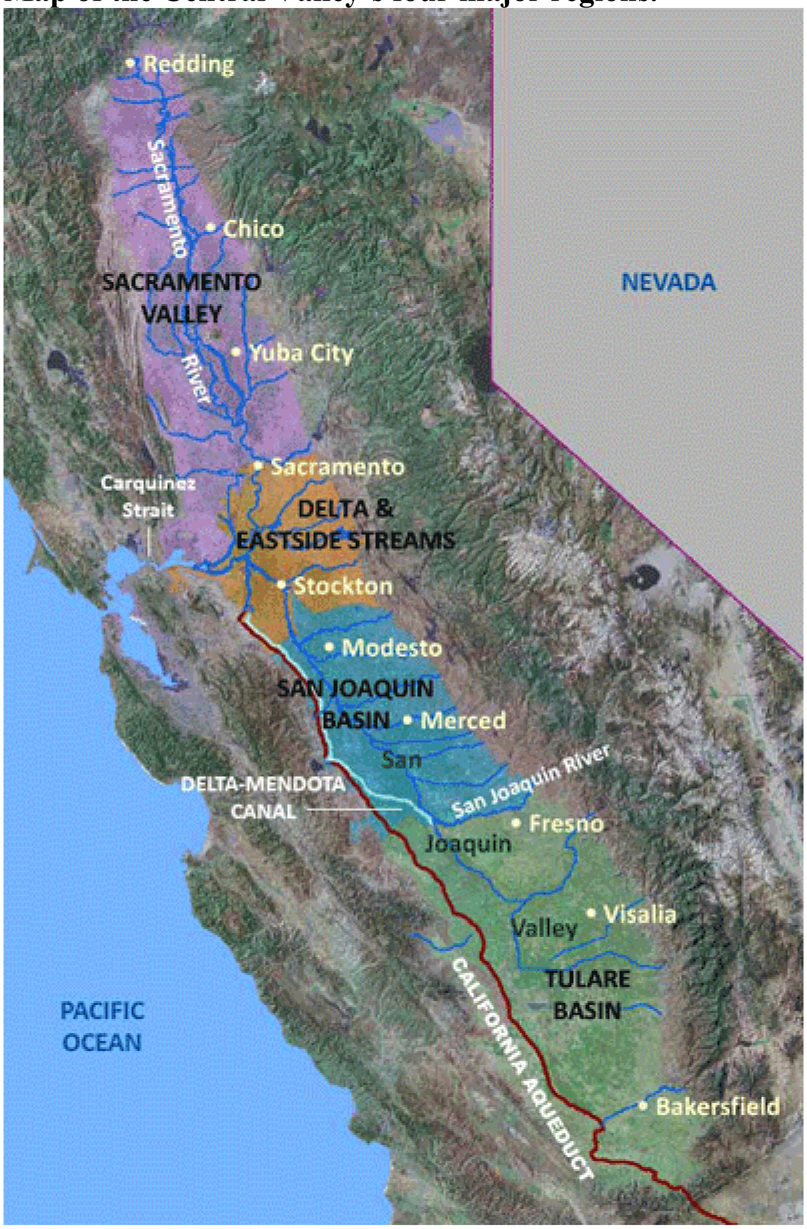
Diane Burgis

DIANE BURGIS
Chair, Board of Supervisors

Encl: Map of Central Valley's four regions
Map of the five areas of the San Francisco Bay Delta Watershed
Map of Sacramento and San Joaquin River Watershed Estuary Project

cc: Honorable Members, Contra Costa County Board of Supervisors
Monica Nino, County Administrator
John Kopchik, Director of Conservation and Development
Ryan Hernandez, Manager of the Contra Costa Water Agency
Abigail Fateman, Executive Director of the East Contra Costa County Habitat Conservancy
Audrey Ratajczak, Cruz Strategies

Map of the Central Valley's four major regions.



https://ca.water.usgs.gov/projects/central-valley/about-central-valley.html

The five main areas of the San Francisco Bay Delta Watershed.

https://www.epa.gov/sfbay-delta/about#approach

Sacramento and San Joaquin River Watershed Estuary Project

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Contra Costa County

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August 10, 2026

The Honorable Jesse Gabriel, Chair
Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

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

The Honorable Dr. Corey Jackson, Chair
Assembly Budget Subcommittee No. 2
1021 O Street, Room 6120
Sacramento, CA 95814

The Honorable Caroline Menjivar, Chair
Senate Budget Subcommittee No. 3
1021 O Street, Suite 6630
Sacramento, CA 95814

RE: **Request to Protect Child Safety by Delaying CWS-CARES System Launch & Enhancing Accountability Measures**

Dear Chairs Gabriel, Laird, Jackson, and Menjivar:

As Chair of the Contra Costa County Board of Supervisors, I write to express our serious concerns regarding the impending launch of the Child Welfare Services–California Automated Response and Engagement System (CWS-CARES). We respectfully request a six- to eight-month delay of the State's planned go-live date, strengthened project accountability measures, and increased legislative oversight through adoption of the County Welfare Directors Association (CWDA)-proposed trailer bill and budget bill language.

