

Date of Hearing: April 7, 2021

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Lisa Calderon, Chair

AB 1004 (Calderon) – As Amended March 30, 2021

SUBJECT: CalWORKs eligibility: income exemption: census

SUMMARY: Deletes certain conditions for income or stipend related to participation decennial census to be exempt from being considered income for the CalWORKs program. Specifically, **this bill:**

- 1) Deletes the restriction that any income or stipend paid by the United States Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to the decennial census shall not be considered income only if earned during the year preceding a decennial census and during the year of the decennial census. Further, clarifies that the provision be retroactive and shall apply to any income or stipend paid by the United States Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to the most recent decennial census.
- 2) Authorizes the California Department of Social Services (CDSS) to implement, interpret, or make specific these provisions by means of all-county letters (ACLs) or similar written instructions from the department until regulations are adopted; these ACLs or similar instructions shall have the same force and effect as regulations.
- 3) Specifies that no appropriation be made for purposes of implementing this act.
- 4) States that this act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety, as specified, and shall go into immediate effect.

EXISTING LAW:

- 1) Establishes in federal law the “Temporary Assistance for Needy Families” (TANF) program, which provides block grants to states to develop and implement their own state welfare-to-work programs designed to provide cash assistance and other supports and services to low-income families. (42 United States Code Section 601 *et seq.*)
- 2) Establishes the state's TANF program, the “California Work Opportunity and Responsibility to Kids” (CalWORKs) program. CalWORKs provides cash assistance and other supports and services to low-income families and is administered by the counties. (Welfare and Institutions Code Section [WIC] 11200 *et seq.*)
- 3) Establishes income, asset, and real property limits used to determine eligibility for the CalWORKs program, and CalWORKs grant amounts, based on family size and county of residence. (WIC 11150 to 11160, 11450 *et seq.*)
- 4) Defines “earned income” as gross income received as wages, salary, employer-provided sick leave benefits, commissions, or profits from activities such as a business enterprise or farming in which the recipient is engaged as a self-employed individual or as an employee. (WIC 11451.5(b)(1))

- 5) Exempts the following from consideration as income for purposes of public social services, including CalWORKs, programs, as specified:
 - a) Income that is received too infrequently to be reasonably anticipated, as exempted in federal Supplemental Nutrition Assistance Program (SNAP) regulations;
 - b) Income from college work-study programs;
 - c) An award or scholarship provided by a public or private entity to or on behalf of a dependent child;
 - d) Income or stipend paid by the United States Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to improving participation in the decennial census that is earned in the year preceding a decennial census and during the year of the decennial census; and,
 - e) Any federal pandemic unemployment compensation, so long as the federal pandemic unemployment compensation is exempt as income for purposes of establishing eligibility for the CalFresh program. (WIC 11157(b-d))
- 6) Requires a family's income, once calculated per various CalWORKs rules stipulated in statute including deduction of the earned income disregard, to be deducted from the maximum aid payment for that family size as adjusted for any applicable cost-of-living increase in order to arrive at that family's monthly CalWORKs grant level, as specified. (WIC 11450)

FISCAL EFFECT: Unknown

COMMENTS:

California Work Opportunity and Responsibility to Kids: The CalWORKs program, which implements the federal TANF program, provides eligible low-income families with cash grants and supportive services aimed at helping them to secure education, training, and employment. CDSS is charged with program supervision at the state level, and counties administer the caseloads at the local level. CalWORKs is funded largely through the federal TANF block grant and state maintenance-of-effort contributions. Families participating in CalWORKs have access to a range of services that can include child care and services aimed at addressing mental health needs, substance use disorders, experiences of domestic violence, and learning disabilities, among other issues. Unless deemed exempt or otherwise not required to participate per CalWORKs rules, parents are required to develop and participate in a welfare-to-work (WTW) plan. CalWORKs-approved WTW activities can include public or private sector subsidized or unsubsidized employment; on-the-job training; community service; secondary school, adult basic education and vocational education and training when the education is needed for the recipient to become employed; specific mental health, substance abuse, or domestic violence services if they are necessary to obtain or retain employment; and a number of other activities necessary to assist a recipient in obtaining unsubsidized employment.

In 2020-21, the maximum monthly grant for a family of three on CalWORKs (one parent and two children), if the family has no other income and lives in a high cost-of-living county, is \$878. The same family living in a lower cost-of-living county would be eligible for up to \$834

per month. However, the average monthly cash grant for the family is \$583. Many families earn some income, or live in a lower cost-of-living county, and do not qualify for the maximum grant amount. More than 482,400 families are projected to receive CalWORKs benefits in Fiscal Year 2021-22.

Exempt Income: Under current law, certain types of income are considered exempt in the CalWORKs program, including: income that is received too infrequently to be reasonably anticipated, as specified; income from college work-study programs; an award or scholarship provided by a public or private entity to or on behalf of a dependent child; federal pandemic unemployment compensation, as specified; and, income or stipend paid by the United States Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to improving participation in the decennial census that is earned in the year preceding a decennial census and during the year of the decennial census.

Need for this bill: According to the author, “Last year, our country and our state undertook the immense responsibility of counting our communities for the decennial census. These efforts relied on a temporary workforce, many of whom were tasked with the challenge of connecting with hard to reach communities during an unprecedented pandemic. Unfortunately, existing law is unclear on whether temporary workers who rely on CalWORKs would have the income from census related work conducted in 2021 counted toward eligibility for the program. [This bill] would ensure that CalWORKs recipients who are finishing census work can continue to have their census income disregarded, consistent with federal rules.”

RELATED AND PRIOR LEGISLATION:

AB 81 (Ting), Chapter 5, Statutes of 2021, implemented statutory provisions related to the budget to allow the State to align state programs requirements to align with COVID-19 federal relief provisions, including the exemption of federal pandemic unemployment compensation from eligibility and grant determination for the CalWORKs program.

AB 807 (Bauer-Kahan), Chapter 440, Statutes of 2019, exempted certain income, including certain scholarships and income for work on the decennial census, from being counted as income for purposes of determining CalWORKs eligibility and benefit amounts.

REGISTERED SUPPORT / OPPOSITION:

Support

California Catholic Conference
Coalition of California Welfare Rights Organizations

Opposition

None on file

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