

SHD Paraphrased Regulations - CalWORKs

130 Unearned-Income

130-1

Effective January 1, 1998 unearned income is defined as any income which is neither earned income, nor disability based unearned income. (W&IC §11451.5(c))

130-3 REVISED 9/07

"Net nonexempt income" means all earned income and disability-based unearned income less applicable disregards, plus unearned income.

"Grant amount" means the amount of cash aid which is to be paid to the AU.

"Potential grant" is the MAP plus special needs of the family, minus net nonexempt income. The potential grant may equal the grant amount if it is equal to or less than the MAP plus special needs for the AU only.

(§44-315.1)

130-4

Net nonexempt income is gross income for the AU and other family members (if applicable), minus applicable income exemptions (per §44-111) and income disregards (per §44-113). (§44-207.221, revised effective July 1, 1998)

State regulations provide that gross income includes: "(1) earnings by part-time student applicants; and (2) current child support payments collected by the county, but does not include child support payments collected by the county for a child subject to MFG, (See §44-314.6)." (§44-207.221(a), as revised effective July 1, 1998)

132-3

Noneducational grants are exempt from consideration as income when it is verified that the proceeds are not available to meet current needs. (Current needs are defined as those items covered in §44-115.3.) Prior to April 1, 1997, noneducational loans were treated in this same manner. (§44-111.436)

132-4A

A loan is defined as a written agreement signed and dated by the lender and applicant/recipient as parties to the agreement. The loan must specify the obligation of the borrower to repay the loan, and a repayment plan which provides for installments of specified amounts that continue on a regular basis until the loan is fully repaid. Such loans are considered exempt from consideration as income in the CalWORKs (formerly AFDC) Program. (§44-111.437(a), effective April 1, 1997)

132-5A REVISED 9/07

REVISED 4/16

All undergraduate and graduate student financial assistance received under the programs in Title IV of the Higher Education Act, or under the Bureau of Indian Affairs (BIA) student financial

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assistance program, is exempt. Some examples of this student financial assistance are Pell Grants, Supplemental Educational Opportunity Grants, State Student Incentive Grants, College Work Study, Perkins Loans (formerly NDSLs), Guaranteed Student Loans (including PLUS and Supplemental Loans for Students), BIA Higher Education Grants, and Indian Health Service Scholarship Program.

Also excluded are educational grants to undergraduate students when awarded on the basis of need. The recipient of such grants shall provide a certification from the official at the student's school (preferably the Financial Aid office) concerning the student's eligibility for this income exemption. The certification must state that the award is based on need and that the Public Assistance grant was considered in making the award.

Carl D. Perkins Vocational and Applied Technology Education Act loans are not completely excluded from property consideration.

(All-County Letter No. 94-02, January 11, 1994; All County Information Notice I-38-12, August 22, 2012; §42-213.2c.(2))

132-5B ADDED 4/16

Portions of the grant, loan or scholarship that are used to cover the attendance costs of a student attending school on at least a half-time basis, as defined by the institution is excluded in CalWORKs computations for determining eligibility and calculating the amount of cash aid. Attendance costs are defined as tuition, fees, rental or purchase of required equipment, materials or supplies, books, transportation, dependent care and miscellaneous personal educational expenses. If the student financial aid monies are used to meet current needs not associated with school attendance costs, that portion is treated as income in the month received and any remaining portion as a resource in the following months. (All County Information Notice No. I-38-12, August 22, 2012)

132-6 REVISED 4/16

The necessary costs of transportation to and from school shall be allowed as an education grant deduction based on the mode most economically available and feasible in the particular circumstances. If it is determined that personal car usage meets the criteria above, all actual transportation costs will be prorated based on the percentage of miles driven to and from the school to total miles driven. Allowable transportation costs include, but are not limited to, car payments, car insurance, car registration, parking fees and gasoline. (§44-111.435, as modified April 1, 1997 to exclude educational loans from treatment under this regulation, and All County Information notice No. I-38-12, August 22, 2012)

133-1

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If a recipient has received a support payment directly from an absent parent and he or she does not send the payment to a county agency or the District Attorney (DA), the welfare department shall notify the local support agency (formerly DA) and treat the payment as follows:

- .21 Determine what portion of the direct payment represents the current month support obligation.
- .22 From the current month support payment, disregard an amount up to \$50. However, no amount shall be disregarded under this section if a full disregard has been provided to the AU for that month.
- .23 Treat the remainder of the direct payment as unearned income in the month received.

