

February 26, 2021

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

**EXECUTIVE SUMMARY**

**ALL COUNTY LETTER NO. 21-22**

The purpose of this letter is to provide County Welfare Departments with guidance regarding the treatment of Pandemic Unemployment Compensation payments in the California Work Opportunity and Responsibility to Kids (CalWORKs), Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), and the Trafficking and Crime Victims Assistance Programs (TCVAP) pursuant to Assembly Bill 81 (Chapter 5, Statutes of 2021).



KIM JOHNSON  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



GAVIN NEWSOM  
GOVERNOR

February 26, 2021

ALL COUNTY LETTER NO. 21-22

TO: ALL COUNTY WELFARE DIRECTORS  
ALL WELFARE-TO-WORK COORDINATORS  
ALL COUNTY REFUGEE COORDINATORS  
ALL COUNTY CALFRESH SPECIALISTS  
ALL CONSORTIA REPRESENTATIVES

SUBJECT: **TREATMENT OF PANDEMIC UNEMPLOYMENT COMPENSATION (PUC) PAYMENTS IN THE CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS), REFUGEE CASH ASSISTANCE (RCA), ENTRANT CASH ASSISTANCE (ECA), AND THE TRAFFICKING AND CRIME VICTIMS ASSISTANCE PROGRAMS (TCVAP) PURSUANT TO AB BILL 81 (CHAPTER 5, STATUTES OF 2021)**

REFERENCE: [ASSEMBLY BILL \(AB\) 81 \(CHAPTER 5, STATUTES OF 2021\); H.R. 133 CONSOLIDATED APPROPRIATIONS ACT, 2021; WELFARE AND INSTITUTIONS CODE \(WIC\) SECTIONS 11157, 11450.12, 11451.5; MANUAL OF POLICIES AND PROCEDURES \(MPP\) SECTIONS 44-101\(g\), 44-102.14, 44-103.121, 44-113, 69-201.4, AND ALL COUNTY WELFARE DIRECTORS LETTER \(ACWDL\) DATED MAY 5, 2020.](#)

The purpose of this All County Letter (ACL) is to provide County Welfare Departments (CWDs) with guidance on the treatment of Pandemic Unemployment Compensation (PUC) payments in the CalWORKs, RCA/ECA and TCVAP programs. Additional guidance is included regarding other pandemic unemployment payments in the federal Consolidated Appropriations Act, 2021, pertaining to Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), Federal-State Extended Duration (FED-ED) and limited Mixed Earner Unemployment Compensation (MEUC) payments.

The guidance in this letter is effective March 1, 2021 and supersedes the guidance issued via All County Welfare Directors Letter (ACWDL) on May 5, 2020. Federal action to extend any of the pandemic unemployment payments listed in this letter will follow guidance in this ACL, unless indicated in a subsequent letter.

## **CALWORKS, RCA, ECA, AND TCVAP TREATMENT OF PANDEMIC UNEMPLOYMENT INSURANCE BENEFITS**

### **PUC**

Pursuant to AB 81, PUC payments are exempt from consideration as income and resources for the purposes of determining initial and continued CalWORKs eligibility and grant amount. Previously, only CalWORKs recipients were eligible to have PUC exempted as income, but now PUC is exempt for both applicants and recipients. The RCA/ECA, and TCVAP cash assistance programs follow the CalWORKs administrative rules with certain exceptions; however, for purposes of treatment of these payments, RCA/ECA/TCVAP follow the CalWORKs cash payment rules.

Section 203 of the Consolidated Appropriations Act, 2021 extends supplements to individuals receiving unemployment benefits with an additional \$300 per week of PUC payments, ending on or before March 14, 2021.

Under Section 702 of the Consolidated Appropriations Act, 2021, PUC payments must be excluded from consideration as income or a resource for the month of receipt and the following nine months, or January 1, 2021 through October 31, 2021, for the purposes of determining CalFresh eligibility or allotment amount. Per AB 81, PUC payments are exempt from consideration as income and resources for the purposes of determining applicant and recipient CalWORKs eligibility and grant amount. The exemption of PUC as income in CalWORKs shall continue for the same duration as it is exempt as income in the CalFresh program; whereas resources will continue to be exempt.

