



U.S. DEPARTMENT OF AGRICULTURE

August 20, 2025

Governor Gavin Newsom
1021 O Street, Suite 9000
Sacramento, California 95814

Dear Governor Newsom,

This formal warning is sent as a follow-up to our August 12, 2025 advance notification to California's Department of Social Services for non-compliance with the U.S. Department of Agriculture's (USDA) requirement to submit Supplemental Nutrition Assistance Program (SNAP) enrollment data by July 30, 2025.

The advance notification followed USDA's several earlier requests¹ for SNAP enrollment data and required Department of Social Services to come into compliance with Federal requirements at 7 U.S.C. 2020(e)(8)(A) by transmitting SNAP enrollment data no later than close of business Friday, August 15, 2025. In response to State requests, on August 14, 2025, USDA extended the deadline for compliance to August 19, 2025. Although many states have fully complied with the law and submitted SNAP enrollment data to USDA, as of the date of this letter, the Food Nutrition Service (FNS) has not received complete enrollment data from Department of Social Services.

This letter serves as a formal warning under 7 C.F.R. § 276.4(d)(2) to California's Department of Social Services for failure to comply with requirements for providing SNAP enrollment data. Unless Department of Social Services can demonstrate compliance by transmitting the SNAP enrollment data for California, FNS will initiate a disallowance of Federal funding.

FNS will determine whether Department of Social Services has demonstrated such compliance based on successful completion of either of the two actions outlined in this letter.

- Department of Social Services must submit, within 30 days from receipt of this letter, evidence that it has complied.
- If Department of Social Services is unable to provide such evidence of compliance, it must submit, within 30 days from receipt of this letter, a corrective action proposal that FNS finds acceptable. The corrective action proposal must demonstrate how and by what date it will comply with the data sharing requirements outlined in USDA Secretary Brooke Rollins' letter to State agencies on July 9, 2025. Department of Social Services must also submit progress reports to FNS as set forth in the approved corrective action proposal.

¹In letters dated May 6, 2025, July 9, 2025, and July 25, 2025, USDA informed Department of Social Service this data collection.

If Department of Social Services fails to demonstrate compliance with the data sharing requirements to the satisfaction of FNS, FNS will disallow up to \$338,326,748.10 for

Department of Social Services' SNAP administrative expenses for each quarter in which Department of Social Service is out of compliance with the requirements of this letter, in accordance with 7 CFR 276.4. Because the data is needed to enhance the Government's ability to detect overpayments and fraud in SNAP, FNS has calculated this amount using California's Federal Fiscal Year (FFY) 2024 SNAP Quality Control payment error rate of 10.98%. As Department of Social Services is aware, the SNAP Quality Control system measures how accurately State agencies determine eligibility and benefit amounts and, therefore, is the best measure available to FNS to estimate the cost of Department of Social Services' noncompliance with USDA's data request. The amount of \$338,326,748.10 represents 10.98% of California's FFY 2024 total allotments, divided by four.

The complete transmission of the required SNAP enrollment data is imperative to ensure FNS and the State agency have full insight into SNAP program integrity. In the absence of data, FNS lacks key information necessary to ensure effective stewardship of taxpayer dollars. FNS has already discovered from states that are complying with this statutory data sharing requirement that fraud or duplication in state distribution of federal funds has gone unreported and needs remediation. FNS stands ready to assist Department of Social Services with resolving the deficiencies through continued technical assistance to ensure its data is transmitted in compliance with Federal requirements.

If Department of Social Services wishes to discuss these matters further, please contact the FNS Tech Team at SNAPdatabase@usda.gov.

Sincerely,



Patrick A Penn
Deputy Under Secretary
Food, Nutrition, and Consumer Services