

March 22, 2023

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 23-30

The purpose of this All County Letter (ACL) is to inform County Welfare Departments of changes as a result of Assembly Bill (AB) 2300. The changes include revisions to Good Cause, Sanction, and Exemption policies in the CalWORKs Welfare-to-Work (WTW) and CalFresh programs; a new CalWORKs time limit exemption for Paid Family Leave (PFL); and the inclusion of PFL in the definition of “disability-based unearned income.”



KIM JOHNSON
DIRECTOR

CALIFORNIA HEALTH & HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



GAVIN NEWSOM
GOVERNOR

March 22, 2023

ALL COUNTY LETTER NO. 23-30

TO: ALL COUNTY WELFARE DIRECTORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL COUNTY CONSORTIA PROJECT MANAGERS
ALL COUNTY REFUGEE COORDINATORS
ALL TRIBAL TANF ADMINISTRATORS

SUBJECT: **CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) AND CALFRESH PROGRAMS: CHANGES TO GOOD CAUSE, SANCTIONS AND EXEMPTIONS, EXPANSION TO THE DEFINITION OF DISABILITY-BASED UNEARNED INCOME, AND A NEW CALWORKS TIME LIMIT EXEMPTION FOR PAID FAMILY LEAVE (PFL) AS A RESULT OF ASSEMBLY BILL (AB) 2300 (CHAPTER 588, STATUTES OF 2022)**

REFERENCE: [AB 2300 \(CHAPTER 588, STATUTES OF 2022\)](#); [WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 11454.5, WIC SECTION 11320.3\(b\)\(2\), WIC SECTION 11451.5\(b\)\(2\)](#); MANUAL OF POLICIES AND PROCEDURES ([MPP SECTION 42-302.21\(b\)\(1\)](#), [MPP SECTION 42-302.32\(b\)\(4\)](#))

The purpose of this All County Letter (ACL) is to inform County Welfare Departments (CWDs) of changes as a result of AB 2300 (Chapter 588, Statutes of 2022). The changes include revisions to good cause, sanction, and exemption policies in the CalWORKs Welfare-to-Work (WTW) and CalFresh programs; a new CalWORKs time limit exemption for PFL; and the inclusion of PFL in the definition of “disability-based unearned income.” AB 2300 modifies participation requirements and exemptions related to children in a CalWORKs household and expands the reasons a CalWORKs client can be granted good cause for not participating in assigned activities.

Treatment of PFL for CalWORKs

In the CalWORKs program, the disability-based unearned income (DBI) disregard is applied to all disability-based unearned income types when determining eligibility and calculating grant amounts for CalWORKs applicants and recipients, pursuant to a

formula specified by statute. The [WIC Section 11451.5\(b\)\(2\)](#) defines “disability-based unearned income” as including state disability insurance benefits, private disability insurance benefits, temporary workers' compensation benefits, social security disability benefits, and any veteran's disability compensation.

The amendments to [WIC Section 11451.5\(b\)\(2\)](#) made by [AB 2300](#) will expand the definition of disability-based unearned income to include PFL benefits. PFL are benefits that allow individuals to take time off work for eligible reasons, including to care for a seriously ill family member; to bond with a new child; and, to participate in a qualifying event because of a family member's military deployment.

All applicable disability-based unearned income disregards for determining initial and continued eligibility and grant amount for purposes of the CalWORKs program must be applied to PFL benefits. This statutory change shall become effective on October 1, 2024, or when the department notifies the Legislature that the Statewide Automated Welfare Systems (SAWS) can perform the necessary automation for implementation, whichever is later. Until then, PFL benefits may not qualify for the DBI disregard.

More information about PFL can be found on the [Employment Development Department's \(EDD\) website](#).

CalWORKs Time Limit Exemption for PFL

Pursuant to [AB 2300](#), which also amends [WIC Section 11454.5](#), any month in which a CalWORKs recipient receives PFL benefits is exempt from counting towards the CalWORKs time limit. The PFL time limit exemption must be applied from the month in which the PFL benefits are effective to the month in which the PFL benefits are scheduled to end. CWDs must apply this exemption retroactively when appropriate. The PFL time limit exemption is effective October 1, 2024, or when the department notifies the Legislature that SAWS has performed the necessary automation for implementation, whichever is later.