Concerns Regarding System Readiness and Child Safety

The current October 26, 2026, launch date presents unacceptable risks to child safety and county operations. The CWS-CARES system remains incomplete, with critical functionality, testing, and county readiness activities still underway just months before implementation. County child welfare agencies—and the frontline workers who rely on this system to protect vulnerable children—cannot safely operate within an environment defined by unresolved defects, unstable functionality, and incomplete development.

Recent testing conducted by frontline county staff in the Production Simulation (Prod Sim) environment continues to reveal significant gaps in system performance, including issues previously reported during Extended User System Testing (EUST) that remain unresolved. Launching an unfinished system creates a high probability of system failures and data gaps that may result in uninvestigated allegations of abuse or neglect, unnecessary removals, placement disruptions, and even serious injury or child fatalities. The combination of extensive defects, design limitations, data conversion issues, and insufficient time for counties to train, test, and prepare places both children and social workers at substantial risk.

System Functionality Issues
County staff have identified several essential areas where system performance remains inadequate:

Record Search Performance:
Search functions continue to experience significant delays, inconsistent response times, and inaccurate results. These deficiencies prevent screeners from capturing referrals during calls and undermine the core function of identifying child welfare history quickly and accurately.

Workflow Constraints:
CWS-CARES currently requires users to complete and save certain tasks before advancing to subsequent activities. This inflexible workflow delays workers' ability to respond promptly to matters involving child safety.

Data Conversion Errors:
Data migration from legacy systems has resulted in numerous inaccuracies, including incorrect referral start dates, missing information in client disposition fields, and incomplete contact logs. These errors undermine the integrity of historical case information and compromise decision-making.

Training and Workforce Readiness
Counties have not been provided adequate time or resources to train staff on the new system. Training materials are still being developed, in-person training schedules remain uncertain, and staff often encounter barriers when attempting to complete required courses. Because development work continues, training cannot fully prepare staff for the system as it will exist at launch. Training gaps leave workers unable to use CWS-CARES effectively, compounding operational risks and further jeopardizing child safety.

Delays in access to the Production Simulation environment have prevented staff from evaluating converted data, verifying permissions, planning business processes, and testing critical functionality such as interfaces with CalSAWS. Counties are frequently asked to make decisions on complex issues within extremely short timeframes, leaving insufficient opportunity for thoughtful planning or operational alignment.

Instructors delivering Training for Trainers have reported concerns about their own readiness, noting that they were encountering materials for the first time during sessions and were unable to adequately explain workflow logic or answer participant questions. Counties also lack guidance on how to correct inaccurate data entered into CWS-CARES, including basic instructions on removing individuals mistakenly added to referrals or cases.

Operational and Business Process Impacts
Counties are attempting to redesign business processes while core system functionality is still in flux. Without stable functionality, counties cannot adequately test workflows, update policy guides, or integrate clerical support roles. Limited county system support staff—such as Contra

Costa County's team of three—are expected to absorb significant volumes of questions and troubleshooting responsibilities despite inadequate preparatory training.

Staff are currently expected to complete online training, learn the new system, review converted data, test functionality, verify permissions, and identify defects within a condensed timeframe—all while carrying out demanding child welfare responsibilities. Many of these tasks depend on one another, making the timeline unworkable and impossible to meet without compromising safety and quality.

Request for Legislative Action

Given these urgent concerns, the County of Contra Costa respectfully requests legislative intervention to delay the CWS-CARES launch by at least six months and no more than eight months, and to codify the enhanced project accountability requirements prior to implementation. CWDA estimates that such an extension will require approximately $100 million to $180.7 million in State General Fund resources, depending on the level of federal fund drawdown. This investment is necessary to prevent system failures and protect the well-being of California's most vulnerable children and families.

Launching an unfinished system places foster children at direct risk, imposes an unsustainable administrative burden on social workers, and transfers unacceptable liability to counties. We urge you to adopt CWDA's proposed budget actions to safeguard California's children, families, and communities.

Thank you for your attention to this critical matter.

Sincerely,

Diane Burgis

DIANE BURGIS
Chair, Board of Supervisors

Encl.: California Welfare Directors Association (CWDA) letter, dated July 14, 2026
cc: Honorable Members, Contra Costa County Legislative Delegation:
- Senator Jesse Arreguín
- Senator Christopher Cabaldon
- Senator Tim Grayson
- Assemblymember Anamarie Ávila Farías
- Assemblymember Rebecca Bauer-Kahan
- Assemblymember Buffy Wicks
- Assemblymember Lori Wilson

Honorable Members, Senate Budget Subcommittee No. 3
Honorable Members, Assembly Budget Subcommittee No. 2
Honorable Members, Contra Costa County Board of Supervisors
Monica Nino, County Administrator
Dr. Marla Stuart, Director of Employment & Human Services Department
Michelle Rubalcava & Geoff Neill, Nielsen Merksamer