(§82-518.2, replacing §43-201.31, effective July 1, 1997, revised effective August 12, 1999 and January 18, 2000)

133-1B

In wage assignment cases, for purposes of determining entitlement to any payments to families, the date of collection is the date the payment is withheld from the absent parent's wages. (§82-518.4, effective July 1, 1997, revised to §82-520.2, effective April 1, 2000)

133-1C

The AU shall be paid a disregard of up to \$50 of the amount of collection which represents payment on a current support obligation (court ordered or voluntary). The county shall disregard this payment as income or resources for eligibility determination and grant computation. (§82-520.4, revised October 1, 1998)

133-1D ADDED 6/07

In October 2005, the Department of Child Support Services (DCSS) instituted the State Disbursement Unit (SDU) as a requirement of federal law. The SDU is responsible for receiving and processing child support payments for individuals with open child support cases through a local child support agency (LCSA). Prior to the SDU, child support payments were processed through the LCSAs. When LCSAs received a child support payment, the payment was credited in the month in which it was collected, known as date of collection. With the implementation of the SDU, the legal date of collection was changed to the date of receipt. This change resulted in some wage withholdings becoming delinquent in the month the LCSAs transitioned to the SDU. Since CalWORKs families receive a \$50 disregard only in months that child support has been collected on their behalf, these families may not have received a disregard payment during the month of transition to the SDU.

As a result of this transition, the DCSS received permission to issue retroactive \$50 disregard payments and those payments were disbursed on or about February 20, 2007.

Counties shall disregard the retroactive \$50 disregard payment that a CalWORKs recipient receives AND their regularly scheduled disregard payment for that month. Per MPP Section 44-

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111.473, if in the same month the assistance unit receives a disregard payment attributable to a prior month and also receives a disregard from a current support payment, CalWORKs recipients are entitled to both disregard payments.

Both payments shall be disregarded when determining eligibility and grant amount. CalWORKs recipients shall not be discontinued for failure to report receipt of the retroactive payment.

With the implementation of CalFresh Simplification Options effective October 1, 2006, and adoption of income exclusions under MPP sections 44-111, with specified exceptions, the retroactive \$50 disregard payment is not counted as income when budgeting CalFresh benefits per MPP §44-111.473.

CalFresh benefits recipients shall not be discontinued for failure to report receipt of the retroactive payment.

(All County Information Notice I -17-07, April 6, 2007)

133-2

The 9th Circuit Court of Appeals has held that the language of 42 United States Code §657(b)(1) is ambiguous, as to whether there may be more than one \$50 child support pass through in a month. The Court held that the Washington interpretation, to limit payment pass through to one \$50 payment per month, was reasonable and therefore upheld.

The Court went on to hold that pay-through payments are credited when they are withheld from the wage-earner's check, not when they are actually received by the state. (*Vanscoter v. Sullivan* (1990) 920 F. 2d 1441)

133-3

The United States Supreme Court has held that Title II child insurance benefits paid to the dependent child of a disabled, retired, or deceased parent for the purpose of supporting that child are not "child support" payments for AFDC purposes. Thus, there is no \$50 disregard applied to those payments. (*Sullivan v. Strop* (1990) 110 S. Ct. 2499)

133-6

"Excess payments" made to a "family" from child/spousal support collected in any month are considered available income for CalWORKs purposes in the month received. "Pass-on payments" made on behalf of a foster care case shall be considered income in the month received. (§82-520.5, revised effective October 1, 1998 and repealed effective April 1, 2000) These regulations were revised to provide that all excess and pass-on payments made to a family from child/spousal support are considered available income to the family or foster care child. (§82-518.14, effective April 1, 2000)