The PFL exemption only applies to the CalWORKs time clock and does not apply to the TANF time clock. Therefore, if receiving TANF funded aid, the recipient's TANF time clock must continue to tick, unless the recipient is eligible for a TANF time clock exemption.

Upon termination of PFL benefits, individuals may be eligible for other CalWORKs time limit exemptions, including providing care for an ill or incapacitated household member ([MPP Section 42-302.21\(b\)\(1\)](#)) or caring for a child aged 0-23 months ([MPP Section 42-302.21\(b\)\(4\)](#)).

Revisions to the [CalWORKs 60-Month Time Limit Notice \(CW 2184\)](#) and the [CalWORKs Exemption Request form \(CW 2186A\)](#) will be released under separate cover to include the new PFL time limit exemption.

CalWORKs Participation Exemptions for Teenagers

Under existing law, CalWORKs recipients are generally required to participate in WTW activities unless they meet a participation exemption, such as children attending school full-time in grade 12 or below, or vocational or technical school (MPP Section 42-712.42). Prior to AB 2300, an individual who was 16 or 17 years old and required to attend school, or who was a qualifying custodial parent under 20 years old, could qualify for a once-in-a-lifetime exemption from WTW participation by attending school full-time. (MPP Section 42-712.421). Effective January 1, 2023, this once-in-a-lifetime limit was removed by AB 2300; therefore, an individual who loses this exemption and is required to participate in WTW may again receive this exemption by resuming full-time school attendance, provided the individual otherwise qualifies. (WIC Sections 11320.3(b)(2)(A) and 11320.3(d)). As a reminder, this exemption does not apply to teen parents enrolled in the Cal-Learn program.

CalWORKs WTW Good Cause

Effective January 1, 2023, AB 2300 amended WIC Section 11320.31 to add circumstances under which a recipient should be granted good cause to not participate for reasons related to employment, an offer of employment, an activity or other training for employment, including but not limited to:

- The recipient provides documentation to the CWD demonstrating the inability to anticipate compliance with program requirements and/or activities in the WTW Plan due to anticipated employment hours being unpredictable or scheduled employment hours exhibiting a pattern of unpredictability.
- The recipient states that the employment or offer of employment fails to comply with the [Healthy Workplaces, Healthy Families Act of 2014](#) (Labor Code Section 245 et seq.).
- The recipient states that the recipient experienced sexual harassment or other abusive conduct at the workplace. For purposes of this good cause exemption, “abusive conduct” has the same meaning as defined in the [Government Code Section 12950.1\(h\)\(2\)](#).
- The recipient states that the recipient’s rights under the [Wage Theft Prevention Act of 2011](#) were violated.
- The recipient states that the recipient’s rights under the [Domestic Worker Bill of Rights](#) (Labor Code Section 1450 et seq.) were violated.

- The recipient states that the recipient's rights under the [CROWN Act \(Education Code Section 212.1\)](#) and [Government Code Sections 12926\(w\) and \(x\)](#) were violated.
- The recipient states that the recipient's rights under the [California Family Rights Act](#) (Government Code Section 12945.2) were violated.
- The recipient states that the recipient's rights under the [Garment Worker Protection Act](#) (Labor Code Sections 1174.1, 2670, 2671, 2673, 2673.1, 2673.2, and 2675.5) were violated.
- The recipient states that the recipient's rights under the [Fair Chance Act](#) (Government Code Section 12952) or Section 432.7 of the Labor Code were violated.
- The recipient states that the recipient's rights under the Gender Nondiscrimination Act as contained in [Section 12926 of the Government Code, Sections 12940, 12949, and 12955 of the Government Code](#), were violated.
- The recipient states that the recipient's rights under [Section 432.6 of the Labor Code](#) were violated.
- The recipient states that the recipient's rights under [Section 230 of the Labor Code](#) or [230.1 of the Labor Code](#) were violated.
- The recipient states that the recipient's rights under the Family-School Partnership Act ([Labor Code Section 230.8](#)) were violated.
- The recipient states that the recipient's rights to [lactation accommodations](#) were violated under Section 1031, 1032, 1033, or 1034 of the Labor Code.
- The recipient states that the recipient's rights under any federal, state, or local labor or employment law were violated.