CWDA
Advancing Human Services
for the Welfare of *All* Californians

925 L Street, Suite 350
Sacramento, CA 95814
p: 916.443.1749 | f: 916.443.3202
cwda.org

July 14, 2026

The Honorable Robert Rivas
Speaker,
California State Assembly
P.O. Box 942849
Sacramento, CA 94249-0029

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

The Honorable Jesse Gabriel, Chair
Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

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

The Honorable Alex Lee
Chair, Assembly Human Services Committee
1020 N Street, Room 124
Sacramento, CA 95814

The Honorable Josh Becker
Chair, Senate Human Services Committee
1021 O Street, Ste. 6520
Sacramento, CA 95814

The Honorable Dr. Corey A. Jackson
Chair, Assembly Budget Subcommittee No. 2
1021 O Street, Suite 6120
Sacramento, CA 95814

The Honorable Caroline Menjivar
Chair, Senate Budget Subcommittee No. 3
1021 O Street, Suite 6630
Sacramento, CA 95814

RE: REQUEST TO PROTECT CHILD SAFETY BY DELAYING CWS-CARES SYSTEM LAUNCH & ENHANCING ACCOUNTABILITY MEASURES

Dear Pro Tem Limón and Speaker Rivas, and Chairs Laird, Gabriel, Becker, Lee, Menjivar, and Jackson:

On behalf of the County Welfare Directors Association of California (CWDA), we write to express our urgent concerns regarding the readiness of the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES). Moving forward with the planned October 26, 2026, launch date is no longer a viable option compatible with child safety. The CWS-CARES system is underperforming and incomplete, with project milestones and deliverables significantly behind schedule with less than four months out from the system's planned launch. The Project's poor health assessment is corroborated by the State's own independent oversight consultants in their monthly reports to the Administration for Children and Families (ACF), as well as the Project's statutorily mandated monthly reports to the Legislature and Legislative Analyst's Office (LAO).[i]

Releasing an incomplete system to frontline county social workers jeopardizes the integrity of California's child welfare practice and infrastructure, and poses a high risk of probable system failures and data gaps that may result in uninvestigated reports of abuse or neglect, severe trauma related to unnecessary removals, placement disruptions, serious injury, or a child fatality. Therefore, we respectfully request urgent legislative intervention to delay the CWS-CARES planned Go-live date of October 26, 2026, by at least six months and no more than eight months, and to codify enhanced Project accountability measures that must be achieved prior to launch. CWDA estimates a six-month to eight-month extension would require approximately $100 million to $180.7 million State General Fund, depending on level of federal funds drawdown and additional assumptions as further detailed on pages 6-7. As detailed below, given the stakes of proceeding with the implementation as presently planned, this is a necessary investment to prevent critical failures and potentially devasting outcomes for California's most vulnerable children and families.

Should the planned Go-live date go unchanged, the implementation of an unfinished and untested system will trigger immediate, cascading impacts across multiple domains of practice:

- Direct Risks to Child Safety: Current design flaws, which are not scheduled to be fixed by launch, include:
    - In CWS/CMS, contact notes are consolidated in a single location, providing one place to review the latest information about the child or youth, family, and caregivers. In CARES, contact notes are documented in multiple places throughout the system, making it difficult for a worker to be confident they have all relevant information when reviewing information in the child's CARES files to determine services and plans of care, which could introduce risks to child safety. For example, if a safety issue regarding a relative's behavior with the child is raised during a Child and Family Team (CFT) meeting and a plan is made to observe contact with that relative, the documentation is only present in that section of the system. If that social worker, or later a different social worker, does not see that contact note, they will not know to more carefully screen the interaction and pursue remedial activities to support the child's safety.
    - When searching for a potential placement, the system only returns a single placement option at a time, making it extremely time consuming to find a placement for children and youth, particularly those with high needs. For foster youth who are commercially-sexually exploited or have severe behavioral health needs, for example, having complete information on appropriate placement settings that can meet the foster youth's needs is critical to ensuring timely and safe access to services.
    - Additionally, the system currently cannot clearly document language translation needs, risking miscommunications during child abuse investigations involving vulnerable children or caregivers that could lead to decisions being made about child safety without all of the necessary information. For example, If the child is bilingual, but more comfortable speaking Spanish, and the social worker does not know this and speaks only in English, the child may not convey clearly that their bruises were the result of abuse instead of having fallen off their bunk

bed. The worker may consider the injuries to be accidental and the child could continue to get hurt in the future because the origin of the injuries was not understood.

- Compounded Workforce Burnout: California is facing a severe social worker retention crisis. Forcing staff to navigate a flawed and incomplete system while managing manual workarounds and incomplete/flawed data conversions will drastically increase the administrative burden, accelerating worker burnout, exacerbating critical staffing shortages, and increasing risks to child safety.

