

January 19, 2021

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY WELFARE DIRECTORS LETTER

The purpose of this All County Welfare Directors Letter is to provide County Welfare Departments with guidance regarding the treatment of Pandemic Unemployment Compensation payments for purposes of determining CalFresh eligibility as authorized under the Consolidated Appropriations Act, 2021. This letter also addresses the federal shortening of the Quality Control suspension period.



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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January 19, 2021

ALL COUNTY WELFARE DIRECTORS LETTER

TO: ALL COUNTY WELFARE DIRECTORS

FROM: JENNIFER HERNANDEZ, DEPUTY DIRECTOR
FAMILY ENGAGEMENT AND EMPOWERMENT DIVISION

SUBJECT: CALFRESH TREATMENT OF PANDEMIC UNEMPLOYMENT
COMPENSATION AND QUALITY CONTROL SUSPENSION
PERIOD

REFERENCE: [THE CONSOLIDATED APPROPRIATIONS ACT, 2021](#); [THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT](#); [ALL COUNTY WELFARE DIRECTORS LETTER, DATED APRIL 21, 2020](#); [ACWDL, DATED NOVEMBER 2, 2020](#); [FOOD AND NUTRITION SERVICE MEMO DATED DECEMBER 31, 2020](#)

The purpose of this All County Welfare Directors Letter (ACWDL) is to provide County Welfare Departments (CWDs) with guidance regarding the treatment of Pandemic Unemployment Compensation (PUC) extension payments for purposes of determining CalFresh eligibility, as authorized under the [Consolidated Appropriations Act, 2021](#). This letter also addresses the federal shortening of the Quality Control suspension period.

Policy Change: Treatment of PUC for CalFresh

Initially, PUC payments were authorized by section 2104 of the [Coronavirus Aid, Relief, and Economic Security Act](#) and expired on July 31, 2020. The [Consolidated Appropriations Act, 2021](#) amended this section to reauthorize PUC, setting a new expiration date of March 14, 2021, and altered the rules governing the treatment of PUC payments for purposes of determining Supplemental Nutrition Assistance Program eligibility. As a result, 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 (10 months in total).

The California Employment Development Department (EDD) refers to the PUC extension payments as Pandemic Additional Compensation (PAC). EDD claimants will

receive the PAC payment (i.e., extra \$300 a week) with their weekly benefits for up to 11 weeks. The EDD began issuing PAC payments in January.

PAC payments must not be counted against the CalFresh income or resource limits and do not impact CalFresh eligibility or benefit levels for the period of January 1, 2021 through October 31, 2021.

As a reminder, most CalFresh households are conferred Categorical Eligibility or Modified Categorical Eligibility and are not subject to the resource limit. The change in the treatment of PUC payments does not alter the rules governing Categorical Eligibility or Modified Categorical Eligibility, nor does it alter the rules used to determine whether a household is subject to the resource limit.

The California Department of Social Services (CDSS) previously issued guidance via [ACWDL, dated April 21, 2020](#) that PUC payments must be considered unearned income for CalFresh purposes. The guidance in this letter supersedes the guidance issued via ACWDL on April 21, 2020.

Policy Change: Shortening of Federal Quality Control Suspension Period

The [Consolidated Appropriations Act, 2021](#) shortens the end of the Quality Control suspension period from September 30, 2021 to June 30, 2021. The suspension of the active and negative case reviews now applies to the sample months June 2020 through June 2021. Federal quality control case reviews will resume for the sample month of July 2021.

The CDSS previously issued guidance via [ACWDL, dated November 2, 2020](#), that suspended the requirement to review federal active and negative cases for the sample months of June 2020 through September 2021. The guidance in this letter supersedes the guidance issued via ACWDL on November 2, 2020.

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