AMENDED IN SENATE AUGUST 17, 2015 AMENDED IN SENATE JULY 16, 2015 AMENDED IN ASSEMBLY JUNE 1, 2015 AMENDED IN ASSEMBLY APRIL 9, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 743

Introduced by Assembly Member Eggman (Coauthors: Assembly Members Cristina Garcia and Gonzalez)

February 25, 2015

An act to amend Sections 11250.8, 11322.87, 11325.22, 11325.23, and 11327.4 11250.8 and 11325.23 of the Welfare and Institutions Code, relating to CalWORKs.

LEGISLATIVE COUNSEL'S DIGEST

AB 743, as amended, Eggman. CalWORKs: eligibility: work activities.

Existing law establishes 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 using federal, state, and county funds. Existing law imposes limits on the amount of income and personal and real property an individual or family may possess in order to be eligible for CalWORKs aid.

This bill would exempt from consideration as income or property, for purposes of determining eligibility or available income or property, education, training, vocation, or rehabilitation benefits provided through the United States Department of Veterans Affairs for active duty

AB 743 -2-

personnel or veterans, and dependents or spouses of those who either died in the line of duty or have a service-connected disability. By expanding eligibility for CalWORKs, which is administered by counties, this bill would impose a state-mandated local program.

Existing law requires a recipient of CalWORKs to participate in welfare-to-work activities as a condition of eligibility. Under existing law, a person may meet his or her welfare-to-work requirements by taking part in a self-initiated education or training program if he or she is making satisfactory progress in that program, the county determines that continuing in the program is likely to lead to self-supporting employment for that recipient, and the welfare-to-work plan reflects that determination. Existing law requires the county and local educational agencies to annually agree to a list of educational programs that lead to employment. program. Under that program, if a recipient does not complete a specified number of hours of classroom, laboratory, or internship activities, the county human services agency is required to have the recipient participate in concurrent work activities, as specified. Existing law prohibits a program offered by a private postsecondary training provider from being approved for these purposes unless the program is either approved or exempted by the appropriate state regulatory agency and the program is in compliance with all other laws.

Existing law limits the time period in which a participant may engage in certain educational activities, in satisfaction of welfare-to-work requirements, to 24 cumulative months during a participant's lifetime, and requires the participant to engage in federally defined work activities after that period expires. Existing law requires that necessary supportive services be available to every welfare-to-work participant in order to participate in the program activity to which he or she is assigned.

This bill would exempt a person who is participating in a self-initiated education and training program from the requirement that the person participate in job search activities. The bill would also exempt hours of participation in a self-initiated program from the 24-month time limitation described above and would make related, conforming changes. The bill would authorize study time, as defined by the educational institution, to be counted toward the participant's minimum work participation hours requirements. The bill would require that supportive services be provided to a person participating in a self-initiated program until an assessment has been completed, if an assessment is found to be necessary. The bill would require that, for the purpose of determining

-3-**AB 743**

eligibility for child care supportive services, a schedule approved by a college counselor be deemed sufficient verification of necessary child care. The bill would also require the county to annually approve a list of programs identified by the county or local educational agencies or providers as leading to employment. By imposing these duties on counties, this bill would impose a state-mandated local program.

This bill would authorize study time to be included in the number of hours a recipient may complete before he or she is required to participate in concurrent work activities. This bill would additionally prohibit a program offered by a private college from being approved if the program is not approved or exempted by the appropriate state regulatory agency or is not in compliance with all other laws.

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.

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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 CalWORKs Self-Sufficiency through Education and GI Bill
- 3 Exemption Act of 2015.
- 4 SEC. 2. Section 11250.8 of the Welfare and Institutions Code 5 is amended to read:
- 11250.8. (a) If an applicant for, or recipient of, benefits 6
- pursuant to this chapter receives one or more educational loans or 7
- grants, for purposes of determining availability of income, that
- person's educational expenses shall not be applied to any
- 10 educational loans or grants that, under federal or state law, are
- 11 totally exempt from consideration as income for purposes of
- 12 determining eligibility for benefits under this chapter.

AB 743 —4—

(b) Education, training, vocation, or rehabilitation benefits, and related allowances provided through the United States Department of Veterans Affairs for active duty personnel or veterans, and dependents or spouses of those who either died in the line of duty or have a service-connected disability, shall be totally exempt from consideration as income or property for purposes of determining eligibility or available income or property for purposes of this chapter.