133-7

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Child/family and spousal support distribution regulations for current and former CalWORKs and foster care cases are governed by regulations in Division 12, §12-425, §43-203, and §§82-508, 82-518, and 82-520. Handbook §§25-900 through 25-925, have been repealed. (§43-203.3 and Handbook §43-203.31, effective August 12, 1999)

134-2 REVISED 7/06

Income in kind is any benefit received other than in cash. It includes the value of need items provided at no charge. (§44-101(j))

134-3

Income in kind from nonneedy relatives other than a parent can only be counted for CalWORKs (formerly AFDC) purposes if the relative voluntarily chooses to make such a contribution. (§44-115.21)

134-4 REVISED 7/06

The CalWORKs (formerly AFDC) in-kind income values for an AU of _____ is \$_____ in _____, (§44-115.31).

134-4A REVISED 7/06

For an AU of _____ in a Region _____ county, the in-kind value of _____ is \$_____. (Handbook §44-115.311(a) as revised July 1, 2004)

134-5 REVISED 8/04

If the applicant or recipient does not agree with the in-kind income value arrived at in §44-115.31, he or she may submit evidence of the value of the in-kind income item which he/she receives in kind or reasonably anticipates receiving. For housing and clothing, the aid in kind value shall be the net market value of the item reasonably anticipated to be received. For utilities and food, the aid in kind income shall be the cost to the person who will pay for the item.

If the applicant or recipient presents satisfactory evidence that the value of the item reasonably anticipated to be received in-kind is other than the value specified in §44-115.31, such evidence shall be used by the county in determining the value of the item if it is to the recipient's financial advantage. (§44-115.32) In no event can the in-kind income value exceed the amounts specified in Handbook §44-115.311(a). (§44-115.333)

134-6

If a CalWORKs applicant or recipient presents satisfactory evidence of the value of a need item shared with persons who are not members of the AU or whose needs are not considered in the AU, the in-kind value attributable to the AU shall be the lesser of:

- .331 Their pro rata share, for persons whose needs are considered in the AU, of the net market value or cost of the item; or
- .332 The in-kind income table value established under §44-115.311 for the appropriate number of persons whose needs are considered in the AU.

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(§44-115.33, as revised effective July 30, 1999)

135-5D

The income of a parent is considered when that parent is living in the home but is excluded from the AU. An excluded parent's needs shall only be considered if the parent has income, unless the parent is an ineligible alien parent as described in §44-133.521. This rule does not apply to parents excluded because they have been sanctioned, or are a recipient of another aid program or a member of a different AU. (§44-133.51, as revised effective July 30, 1999)

135-5E ADDED 3/08

Parents whose needs and income are considered include a stepparent who is the spouse of the applicant and/or recipient child's parent when the child's parent is residing in the home and the stepparent is not a parent of any natural or adoptive children who are required to be included in the assistance unit. (MPP §44-133.511)

135-9

REVISED 9/08

In cases where the minor parent lives with his/her parent(s), the income and needs of the senior parent(s) shall be considered. Eligibility and grant amount for senior parent/minor parent cases shall be determined in accordance with Sections 44-133.5, 44.207 and 44-315 as appropriate, based on the specific circumstances of the case.

The income of the senior parent(s) shall be considered and the actual grant amount calculated pursuant to Section 44-315.3 when the minor parent is either eligible to be included in his/her own AU or eligible to be included in the AU of the senior parent, and the consideration of the income does not result in ineligibility of the minor and his/her children.

(§§89-201.5 and .51)

135-11

The income and resources of the sponsor and his/her spouse who is not receiving public cash assistance payments, and who lives with him/her, shall be deemed to be the income and resources of the sponsored alien. (§43-119.22)

135-12 ADDED 12/04

The following general formula determines the income deemed to the sponsored alien:

- .711 Determine the total amount of unearned income of the sponsor and his/her spouse.
- .712 Determine the total amount of income received by the sponsor and his/her spouse as wages or salary or as net earnings from self-employment.
- .713 If the sponsor is the sponsor of more than one noncitizen, divide the total gross income by the total number of sponsored noncitizens who are applying for or receiving

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CalWORKs (formerly AFDC). This amount shall be deemed to be the income of each applicant or recipient who is a sponsored noncitizen.