The California Employment Development Department (EDD) refers to the PUC extension payments as Pandemic Additional Compensation (PAC). For the purposes of CalWORKs eligibility, EDD verification that references PAC will be treated as PUC payments.

### **PUA and PEUC**

Section 201 of the Consolidated Appropriations Act, 2021 extends an additional 11 weeks of PUA benefits, providing 50 weeks of benefits. The PUA program provides unemployment coverage to individuals who do not qualify for regular unemployment insurance benefits (UIBs) and are unable to work due to the COVID-19 public health emergency, such as self-employed workers (including gig workers and independent contractors), part-time workers, and those with limited work histories.

Section 202 of the Consolidated Appropriations Act, 2021 extends an additional 11 weeks of PEUC benefits, providing up to 24 weeks of benefits. The PEUC program provides additional weeks of federally funded unemployment compensation to individuals who have exhausted their state UIBs.

PUA and PEUC payments are not exempt and are to be treated in the same manner as regular state UIBs. Pursuant to WIC Sections 11157, 11450.12 and 11451.5, unearned income is not subject to exemption from the calculation of the income of the family for purposes of determining CalWORKs eligibility or grant amount. PUA and PEUC payments must continue to be treated as unearned income for the purposes of determining CalWORKs eligibility and grant amount. In addition, the CWD must examine income available to the applicant or recipient from potential sources including unemployment insurance per MPP Section 44-103.121. The RCA, ECA, and TCVAP cash assistance programs follow the CalWORKs administrative rules with certain exceptions; however, for purposes of treatment of these payments, these programs follow the CalWORKs cash payment rules.

### **FED-ED**

Section 206 of the Consolidated Appropriations Act, 2021 allows an additional 7 weeks of FED-ED benefits, providing up to 20 weeks of additional benefits for people who used all their unemployment benefits during a period of high unemployment and who had sufficient earnings. FED-ED benefits can only be paid during the extended benefit period, which is based on the state's unemployment rate, and only after people have collected all regular state unemployment insurance benefits as well as any PEUC extension benefits they were eligible to.

FED-ED benefits are considered unearned income. FED-ED benefits are not exempt and will be used to determine CalWORKs, RCA/ECA, and TCVAP eligibility and the grant amount.

### **MEUC**

Section 261 of the Consolidated Appropriations Act, 2021 includes an additional unemployment benefit known as the MEUC program. MEUC provides a supplement of \$100 per week in any unemployment case in which an individual received at least \$5,000 in self-employment income in addition to employment compensation in the most recent taxable year ending prior to the individual's application for regular compensation. These individuals must also be eligible for regular unemployment benefits and cannot be receiving PUA payments.

MEUC benefits are also considered unearned income. MEUC payments are not exempt income and will be used to determine CalWORKs, RCA/ECA, and TCVAP eligibility and the grant amount.

## **RCA, ECA, AND TCVAP ADMINISTRATION**

The RCA, ECA, and TCVAP cash assistance programs follow the CalWORKs administrative rules with certain exceptions; however, for purposes of treatment of these payments, these programs follow the CalWORKs cash payment rules. Pursuant to MPP Section 69-201.4, CalWORKs program regulations apply to financial eligibility and payments for the RCA program, unless specifically superseded by RCA regulations. Unless otherwise provided, ECA and TCVAP recipients must be provided cash assistance under the same conditions and to the same extent as the RCA program per MPP Sections 69-301 and 70-105, respectively.

## **CASE DOCUMENTATION**

Adequate case documentation is essential when processing cases with pandemic unemployment benefits. Case narration, including a reference to “COVID-19” will allow case reviewers to determine that all CalWORKs, RCA/ECA, and TCVAP requirements have been met.

## **ADDITIONAL UNEMPLOYMENT INFORMATION**

Please refer to the [EDD website](#) for additional information regarding the pandemic unemployment insurance benefits referred in this letter.

If you have questions or need additional guidance regarding the information in this letter, contact:

For CalWORKs, the Early Engagement and Eligibility Bureau at (916) 654-1322.

For RCA, ECA, and TCVAP, the Refugee Programs Bureau at (916) 654-4356.

Sincerely,

***Original Document Signed By***

JENNIFER HERNANDEZ  
Deputy Director  
Family Engagement and Empowerment Division