SEC. 3. Section 11322.87 of the Welfare and Institutions Code is amended to read:

11322.87. (a) A recipient subject to the 24-month time limitation described in Section 11322.85 may request an extension in accordance with Section 11322.86 and may present evidence to the county that he or she meets any of the following eircumstances:

- (1) The recipient is likely to obtain employment within six months.
- (2) The recipient has encountered unique labor market barriers temporarily preventing employment, and therefore needs additional time to obtain employment.
- (3) The recipient has achieved satisfactory progress in an educational or treatment program, including adult basic education or vocational education, that has a known graduation, transfer, or completion date that would meaningfully increase the likelihood of his or her employment.
- (4) The recipient needs an additional period of time to complete a welfare-to-work activity specified in his or her welfare-to-work ease plan due to a diagnosed learning or other disability, so as to meaningfully increase the likelihood of his or her employment.
- (5) The recipient has submitted an application to receive SSI disability benefits, and a hearing date has been established.
 - (6) Other circumstances as determined by the department.
- (b) (1) Except for an extension requested in accordance with paragraph (5) of subdivision (a), and subject to the limitation described in paragraph (2) of subdivision (a) of Section 11322.86, a county shall grant an extension to a recipient who presents evidence in accordance with subdivision (a) unless the county determines that the evidence presented does not support the existence of the circumstances described in subdivision (a).

-5— AB 743

(2) An extension requested in accordance with paragraph (5) of subdivision (a) shall be granted if evidence that a hearing date has been established is provided to the county.

- (3) At any hearing disputing a county's denial of an extension in accordance with paragraph (1), the county shall have the burden of proof to establish that an extension was not justified unless the county demonstrates that the denial was due to the unavailability of an extension in accordance with the 20-percent limitation described in paragraph (2) of subdivision (a) of Section 11322.86.
- (c) If, as a result of information already available to a county, including the recipient's welfare-to-work plan and verifications of participation, the county identifies that a recipient meets a circumstance described in subdivision (a), and subject to the limitation described in paragraph (2) of subdivision (a) of Section 11322.86, a county may grant an extension of the 24-month time limitation described in paragraph (1) of subdivision (a) of Section 11322.85 to the recipient.
- (d) An extension granted in accordance with subdivision (b) or (c) shall be granted for an initial period of up to six months and shall be reevaluated by the county at least every six months.

SEC. 4. Section 11325.22 of the Welfare and Institutions Code is amended to read:

11325.22. (a) (1) Following the appraisal required by Section 11325.2, all participants except those described in paragraph (4) of this subdivision, those who are participating in other activities or assessment pursuant to Section 11320.1, or those who are participating in a self-initiated program pursuant to Section 11325.23, shall be assigned to participate for a period of up to four consecutive weeks in job search activities. These activities may include the use of job clubs to identify the participant's qualifications. The county shall consider the skills and interests of the participants in developing a job search strategy. The period of job search activities may be shortened if the participant and the county agree that further activities would not be beneficial. Job search activities may be shortened for a recipient if the county determines that the recipient will not benefit because he or she may suffer from an emotional or mental disability that will limit or preclude the recipient's participation under this article.

(2) Nothing in this section shall require participation in job search activities, the schedule for which interferes with

-6-

1 unsubsidized employment or participation pursuant to Section 2 11325.23.

- (3) Job search activities may be required in excess of the limits specified in paragraph (1) on the basis of a review by the county of the recipient's performance during job search activities to determine whether extending the job search period would result in unsubsidized employment.
- (4) A person subject to Article 3.5 (commencing with Section 11331) or subdivision (d) of Section 11320.3 shall not be required, but may be permitted, to participate in job search activities as his or her first program assignment following appraisal upon earning a high school diploma or its equivalent, if she or he has not already taken the option to complete these activities as the first program assignment following appraisal.
- (b) (1) Upon the completion of job search activities, or a determination that those activities are not required, the participant shall be assigned to one or more of the activities described in Section 11322.6 as needed to attain employment.
- (2) (A) The assignment to one or more of the program activities as required in paragraph (1) of this subdivision shall be based on the welfare-to-work plan developed pursuant to an assessment as described in Section 11325.4. The plan shall be based, at a minimum, on consideration of the individual's existing education level, employment experience and relevant employment skills, available program resources, and local labor market opportunities.
- (B) An assessment pursuant to Section 11325.4 shall be performed upon completion of job search activities or at such time as it is determined that job search will not be beneficial.
- (C) Notwithstanding subparagraphs (A) and (B), an assessment shall not be required to develop a welfare-to-work plan for a person who is participating in an approved self-initiated program pursuant to Section 11325.23 unless the county determines that an assessment is necessary to meet the hours specified in Section 11325.23. If an assessment is determined to be necessary, the county shall schedule the assessment at a time that does not interfere in any way with the person's self-initiated program, employment, or child care obligations, and the person shall continue to receive supportive services until this assessment has been completed.