- Legal and Financial Liability: Requiring counties to work in a system incapable of reliably tracking court mandates, statutory timelines, and fully supporting confidentiality protections raises significant liability concerns for counties. Delivery of an incomplete CWS-CARES system that poses risks of child safety passes the liability onto counties for future litigation and significant new costs. For example, the fiscal impacts of just one just one lawsuit can fall in the tens of millions of dollars, with some recent child welfare-related litigation costs and damages awards against counties and social workers exceeding $30 million each.

Time Constraints Shortchange Safe, Complete, and True Production Simulation, Forcing High-Risk Manual Workarounds

We respect that our State partners at the California Department of Social Services (CDSS) and Office of Technology and Solutions Integration (OTSI) remain steadfast in their commitment to delivering a system that is on time, on budget, and eligible for full Federal Financial Participation (FFP), actively partnering with CWDA and counties to triage and prioritize fixes to known and emerging defects, application usability issues, and poor data integrity. Together, we are continuing to exhaust all available remediation and harm reduction efforts. However, based on the industry standard, active county end user feedback, and experience from other comparable IT system conversions, the nature and magnitude of setbacks this Project has encountered over the last two months would typically materialize 12 to 18 months prior to launch, providing adequate time for quality remediation, data conversion, full functionality testing, and county readiness. Recent Project deficiencies include significant development backlogs, unsecure confidentiality controls, critical design gaps, unresolved defects, and incomplete and unvalidated data conversion related to the transition of 30 billion case records spanning three decades. In order to meet the October launch date, the Project is relegated to shortchanging a safe, complete, and true simulation of production inclusive of substantially complete and accurate data, making it impossible for counties to prepare their staff and business processes so that social workers, probation officers as well as tribal entities with Title IV-E agreements can find and record critical child safety data in the system.

Frontline staff and management rely on a statewide case management system to track abuse investigations, evaluate immediate child safety risks, coordinate foster care placements and services, report to the courts, and issue timely caregiver and supportive service payments. Such end-to-end baseline system functionality and several essential features will not be fully supported by Go-live and are not scheduled for completion until January 2027 and into the spring of next year. Even if some of the core baseline functionality is available by October 2026, data conversion and other key testing and quality control measures have not been completed, resulting in counties developing plans consistent with their existing disaster planning protocols which include resorting to basic "pen and paper" tracking of mandated reports, investigation findings and monthly contacts with foster children and families, to name a few key functions. **Unlike information recorded in the statewide case management system, manual workarounds like pen and paper and spreadsheets are not visible to other staff or counties responsible for subsequent child safety decisions, significantly increasing the risk that critical decisions will be made without access to all relevant information.**

Our risk assessment regarding the Project's poor health is corroborated by the State's own independent oversight consultants in their monthly reports to the Administration for Children and Families (ACF), as well as the Project's statutorily mandated monthly reports to the Legislature and Legislative Analyst's Office (LAO).[ii] These reports consistently reflect the Project in a 'Red' status, signaling that work is significantly behind schedule and unlikely to be safely completed by the target implementation date. The complexity and delay-prone nature of transitional systems like CWS-CMS has been observed in other states with similar systems and documented nationally as a barrier to CCWIS compliance by the ACF in a recently issued June 2026 brief,[iii] noting that "Legacy systems with complex or convoluted architecture and poor documentation require more effort to transition and maintain during the transition period. The scope and scale of data migration from legacy systems to new CCWIS systems also affects the complexity of a project."

Even if needed functionality is delivered before Go-live, time is running out for adequate testing and county readiness activities needed to support implementation. For example, the CWS-CARES system must comply with federal requirements for a single integrated eligibility determination which requires interfacing with CalSAWS. This interface continues to be developed and has not yet been adequately tested. If there are defects or flaws in this interface, this can result in missed or late payments to foster caregivers, including kinship caregivers, which could result in placement disruption and further trauma to foster children and potential disruptions for non-minor dependents (NMDs) aged 18-21 in supervised independent living settings.

Requested Statute for CARES Stabilization Period, County Readiness and Accountability

To protect the lives of the children and families we serve, we respectfully request the Legislature's support to enact trailer bill language (TBL) delaying the CWS-CARES launch by six to eight months, no later than June 30, 2027, after objective statutory readiness milestones and criteria have been achieved. We propose establishing the following readiness criteria and timelines to support a successful launch:

- <u>Completion of Baseline Functionality and Efficiency Improvements to Hotline Functionality:</u> Require the programming and deployment of all baseline requirements outlined in Special Project Report 6 (SPR6), including the resolution of the approximately three hundred outstanding essential stories,[iv] as well as all outstanding critical, high, and medium defects. Furthermore, require development of the necessary enhancements to the Hotline functionality that maintain timely response times and do not increase caller wait time nor delay investigations. We propose a strict system delivery schedule for completion of outstanding items as detailed in our proposed TBL; all to be completed and deployed to production simulation no later than December 14, 2026.

