

## Assembly Bill No. 1094

### CHAPTER 554

An act to amend Section 11451.5 of the Welfare and Institutions Code, relating to CalWORKs.

[Approved by Governor October 4, 2013. Filed with  
Secretary of State October 4, 2013.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1094, Brown. CalWORKs: eligibility.

(1) Existing federal law provides for allocation of federal funds through the federal Temporary Assistance for Needy Families (TANF) block grant program to eligible states. Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which each county provides cash assistance and other benefits to qualified low-income families. Existing law requires a county to redetermine the amount of a CalWORKs grant on a semiannual basis, as specified. Under existing law, certain amounts are exempt from the calculation of income of the family for purposes of determining the amount of a grant under the CalWORKs program, including disability-based unearned income, as specified. Under existing law, disability-based unearned income means state disability insurance benefits, private disability insurance benefits, temporary workers' compensation benefits, and social security disability benefits.

This bill would expand the definition of disability-based unearned income to include veteran's disability compensation. To the extent that this bill would increase county administrative duties, the bill would impose a state-mandated local program.

(2) Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program.

This bill would instead provide that the continuous appropriation would not be made for purposes of implementing the bill.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

*The people of the State of California do enact as follows:*

SECTION 1. Section 11451.5 of the Welfare and Institutions Code, as amended by Section 30 of Chapter 439 of the Statutes of 2012, is amended to read:

11451.5. (a) The following income shall be exempt from the calculation of the income of the family for purposes of subdivision (a) of Section 11450:

(1) If disability-based unearned income does not exceed two hundred twenty-five dollars (\$225), both of the following amounts:

(A) All disability-based unearned income, plus any amount of not otherwise exempt earned income equal to the amount of the difference between the amount of disability-based unearned income and two hundred twenty-five dollars (\$225).

(B) Fifty percent of all not otherwise exempt earned income in excess of the amount applied to meet the differential applied in subparagraph (A).

(2) If disability-based unearned income exceeds two hundred twenty-five dollars (\$225), both of the following amounts:

(A) All of the first two hundred twenty-five dollars (\$225) in disability-based unearned income.

(B) Fifty percent of all earned income.

(b) For purposes of this section:

(1) Earned income means 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.

(2) Disability-based unearned income means state disability insurance benefits, private disability insurance benefits, temporary workers' compensation benefits, social security disability benefits, and any veteran's disability compensation.

(3) Unearned income means any income not described in paragraph (1) or (2).

(c) This section shall become operative on October 1, 2013.

SEC. 2. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services shall implement the changes made to Section 11451.5 of the Welfare and Institutions Code by Section 1 of this act by means of an all-county letter or similar instruction without taking regulatory action. The all-county letter or similar instruction shall be issued on or before July 1, 2014.

SEC. 3. No appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for purposes of this act.

SEC. 4. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and

school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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