- .714 When the sponsored noncitizen is not included in the AU, the portion of his/her income, which has been deemed from the sponsor, shall not be used in determining his/her contributions to the AU unless such income is actually available to the AU.
- .715 When the sponsored noncitizen is a member of the AU, this deemed income from the sponsor shall be treated as unearned income in accordance with Sections 44-113 and 44-315.4
- .716 If the sponsor is either an excluded parent or stepparent, his/her income shall be treated in accordance with the excluded parent or stepparent deeming computation.

(§44-133.7)

135-14

When a parent or child has been excluded from the AU, determine the child's or parent's net nonexempt income. Then, determine the MBSAC plus any verified recurring special needs for the AU and the excluded persons. From that amount, subtract the MBSAC plus any verified recurring special needs for the AU. The maximum amount for recurring special needs for the excluded parent or child shall not exceed \$10. Subtract the calculated amount from the excluded person's net income to determine net income to the AU. (§44-133.33)

135-15

When the ineligible alien child has income sufficient to meet such child's needs, no income in excess of that amount shall be applied to the AU, to needy siblings, or to other individuals in the ineligible alien parent unit. (All-County Letter (ACL) No. 92-68, July 6, 1992, clarifying §44-133.33)

135-17

The CDSS has determined that effective December 1, 1997, the *Ortega v. Anderson* court case would be implemented. That case required the CDSS to conform its policies to the holding of the California Supreme Court in *Darces v. Woods* (1984) 35 Cal. 3d 871, 201 Cal. Rptr. 807.

When a case involves an ineligible, undocumented alien family member, the statutory provisions set forth in W&IC §11008.14 are inapplicable. Counties are required to comply with the instructions set forth in All-County Letter (ACL) No. 97-57, October 6, 1997, and in §44-133.5. (ACL No. 98-17, March 13, 1998)

135-18 ADDED 6/07

The needs of the following persons shall be considered in the family MAP (recipient cases) or MBSAC (applicant cases). The family MAP/MBSAC shall include:

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The needs of the following ineligible aliens who are related to the AU and who, but for their alien status, would be eligible for aid:

- (a) An ineligible alien spouse of an AU member.
- (b) An ineligible alien parent of a child in the AU.
- (c) An ineligible alien parent of an ineligible alien child in common who is deprived of parental support and care.
- (d) An ineligible alien child of an AU member.
- (e) An ineligible alien child who is the sibling or half sibling to a child in the AU, and
 - The needs of AU members other than those specified at Section 44-133.4, and
 - The needs of the persons excluded from the AU, specified at Section 44-133.51, whose income is being considered, and
 - The needs of any excluded children of the persons identified in Sections 44-133.51 and .521 whose income is being considered, or other dependents living in the home who could be claimed by the person for tax purposes, and
 - The needs of any excluded spouse of the persons identified in Sections 44-133.51 and .521 whose income is being considered.

The income of excluded children not required to be in the AU is excluded unless the needs of that child are considered as specified in Section 44-133.521. (See student exemption disregard at Section 44-111.22 for earnings of a child.)

(§44-133.52 and .53)

136-11

Lump-sum refunds of the employer's share of retirement contributions shall be considered net unearned income in the month received, as shall the interest earned on accumulated retirement contributions. (§44-113.8) The refund of the employee's own contribution shall be included in the property reserve. (§42-211.257)

136-11C

The receipt of CalWORKs shall not limit nor restrict a recipient's right to give, receive, sell, exchange, or change the form of property or income holdings. A period of ineligibility (POI) shall result when a recipient AU gives away or transfers, for less than Fair Market Value (FMV) nonexcluded income or property that would cause the AU "to exceed its eligibility for benefits." [emphasis added] (§42-221.1, as revised effective August 5, 1999)

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136-11D

A POI shall result when, in the month of receipt, a recipient gives away or transfers for less than FMV, "nonexempt, nonrecurring income that would cause the AU to be ineligible for a cash aid payment. [emphasis added] A transfer for less than FMV results when a recipient uses nonexempt, nonrecurring income to purchase a product or service with an FMV less than the money transferred." (§42-221.4, as revised effective August 5, 1999)