- Full Data Conversion with Certification: Complete and accurate conversion of all historical case records from CWS/CMS and full conversion of all planned supporting systems[v] data into CARES. The project must provide counties with a minimum of six continuous weeks, beginning no later than January 31, 2027, to review and validate the results of the full data conversion in production simulation. For example, confirming that critical history of prior allegations of abuse or neglect is not lost or corrupted. Furthermore, the CARES project must supply certification from the Project's existing IV&V vendor to the Legislature and to counties that the conversion meets the Comprehensive Child Welfare Information Systems (CCWIS) Data Quality Plan (DQP) under 45 CFR 1355.52(d). This step is critical to successfully transitioning approximately 30 billion records that have accumulated over the 30-years in the CWS/CMS system as well as incorporating multiple external system data into CWS-CARES.

- Support for the Full Five-Month County Readiness Window in Production Simulation with All Essential Stories and Converted Data: The provision of a minimum of five consecutive months for county business process redesign and staff training prior to launch. At least three months of this window must occur only after all essential stories have been deployed to production simulation along with a full and validated data conversion in production simulation. We also propose strict timelines for the training vendor to update training and implementation materials; the establishment of a plan for user support no later than September 30, 2026; the provision of a plan for data access during the conversion cutover window and the issuance of instructions for entering this data into CARES by December 14, 2026; and the issuance of state policy guidance regarding any workarounds or other data entry requirements no later than February 1, 2027, so counties have the necessary information to incorporate these materials into their training, organizational changes management (OCM), and operational readiness plans. This will prevent the immense financial waste and irresponsible use of staff time resulting from training and re-training staff in a constantly shifting and unstable environment. We also propose expanding the content of the monthly legislative briefings to include implementation metrics such as system performance, workforce readiness, manual workaround burden, continuity of operations and child safety risks.

- Guarantee the Operational Safety Net: Extend read-only access to the legacy CWS/CMS system for at least one-year post launch, providing a necessary historical reference for county staff. Also, to the extent permitted by federal CCWIS regulation, allow counties to maintain read-only access to external system data that has not been converted to CARES, and which must be maintained to meet data retention policies or until such time the data can be converted into future versions of CARES.

- Lessons Learned for CARES Version Two: To ensure the safety and wellbeing of California's children and continue to improve the efficiency and effectiveness of CARES for end users, we request that the legislature to direct CDSS and OTSI to work with CWDA, and CPOC to provide a plan no later than May 1, 2027, to gather and incorporate end user input into the initial design and ongoing development of CARES V2, and to establish annual reports to the LAO no later than January 15, 2028.

- Exemption from Contracting Requirements: Recognizing the need for urgency to maintain access to

CWS/CMS while finalizing the CARES build, conversion, and readiness activities, we have proposed a broad exemption to contracting requirements to allow CDSS and OTSI to negotiate the requisite changes to contracts, or enter new contracts, to accomplish these timelines.

- Accompanying Budget Bill Language - Allow Access to Existing County Support Funding Allocation for FY 2026-27 regardless of CARES Version Development: With our requested delay of the CARES launch, we ask the legislature direct CDSS and OTSI to make the request to the Department of Finance and California Department of Technology to redirect funds from the $10 million set aside to support counties for CARES Version Two (V2) as it is unlikely there will be significant county activities for V2 in FY 2026-27, and allow it to be used for Version One (V1) activities.

Budget Impacts of Proposed Delay to Protect Child Safety

The shift from October, 2026, to an April through mid-June, 2027 Go Live date will result in additional costs. According to CWDA's projections, **a 6-month delay is estimated to cost $100 million to $133.0 million General Fund, while an 8-month delay is projected to cost $133.3 million to $180.7 million General Fund**. To continue county access to CWS/CMS, support continued development of the CWS-CARES in a manner that incorporates all essential stories and completes remaining development, testing, quality control, and data conversion activities and resolves all critical, high and medium defects necessary prior to Go Live, CWDA estimates a breakdown of delay costs as follows:

- $36.3 to $65.9 million State General Fund (SGF) for CWS/CMS and related access, and
- $63.6 to $114.8 million SGF for CWS-CARES Version 1 (V1) carrying costs.
- Total costs combined are estimated to be in the range of $100 to $180.7 million SGF, depending whether the project is delayed through April or June 2027 and depending on the level of eligible federal funds drawdown.
- Accompanying budget bill language is proposed to authorize the Department of Finance to accordingly increase the CWS-CARES budget authority, and to effectuate the aforementioned transfer for county readiness funds from V2 to V1.

CWDA notes the following with respect to our cost assumptions:

- CWDA believes the CWS/CMS carrying costs will be eligible for approximately 26.5 percent FFP, rather than the current 50 percent federal financial participation (FFP) rate, pursuant to federal guidance that allows FFP for non-CCWIS compliant systems. This is counter to information provided by CDSS in December 2025 that no FFP can be provided. However, CWDA's higher range estimate does account for the possibility of 100% State General Fund in the event of federal denial of necessary cost allocation plan amendments.

