

November 12, 2019

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 19-106

The purpose of this letter is to inform all County Welfare Departments (CWDs) of changes to income exemptions for California Work Opportunity and Responsibility to Kids (CalWORKs) recipients pursuant to Assembly Bill (AB) 807 (Chapter 440, Statutes of 2019).



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

November 12, 2019

ALL COUNTY LETTER (ACL) NO. 19-106

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL CALFRESH PROGRAM SPECIALISTS
ALL COUNTY REFUGEE COORDINATORS
ALL COUNTY CONSORTIA REPRESENTATIVES

SUBJECT: IMPLEMENTATION OF ASSEMBLY BILL (AB) 807: CALIFORNIA
WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKs) AND ADDITIONAL INCOME EXEMPTIONS

REFERENCE: [ASSEMBLY BILL \(AB\) 807 \(CHAPTER 440, STATUTES OF 2019\);](#)
[WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 11157;](#)
[MANUAL OF POLICIES AND PROCEDURES \(MPP\) SECTIONS](#)
[44-111, 44-315.311 AND 63-502.2\(e\); ALL COUNTY LETTERS](#)
[\(ACL\) No. 09-26, 19-66 AND 19-79; TITLE 7 OF THE CODE OF](#)
[FEDERAL REGULATIONS SECTION 273.9\(c\)\(3\)\(i\)](#)

The purpose of this ACL is to provide guidance to County Welfare Departments (CWDs) regarding the implementation of CalWORKs income exemptions pursuant to [AB 807](#) (Chapter 440, Statutes of 2019), signed by the Governor on October 2, 2019. This policy change exempts awards and scholarships provided by a private or public entity to, or on behalf of, a dependent child, as well as income earned for temporary work related to the decennial census, from being considered income for CalWORKs program eligibility and benefits determination. In order to ensure that these exemptions are in effect for qualified workers employed during 2019 for the 2020 United States (U.S) Census, this act takes effect immediately; however, the changes enacted in [WIC Section 11157](#) will apply to all future U.S. Censuses.

BACKGROUND

Awards and Scholarships

CalWORKs

Prior to the passage of AB 807 awards or scholarships provided by a public or private entity to, or on behalf of, a dependent child based on the child's academic or extracurricular achievement or participation in a scholastic, educational, or extracurricular competition were exempt from consideration as income (for purposes of determining eligibility and grant amount). All other types of awards or scholarships received by a dependent child were treated as income when determining CalWORKs eligibility or grant amount.

CalFresh

In general, education assistance is considered excluded income when determining CalFresh eligibility. Per [7 CFR Section 273.9\(c\)\(3\)\(i\)](#), educational assistance includes, but is not limited to, loans on which the payment is deferred, grants, scholarships, work study, fellowships, and veteran's educational benefits. Per [MPP Section 63-502.2\(e\)](#), educational assistance not otherwise excluded by federal statute, to the extent that it is either earmarked by the lender, used for, or intended to be used for, allowable educational expenses at qualifying institutions, such as those providing secondary or post-secondary education or the equivalent of a secondary diploma, including correspondence schools at these levels and a school at any level for the physically or mentally handicapped or a vocational education program, must be excluded.

Income from Temporary Census Employment

The U.S. Census Bureau generally recruits Temporary Assistance for Needy Families (TANF) participants to fulfill temporary employment positions related to the decennial census. The Administration for Children and Families (ACF) has encouraged states to disregard income earned from temporary census employment in the TANF calculation whenever program rules allow.

CalWORKs

[ACL No. 19-66](#), released on July 9, 2019, provided CWDs with guidance on the treatment of temporary census income, advising that it must be reasonably anticipated to be included in the CalWORKs grant calculation.

In accordance with [MPP Section 44-101\(c\)](#), income is reasonably anticipated when the county determines it is reasonably certain the recipient will receive a specified amount

of monthly income during the payment period. Per [MPP Section 44-315.311](#), the county must ensure the following criteria are met to be able to consider the income as reasonably anticipated:

- 1) The amount of the income is known; and
- 2) The start date of the income is known.

CalFresh

Pursuant to [ACL No. 19-79](#), on April 8, 2019, the Food and Nutrition Service approved the California Department of Social Services (CDSS) request to participate in the Census 2020 Demonstration Project. Demonstration Project authority allows for the earnings of temporary U.S. Census Bureau employees to be excluded when determining CalFresh eligibility. Pursuant to this waiver, effective August 1, 2019, through September 30, 2020, earned income received directly from the U.S. Census Bureau for temporary employment related to the 2020 U.S. Decennial Census must be excluded when determining CalFresh eligibility and benefits.

NEW RULES FOR CALWORKS

Awards and Scholarships

Effective immediately, any award or scholarship provided by a public or private entity to, or on behalf of, a dependent child is exempt from consideration as income in the CalWORKs program.

Income from Temporary Census Employment

Effective immediately, any census-related income or stipend earned during the year preceding a decennial census and during the year of the decennial census should not be considered income for the CalWORKs program. This includes all income paid by the U.S. Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to improving participation in the decennial census. Therefore, any income earned as a result of temporary employment related to the decennial U.S. Census shall be exempt from consideration as income for the CalWORKs program, even if it can be reasonably anticipated to continue.

AUTOMATION

Each CWD shall implement a manual business process until its respective consortium is automated to incorporate the changes in [WIC Section 11157](#) pursuant to AB 807.

CONTACTS

If you have any questions regarding this ACL, contact your CalWORKs County consultant or the Early Engagement and Eligibility Bureau main line at (916) 654-1322.

Sincerely,

Original Document Signed By:

JENNIFER HERNANDEZ
Deputy Director
Family Engagement and Empowerment Division

cc: CWDA