136-11E

In a transfer of income situation, income is considered nonrecurring when the income is not interest nor contractual income, is received for a period of more than one month, and the "income is not from a source expected to occur regularly." (§42-221.41, as revised effective August 5, 1999)

136-16A

For purposes of computing eligibility and grant amount in CalWORKs, the family includes all members of the AU and those family members living in the home who are referenced in W&IC §11008.14. It is the position of the CDSS that CalWORKs does not count the income of any family member not previously considered under AFDC. In addition, all deeming formulae are eliminated, except for those individuals described in §44-133.5 per All-County Letter (ACL) No. 97-57, which implemented the *Ortega* court order. (ACL No. 97-59, October 14, 1997, as modified by ACL No. 98-17, March 13, 1998) Effective July 1, 1998, "family" is defined differently for property purposes only. (§42-203.8)

136-18 ADDED 2/04

Property eligibility is determined only once per payment period. Lump sum income is now considered property in the month received in CalWORKs just as in CalFresh benefits. (§42-221.4, 40-181.1)

136-18A ADDED 8/04

Under prospective budgeting, nonrecurring lump sum payments which are not recurring regular income and usually nonrecurring in regard to amount and/or source, shall be treated as property in the month of receipt and any subsequent months. (§42-209.2, 44-101(I))

136-19 ADDED

6-13Based on federal law, federal tax credits and refunds received on or after January 1, 2013, shall be permanently excluded as income when determining eligibility and benefit amount in the CalWORKs and CalFresh programs; and these tax credits and refunds shall also be disregarded as a resource for 12 months from the date of receipt.

All County Letter No. 13-46. June 10, 2013

137-1

All net income of persons included in the AU is income to the AU. (§44-133.1)

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137-1A ADDED

5/16The income of the parent (natural or adoptive) of an eligible child, and the income of the spouse of that parent, as well as the income of the eligible child's siblings who live in the child's home, plus the income of the applicant or recipient, shall be considered available for purposes of eligibility determination and grant computation. (W&IC §11008.14, effective January 1, 1998)

137-2 REVISED 8/04

Income is any benefit in cash or in kind which is in fact reasonably anticipated to be available to the individual and is received as a result of current or past labor or services, business activities, interests in real or personal property, or as a contribution from persons, organizations or assistance agencies. To be considered in determining the cash aid payment, income must, in fact, be reasonably anticipated to be available to needy members of the family in meeting their needs during the payment period. (§44-101, revised July 1, 1998, revised again July 1, 2004)

137-2A ADDED 8/04

Income is reasonably anticipated when the county determines that it is reasonably certain that the recipient will receive a specified amount of income during any month of the payment period. This definition applies to earned and unearned income. (§44-101(c))

137-3

In cases in which the AU resides in the same household as a Supplemental Security Income (SSI) or Cash Assistance Program for Immigrants (CAPI) recipient, the aid payment and income of an SSI or CAPI recipient shall not be included in the AU's income and grant computation. (§44-133.21)

If a CalWORKs (formerly AFDC) applicant is determined to be eligible for CalWORKs and is included in the AU, the income of the CalWORKs applicant that may have been used in computing an SSI or CAPI grant for another person will be included in the CalWORKs grant computation. The county shall notify the Social Security Administration or the appropriate CAPI worker as to the effective date that the income is used in the CalWORKs grant computation so that such income may be deleted from the SSI or CAPI grant computation. (§44-133.26, as modified effective July 1, 1998, and revised again effective July 30, 1999)

137-4A

Income of persons living in the home, required to be in the AU, who have been sanctioned or penalized, is considered available income to the AU. The needs of these individuals are not considered, except for persons in the AU who are being penalized for failure to cooperate with child support. Actions which are subject to sanction, or which constitute a failure to cooperate include, but are not limited to: failing or refusing, without good cause to comply with welfare-to-work requirements; refusing without good cause to furnish or cooperate in securing a Social Security number; refusing to assign rights to child and spousal support payments; or refusing to take actions necessary to obtain unconditionally available income. (§44-133.4, effective July 1, 1998)

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137-4B

and

145-7 ADDED

5/16Net non-exempt income of timed-out parents who are otherwise required to be in the AU and living in the home shall be considered available to the AU. The needs of these parents shall not be considered when calculating the grant for the aided AU members. (§ 44-133.8.)