- Even in the event that CWS-CARES V1 launches in October 2026, there will be necessary carrying costs post Go-live due to the significant amount of continued and needed development that currently is planned for the incomplete system. The FFP for this work is unknown and therefore, we estimate a range to account for 50% FFP through June 2027, and also a higher General Fund cost scenario of 50% FFP through December 2026 with the aforementioned non-CCWIS rate of 26% from January through June 2027.

- We estimate the above cost projections are a maximum-exposure estimate across both categories for prospective FFP. Moreover, as noted, given there are subsequent releases planned for originally established V1 functionality through at least the first quarter of 2027, we estimate the State would have otherwise incurred some portion the V1 carrying costs even without a formal extension. CWDA requests the Administration's technical assistance to estimate that portion of costs, which may result in a reduced net General Fund impact.

CWDA recognizes the financial risks to California, as conveyed by CDSS, OTSI, and other Administration representatives, of delaying Go-live. We also believe that California is equally at risk of such action if the system is unable to perform the functionality agreed to with the federal administration due to system failures, defects or flaws resulting from rushed development, and incomplete testing and deployment of the system, with the added risks posed to our state's most vulnerable children and families, and additional costs borne by counties related to likely damages and litigation that a system failure may trigger. To mitigate such risks, we believe this is a necessary investment to bring a promising new CWS-CARES system, with new and improved functionality, across the final finish line.

Conclusion

We join our State partners in remaining unequivocal in our shared commitment to transition CWS-CMS, our nearly 30-year-old legacy IT child welfare case management system, to one that better supports the safety and wellbeing of children and families in the Child Welfare System, brings California into federal CCWIS compliance, and facilitates the completion of key legislative priorities like implementation of the Tiered Rates Structure (TRS), unlocking federal prevention services dollars, and continuing our progress in reducing disproportionate child welfare involvement of racial and ethnic minorities through the power of automated systems. All of these shared aims, however, are in imminent jeopardy should the Project's Go-live date remain unchanged, and an irreversible incident befalls a child or family.

We recognize that delaying this system's launch carries a fiscal cost to the State. However, at less than four months from launch, too much work remains outstanding to be successfully completed on time and in keeping with child safety. The current strategy of simultaneously completing baseline development, resolving defects, converting and validating data, conducting user testing, redesigning business processes and training approximately 25,000 county and tribal staff simultaneously to meet an inflexible October deadline is unsound and unsafe. Launching an incomplete system does not erase the remaining work or cost. It transfers that work into a live child welfare environment where system defects, incomplete data, and manual workarounds will directly affect frontline decision-making.

The more fiscally responsible approach is a controlled, milestone-based stabilization period in which the State completes and validates the system, counties conduct meaningful readiness activities against a stable environment, and implementation proceeds only after objective criteria are met. This approach protects both the State's financial investment and the children and families whose safety depends upon the system functioning as intended. Our proposed TBL criteria prevent these avoidable system costs and represent the most fiscally responsible path forward.

Most importantly, the human cost of a premature launch is simply too high. Launching an unfinished system directly endangers California's most vulnerable children, places an unbearable administrative burden on our workforce and passes destabilizing liability and risk onto counties. We look forward to partnering with the Legislature and the Administration to ensure CWS-CARES fulfills its core purpose: providing our county social workers with a safe, reliable, and functional tool to protect California's most vulnerable children.

Sincerely,

Carlos Marquez III
Executive Director
County Welfare Directors Association of California

cc:
Honorable Members, Assembly Human Services Committee
Honorable Members, Senate Human Services Committee
Members and Staff of the Senate Budget Subcommittee No. 3
Members and Staff of the Assembly Budget Subcommittee No. 2
Chris Woods, Office of the Senate President Pro Tempore
Mareva Brown, Office of the Senate President Pro Tempore
Naima Ford-Antal, Senate Human Services Committee
Jason Sisney, Office of the Speaker of the Assembly
Kelsy Castillo, Office of the Speaker of the Assembly
Alexandria Smith, Assembly Committee on Human Services
Jessica Langtry, Assembly Committee on Human Services
Elizabeth Freeman, Senate Budget and Fiscal Review Subcommittee No. 3
Nicole Vazquez, Assembly Committee on Budget Subcommittee No. 2
Kirk Feely, Fiscal Director, Senate Republican Caucus
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus

Megan DeSousa, Senate Republican Fiscal Office
Eric Dietz, Assembly Republican Fiscal Office
Richard Figueroa, Office of Governor Gavin Newsom
Paula Villescaz, Office of Governor Gavin Newsom
Kim Johnson, Health and Human Services Agency
Corrin Buchanan, Health and Human Services Agency
Jennifer Troia, California Department of Social Services
Adam Dondro, Office of Technology and Solutions Integration
Joe Stephenshaw, Department of Finance
Kris Cook, Department of Finance
Justin Garrett, California State Association of Counties
Ginni Bella Navarre, Legislative Analyst's Office
Mark Newton, Legislative Analyst's Office
Xin Ma, Legislative Analyst's Office

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[i] The independent project oversight rating and dashboard is available online at: https://www.projecttracking.technology.ca.gov/Home/Details?id=2d0ec0f6-ac47-495a-980a-65d353a17210. The monthly reports to the Legislature and Legislative Analyst's Office (LAO) are available online at: https://cwds.ca.gov/monthly_reports.

