



CDSS

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DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**

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July 23, 2014

ALL COUNTY LETTER (ACL) NO. 14-46

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

TO: ALL COUNTY WELFARE DIRECTORS  
 ALL CalWORKs PROGRAM SPECIALISTS  
 ALL CALFRESH PROGRAM SPECIALISTS  
 ALL COUNTY DISTRICT ATTORNEYS  
 ALL COUNTY CHILD CARE COORDINATORS  
 ALL COUNTY REFUGEE COORDINATORS  
 ALL COUNTY WELFARE TO WORK COORDINATORS  
 ALL CONSORTIA MANAGERS

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs) PROGRAM: FINAL REGULATIONS TO IMPLEMENT SEMI-ANNUAL REPORTING AND REGULATIONS TO IMPLEMENT THE ANNUAL REPORTING/CHILD ONLY SYSTEM, CHANGES TO EARNED INCOME DISREGARD, AND TREATMENT OF VETERANS DISABILITY COMPENSATION AS DISABILITY-BASED UNEARNED INCOME

REFERENCE: SENATE BILL (SB) 1041 (CHAPTER 47, STATUTES OF 2012); ASSEMBLY BILL (AB) 1094 (CHAPTER 554, STATUTES OF 2013); AB 6 (CHAPTER 501, STATUTES OF 2011); AB 74 (CHAPTER 21, STATUTES OF 2013); ACL NO. 12-25; 12-49; 13-28; 13-42; 13-99; and 14-08

This letter is to transmit final regulations implementing the Semi-Annual Reporting (SAR) system in the CalWORKs program due to the enactment of AB 6 and AB 74. These regulations were issued on an emergency basis, effective July 1, 2013, and implemented through ACL No. 12-25 and ACL No. 13-99. The final regulations were approved by the Office of Administrative Law and certified by the Secretary of State on June 13, 2014.

The final SAR regulations are available at the following web address:  
<http://www.cdss.ca.gov/ord/PG3273.htm>

This letter also notifies County Welfare Departments (CWDs) of new regulatory provisions in the CalWORKs program for the Annual Reporting/Child Only (AR/CO) system and for changes to the amount of the Earned Income Disregard (EID) pursuant to Senate Bill (SB) 1041 (Chapter 47, Statutes of 2012). The regulatory provisions also include changes to the treatment of veterans disability compensation as Disability-Based Unearned Income (DBI) pursuant to Assembly Bill (AB) 1094 (Chapter 554, Statutes of 2013).

This regulation package contains AR/CO provisions already issued in ACL No. 12-49 and ACL No. 13-28; provisions regarding changes in the amount of the EID which were released previously in ACL No. 13-42; and provisions regarding changes in the treatment of veterans disability compensation which were released in ACL No. 14-08. These regulations were issued on an emergency basis and were effective July 1, 2014.

The emergency regulations pertaining to the implementation of AR/CO, changes in the EID and treatment of veterans disability compensation are available at the following web address: <http://www.dss.cahwnet.gov/ord/PG3598.htm>

This regulation package contains a tandem format to allow for the retention of both SAR and AR/CO. This is because SAR and AR/CO are parallel reporting systems and recipients may transition between SAR and AR/CO. Regulations that are operative under Semi-Annual Reporting are labeled (SAR). Regulations that are operative under Annual Reporting/Child Only are labeled (AR/CO). Regulations not labeled are applicable to both reporting systems and therefore remain unchanged. Many of the new AR/CO regulations retain the primary intent and substance of the SAR requirements, but they have been updated to include the appropriate AR/CO terms and references.

This regulation package also contains clean-up changes. All Quarterly Reporting (QR) regulations became obsolete once SAR was implemented; therefore, regulations labeled (QR) are being repealed. In addition, the notification that each regulation impacted by SAR regulation will replace the QR regulation once SAR is implemented is also being repealed.

For questions regarding this letter, please contact the CalWORKs Eligibility Bureau at (916) 654-1322.

Sincerely,

***Original Document Signed By:***

TODD. R. BLAND  
Deputy Director  
Welfare to Work Division