137-5A ADDED 8/04

Under prospective budgeting, all reasonably anticipated income shall be considered available to meet the needs of the AU during the payment period and shall be considered when determining eligibility and grant amount except for interest income received regularly, contractual income when received in fewer than 12 but more than eight months, and child support as provided for in §43-203. (§44-102.1 effective 7/1/04)

137-7

The income of the parent (natural or adoptive) of an eligible child, and the income of the spouse of that parent, as well as the income of the eligible child's siblings who live in the child's home, plus the income of the applicant or recipient, shall be considered available for purposes of eligibility determination and grant computation. (W&IC §11008.14, effective January 1, 1998)

137-8 ADDED

6/11Federal courts have upheld a federal regulation which authorize garnished amounts to be included as income for Supplemental Security Income purposes. See *Cervantez v. Sullivan* 963 F.2d 229 (9th Cir. 1990). In reaching this conclusion, the court determined that income does not have to be physically received in order to be considered available. See also *Martin v. Sullivan*, 932 F.2d 1273 (9th Cir.1990).

137-9 ADDED

5/16When an excluded family member whose needs must be considered shares the same familial relationship with more than one AU and the members of the AUs live in the same home, the parents shall determine in which AU the needs of the non-AU family member shall be included. (§44-133.55.)

138-2

Income which does not exceed \$30 in a quarter that is received in prospectively budgeted months, and which is received too infrequently or irregularly to be reasonably anticipated, shall be excluded as income. (§44-111.441, effective July 1, 1998)

138-3

Under state law, any child support payment received for the MFG child shall be paid to the AU, and shall not be counted as income to the family. (W&IC §11450.04(e))

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138-3A

Under state regulations, any child support payments received by the District Attorney for the MFG child shall be given to the AU and are exempt from consideration as income (§44-314.62)

138-4

The aid payment and income of a Supplemental Security Income/State Supplemental Program recipient shall not be counted in determining the CalWORKs (formerly AFDC) AU's income and shall not be used in computing the grant. (§44-133.21, as modified effective July 1, 1998)

138-6

In CalWORKs (formerly AFDC), income in kind for partial items of need is exempt. (§44-111.452)

138-7 REVISED 8/04

The first \$50 per month of current child or spousal support paid to or on behalf of an AU shall be disregarded when determining both eligibility and grant amount. Under prospective budgeting, when current child/spousal support reasonably anticipated to be received directly by the AU, the first \$50 is disregarded. (§44-111.47)

138-8 REVISED 6/07

Prior to January 18, 2000, regulations required the District Attorney to distribute to the AFDC family up to \$50 of the child or spousal support collected which represents payment on the current support obligation. This disregard payment shall be made by the fifteenth calendar day of the month following the month of collection. (§§43-203(b) and 82-520.61, as effective January 28, 1999, and modified effective January 18, 2000) As of January 18, 2000, it is the local child support agency which shall make the payment, and the payment shall be made per §12-425.

In October 2005, the Department of Child Support Services (DCSS) instituted the State Disbursement Unit (SDU) as a requirement of federal law. The SDU is responsible for receiving and processing child support payments for individuals with open child support cases through a local child support agency (LCSA).