[ii] The independent project oversight rating and dashboard is available online at: https://www.projecttracking.technology.ca.gov/Home/Details?id=2d0ec0f6-ac47-495a-980a-65d353a17210. The monthly reports to the Legislature and Legislative Analyst's Office (LAO) are available online at: https://cwds.ca.gov/monthly_reports.

[iii] Child Welfare Technology System Implementation Shows Minimal Progress: After 10 years and $2 Billion, Modern Information Systems Are Still Out of Reach, USDHHS (June 1, 2026), https://aspe.hhs.gov/reports/ccwis-implementation-shows-minimal-progress

[iv] The CARES Project defines essential stories as those where a user is unable to execute a necessary business process and there is no possible workaround. The "three hundred outstanding essential stories" comprise approximately 260 essential stories from the baseline requirements as well as 38 essential stories derived from county feedback during End-User Scenario Testing 3 (EUST3).

[v] Supporting systems data to be converted includes CARES Live for CANS Data, Structured Decision Making (SDM), and Resource Family Approval (RFA) data from Binti, Greenfield, San Luis Obispo County and Contra Costa County. Other supporting system that will interface with CARES include the California Department of Education (CDE), Regional Center Details from Department of Developmental Services (DDS), Licensing

Information System & Facility Automation System (LIS/FAS), County Expense Claim Reporting Information System (CECRIS), Foster Care Eligibility Determination (FCED) with CalSAWS, Case Management Assessment (CMA), Person-Centered Intelligence Solution (P-CIS), and Juvenile Network (JNET).

The Board of Supervisors

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1025 Escobar St., 4th floor
Martinez, California 94553

John Gioia, 1st District
Candace Andersen, 2nd District
Diane Burgis, 3rd District
Ken Carlson, 4th District
Shanelle Scales-Preston, 5th District

Contra Costa County

Monica Nino
Clerk of the Board
and
County Administrator
(925) 655-2075

August 12, 2026

The Honorable Gavin Newsom
Governor of California
1021 O Street, Suite 9000
Sacramento, CA 95814

The Honorable Monique Limón
Senate President pro Tempore
1021 O Street, Room 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Assembly Speaker
1021 O Street, Suite 8330
Sacramento, CA 95814

RE: **Wildfire Liability, Mitigation, and Accountability Proposal Concerns**

Dear Governor Newson, Pro Tem Limón, and Speaker Rivas:

On behalf of the Contra Costa County and the Contra Costa County Fire Protection District, I write to express our strong opposition to any proposal that would shift wildfire liability away from California's privately owned utilities and onto local governments, taxpayers, and fire survivors. Any statutory changes to wildfire liability must support community recovery, ensure accountability, and protect essential public services.

We have significant concerns regarding proposals that would shift financial responsibility for wildfire impacts away from utilities and onto local jurisdictions and residents. Contra Costa County and its Fire Protection District oppose the following proposals:

Elimination or reduction of utility responsibility for infrastructure damage.
When utility-caused wildfires damage public infrastructure—including underground systems essential for rebuilding—current law enables counties to recover these costs. If that responsibility is removed, counties like Contra Costa would lack the necessary funding to restore critical infrastructure, creating substantial barriers for affected residents attempting to rebuild.

Transfer of emergency response and recovery costs to local governments.
Counties act immediately during disasters to restore services, clear roads, and rebuild essential systems. If utilities are relieved of liability for damages caused by their equipment, these costs would be borne by local taxpayers, hindering our communities' ability to recover effectively.

Substitution of direct utility reimbursement with federal reimbursement mechanisms.
Proposals that require counties to rely primarily on FEMA reimbursement are not practical. Many jurisdictions experience multi-year waits for FEMA funding, and some emergencies do not qualify for federal assistance. This would create substantial delays in recovery for communities

in need, particularly as the Federal government is actively making changes to FEMA and its programs.

Loss of the ability to recoup local tax revenue losses resulting from utility caused wildfires. Property tax revenues are a core funding source for public safety, emergency services, and social support programs. Eliminating the ability of counties to recover lost revenues caused by utility related fires would directly affect the capacity of local governments to provide essential services to residents.

Contra Costa County stands ready to collaborate with the Legislature and Administration on balanced, responsible solutions that advance public safety and community resilience. We support proposals that would accomplish the following:

- Strengthen wildfire prevention through improved coordination, streamlined project delivery, grid hardening, vegetation management, and expanded fuel reduction capacity.
- Enhance utility safety oversight, including meaningful compliance requirements and enforcement mechanisms that promote risk reduction.
- Provide tools that help homeowners and communities mitigate wildfire risk, including home hardening programs, updated hazard maps, defensible space implementation, and financing mechanisms linked to insurance affordability.