Except where documentation is otherwise specified, a recipient is not required to verify their statement regarding any of the above circumstances in order to receive good cause. Nor is the recipient required to reference any specific law when making their statement.

For all employment related good cause relief granted per WIC Section 11320.31, the good cause may last no longer than three months from the first date of the failure or refusal to comply with program requirement. By the end of the three month period, the county shall work with the recipient to identify another appropriate WTW activity, assuming the recipient does not otherwise qualify for good cause under WIC 11320.3(f) or any other exemption. As a reminder, good cause under this section does not stop months from counting toward an individual's 60-month time limit.

Additionally, if an applicant or recipient reports refusing any offer of employment, reducing hours, voluntarily quitting any employment, or being discharged from any employment to the county, the county shall provide the client with general information

regarding workplace rights, including information relevant to filing a formal complaint with the appropriate state or federal agency. This information is for informational purposes only and is not legal advice. Moreover, the county is not obligated or expected to provide legal advice or legal services to the client making this claim.

Fliers and other information handouts will be provided to counties to be used for this purpose following development by a stakeholder workgroup, and counties are not obligated to provide this information to clients prior to the workgroup's results to be published in a future ACL. Additional information regarding the upcoming workgroup will be forthcoming.

CalFresh Good Cause

Existing federal law at [Section 273.7\(a\) of Title 7 Code of Federal Regulations \(CFR\)](#) requires, as a condition of CalFresh eligibility, a household member who is not exempt from work registration to comply with specified CalFresh work requirements. This includes maintaining employment of 30 hours or more per week and requires that the applicant or recipient not voluntarily quit a job of 30 hours or more per week or reduce their work effort to less than 30 hours per week without good cause. Existing federal law at [7 CFR 273.7\(i\)](#) defines "good cause" to include, but not be limited to:

- Circumstances beyond a member's control,
- Resigning from an unsuitable job, or
- Resigning due to experiencing discrimination "by an employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs."

[AB 2300](#) amended [WIC section 11320.31](#) and [WIC section 18929](#), which, effective January 1, 2023, will require expansion of good cause for purposes of the CalFresh work requirements. Pursuant to [WIC section 18929](#), a sanction must not be applied if a CalFresh applicant or recipient has voluntarily quit a job or reduced work hours because of any of the following reasons: [WIC section 18929](#), which, effective January 1, 2023, will require expansion of good cause for purposes of the CalFresh work requirements. Pursuant to [WIC section 18929](#), a sanction must not be applied if a CalFresh applicant or recipient has voluntarily quit a job or reduced work hours because of any of the following reasons:

- The applicant or recipient's workplace rights, listed under [WIC Section 11320.31\(a\)](#), were violated, or
- The recipient provides documentation to the CWD demonstrating the inability to anticipate compliance with program requirements due to unpredictable employment hours or scheduled employment hours exhibiting a pattern of unpredictability.

The applicant or recipient's statement of workplace rights violation does not require verification or reference to a specific law stating that their rights were violated. CWDs must document the household's statement of good cause in the case record.

This ACL and other CDSS Letters and Notices are available on [CDSS website](#).

If you have any questions or need additional guidance regarding the information in this letter, contact the CalWORKs Engagement Bureau at CWEngagementPolicy@dss.ca.gov or the CalFresh Policy and Employment Bureau at CalFreshPolicy@dss.ca.gov.

Sincerely,

Original Document Signed By

JULIANNA VIGNALATS
Acting Deputy Director
Family Engagement and Empowerment Division