(§82-520.2, as re-revised effective April 1, 2000; All County Information Notice I-17-07, April 6, 2007)

138-12

Each Kin-GAP child is in his or her own AU, even if there is a sibling or a needy caretaker relative living in the same home. (All-County Letter (ACL No. 99-97, November 4, 1999; §90-105.31, effective July 10, 2000)

The Kin-GAP recipient is excluded by law from receipt of CalWORKs (W&IC §11450(j)) and the income and aid payment of the Kin-GAP recipient is not considered available to CalWORKs applicants and recipients. (W&IC §11371) The needy caretaker relative of the Kin-GAP recipient

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may be in his/her own one-person AU, or included in an AU with other eligible dependent children. (W&IC §11450.16(B); §82-820.22, effective July 1, 2000) These rules are effective January 1, 2000. (ACL No. 99-92, October 25, 1999)

138-13

In accord with §44-113.32 in CalWORKs, net income from pensions and similar sources is the gross amount received less the required income tax deductions and other required expense deductions related to the receipt of the income. For purposes of this provision, income from "similar sources" includes various unearned income sources such as social security benefits, unemployment insurance benefits, and disability benefits. Deductions for required income tax payments on the income are deductible regardless of whether the individual has the option to have the taxes deducted directly from the income. "Required expenses" related to receipt of the income include: (1) a mandatory Medi-Care deduction, (2) attorney fees deductions that are required to receive the income, and (3) overpayment adjustment deductions for an overpayment of the income. Deductions resulting from other personal debts and garnishments must be included in the net income amount, as they are not considered required expenses related to the receipt of the income. (All-County Letter No. 00-13, February 20, 2000, interpreting §44-113.32)

138-14

Effective April 1, 2001, the following payments shall be exempt income for CalWORKs grant computation purposes when the case is subject to the MFG rule:

1. Child support payments from the absent parent for the MFG child, no matter to whom the payment is sent.
2. Derivative benefits from Social Security of other government programs based on the absent parent's disability or retirement, paid to or on behalf of the MFG child, when those benefits satisfy, in whole or in part, the absent parent's child support obligation.

(All-County Letter No. 01-16, March 2, 2001, implementing the *Kehrer v. Saenz* court order; see also §44-314.62, amended effective July 1, 2001 and §44-314.621, added effective July 1, 2001)

138-15

For CalWORKs eligibility and grant determination purposes, any child support paid to a senior parent on behalf of a minor parent, who resides with the senior parent, shall not be included as minor parent income in the "excluded parent computation" set forth in §89-201.514. (All-County Letter No. 01-15, February 28, 2001 implementing the *Dominika S. v. Saenz* court order, effective with the February 1, 2001 grant computations and eligibility determinations. Section 89-201.514 was repealed effective March 31, 2003)

138-16

Payments made by the CalWORKs program for child care costs, under §47-420.2, are exempt. (§44-111.3f.)

138-17 ADDED

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1/13 All AmeriCorps payments are exempt as income for CalWORKs purposes. (ACL 12-41, August 28, 2012)

138-18 ADDED

4/12 Adoption Assistance Program payments are to be excluded as income in the computation of CalWORKs benefits. MPP Section 44-111.61(n), *Cadaret v. Wagner*, ACL 11-47

138-19 ADDED

5/16 The income of excluded children not required to be in the assistance unit is excluded unless the needs of that child are considered as specified in Section 44-133.521 pertaining to alien children. (See student exemption disregard at Section 44-111.22 for earnings of a child.) (§44-133.53)

139-1 REVISED 9/07

Effective with cash aid payments issued in January 1998, disability-based unearned income means State Disability Insurance benefits, private disability insurance benefits, Temporary Workers' Compensation benefits, and social security disability benefits. (W&IC §11451.5(b)(2); §44-101(f))

139-1A REVISED 9/07

Private disability insurance benefits, which are treated as disability-based unearned income, include all privately purchased or employee-sponsored disability insurance benefits whether or not there is an employee contribution. Private disability insurance benefits do not include disability benefits that are not insurance benefits, such as veterans' benefits. (§44-101(f)(1)(B), as revised effective July 30, 1999)

139-1B ADDED

4/14 Effective January 1, 2014, disability-based unearned income consists of Veteran's Disability Compensation (VDC) benefits. (All County Letter 14-08, January 29, 2014, Welfare and Institutions Code (W&IC) 11451.5)

139-2

When children receive income that is the result of a parent (whether in or out of the AU) receiving disability-based unearned income, the income to the child is considered disability based and shall qualify for the \$225 disability-based unearned income disregard. (All-County Letter No. 98-62, August 6, 1998, interpreting W&IC §11451.5, effective January 1, 1998)