Contra Costa County and the Contra Costa County Fire Protection District respectfully oppose any shifts of wildfire liability away from utilities, as this would have catastrophic impacts on local government agencies and the people we serve. Effective wildfire policy must ensure accountability, promote prevention, and support communities in both immediate response and long-term recovery.

The County remains a willing partner in advancing responsible solutions that protect public safety and community resilience.

Sincerely,

Diane Burgis

DIANE BURGIS
Chair, Board of Supervisors & Fire Protection District

cc: Honorable Members, Contra Costa County Legislative Delegation:
Senator Jesse Arreguín
Senator Christopher Cabaldon
Senator Tim Grayson
Assemblymember Anamarie Ávila Farías
Assemblymember Rebecca Bauer-Kahan
Assemblymember Buffy Wicks
Assemblymember Lori Wilson
Honorable Members, Contra Costa County Board of Supervisors
Monica Nino, County Administrator
Aaron McAlister, Fire Chief
Michelle Rubalcava & Geoff Neill, Nielsen Merksamer

The Board of Supervisors

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August 13, 2026

The Honorable Gavin Newsom
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The Honorable Monique Limón
Senate President pro Tempore
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The Honorable Robert Rivas
Assembly Speaker
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The Honorable John Laird
Chair, Senate Budget Committee
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The Honorable Jesse Gabriel
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento CA, 95814

RE: **<u>County H.R. 1 Indigent Care Bridge Funding Request</u>**

Dear Governor Newson, Pro Tem Limón, Speaker Rivas, Chair Laird and Chair Gabriel:

As Chair of the Contra Costa County Board of Supervisors, I write 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. To that end, I write to share the Indigent Care Bridge Funding budget request for the current year, which 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. Contra Costa County anticipates that the impact of these changes could result in county costs in the hundreds of millions of dollars annually at full implementation and directly imperils the financial sustainability of the hospital system.

Counties greatly appreciate that the 2026 Budget Act includes funding for essential county eligibility workforce needs and funding to support public hospital systems. However, the Budget Act did not provide any funding for counties to meet the state-mandated requirement to provide indigent health care services.

H.R. 1 community engagement requirements go into effect on January 1, 2027. Counties anticipate that some of those individuals who lose Medi-Cal coverage will seek out and be eligible for county indigent health care programs in the latter half of the current fiscal year. While there is uncertainty about how many people will seek and be eligible for indigent care, counties like ours must still be ready to deliver these state-mandated services to communities.

In order for counties to be able to provide services to those individuals, counties are requesting $100 million in one-time, bridge funding to allow the twelve public hospital counties and eleven Article 13 counties to meet new demand for services in the current year. The County Medical Services program has an existing fund balance that will allow it to meet the increased demand for services in the current year only.

This one-time, bridge funding will allow counties to meet their state mandated responsibility, while allowing the state and counties to develop long-term plans for maintaining the coverage gains that have occurred over the last decade.

In addition to the request for resources, counties are requesting technical cleanup to the statutory language from AB 85, which governs the redirection of realignment funding away from county indigent care programs after the implementation of the Affordable Care Act. The requested language will ensure that county redirection amounts are not frozen at current levels, just as demand for services is set to increase.

Contra Costa County operates a public hospital and nine community clinics that serve some of our community's most vulnerable residents. Before the effects of H.R. 1, with a communitywide uninsured rate below 5%, our County hospital incurred costs of care for the uninsured exceeding $110 million during FY 2024-25. As the amount of people without insurance coverage rises from record low rates achieved in recent years, our hospital, clinics, and health care partners anticipate needing to provide significantly more uncompensated care – in the hospital and Emergency Room. Meeting these obligations without corresponding funding will necessitate diverting resources from other core programs and services.

The county H.R. 1 Indigent Care Bridge Funding budget request is intended to mitigate direct harm to Contra Costa County residents who will lose health services, as well as prevent cuts to other critical services that counties provide, such as public safety and elections. This one-time request will allow counties to provide state-mandated indigent health care services in the current fiscal year, while allowing the state and counties time to plan for future efforts to maintain coverage gains.

Contra Costa County is eager to partner with the Legislature and the Administration to find workable fiscal and policy solutions to protect our residents. Thank you for your consideration.

Sincerely,

Diane Burgis

DIANE BURGIS
Chair, Board of Supervisors & Fire Protection District

Encl.: Indigent Care Bridge Funding
cc: Honorable Members, Contra Costa County Legislative Delegation:
Senator Jesse Arreguín
Senator Christopher Cabaldon
Senator Tim Grayson
Assemblymember Anamarie Ávila Farías
Assemblymember Rebecca Bauer-Kahan
Assemblymember Buffy Wicks
Assemblymember Lori Wilson
Honorable Members, Senate Committee on Budget and Fiscal Review
Honorable Members, Assembly Committee on Budget
Honorable Members, Contra Costa County Board of Supervisors
Monica Nino, County Administrator
Dr. Grant Colfax, Director of Contra Costa Health Services
Michelle Rubalcava & Geoff Neill, Nielsen Merksamer