7 AB 743

(3) A participant who lacks basic literacy or mathematics skills, a high school diploma or general educational development certificate, or English language skills, shall be assigned to participate in adult basic education as described in subdivision (k) of Section 11322.6, as appropriate and necessary for removal of the individual's barriers to employment.

- (4) Participation in activities assigned pursuant to this section may be sequential or concurrent. The county may require concurrent participation in the assigned activities if it is appropriate to the participant's abilities, consistent with the participant's welfare-to-work plan, and the activities can be concurrently scheduled.
- (5) The participant has 30 days from the beginning of the initial training or education assignment in which to request a change or reassignment to another component. The county shall grant the participant's request for reassignment if another assignment is available that is consistent with the participant's welfare-to-work plan and the county determines the other assignment will readily lead to employment. This grace period shall be available only once to each participant.
- (c) Any assignment or change in assignment to a program activity pursuant to this section shall be included in the welfare-to-work plan, or an amendment to the plan, as required in Section 11325.21.
- (d) A participant who has not obtained unsubsidized employment upon completion of the activities in a welfare-to-work plan developed pursuant to the job search activities required by subdivision (a) and an assessment required by subdivision (b) shall be referred to reappraisal as described in Section 11326.
- (e) The criteria for successful completion of an assigned education or training activity shall include regular attendance, satisfactory progress, as defined by the institution, and completion of the assignment. A person who fails or refuses to comply with program requirements for participation in the activities assigned pursuant to this section shall be subject to Sections 11327.4 and 11327.5.
- (f) Except as provided in paragraph (4) of subdivision (a), this section shall not apply to individuals subject to Article 3.5 (commencing with Section 11331) during the time that article is operative.

-8-

SEC. 5. Section 11325.23 of the Welfare and Institutions Code is amended to read:

11325.23. (a) Except as provided in paragraph (2), a person who is required to, or volunteers to, participate under this article and who is enrolled in any undergraduate degree or certificate program that leads to employment may continue in that program if he or she is making satisfactory progress in that program, as defined by the educational institution, and the county determines that continuing in the program is likely to lead to self-supporting employment for that person.

- (1) A person enrolled in a postsecondary school pursuant to this section shall be exempt from the job club and job search requirements of Section 11325.22.
- (2) Any individual who possesses a baccalaureate degree shall not be eligible to participate under this section unless the individual is pursuing a California regular classroom teaching credential in a college or university with an approved teacher credential preparation program.
- (3) (A) Subject to the limitation provided in subdivision (f), a program shall be determined to lead to employment if it is on a list of programs that the county welfare department or local education agency or provider has identified as leading to employment. The list shall be approved by the county annually, with the first list completed no later than January 31, 1998. By January 1, 2000, all educational providers shall report data regarding programs on the list for the purposes of the workforce metrics dashboard established under Section 14013 of the Unemployment Insurance Code for the programs to remain on the list.
- (B) For students not in a program on the list prepared under subparagraph (A), the county shall determine if the program leads to employment. The recipient shall be allowed to continue in the program if the recipient demonstrates to the county that the program will lead to self-supporting employment for that recipient and the documentation is included in the welfare-to-work plan.
- (C) If participation in educational or vocational training, as determined by the number of hours required for classroom, laboratory, internship activities, or study time, as defined by the educational institution the person is attending, is not at least 30 hours, or if subparagraph (B) of paragraph (1) of subdivision (a)

-9- AB 743

of Section 11322.8 applies, 20 hours, the county shall require concurrent participation in work activities pursuant to subdivisions (a) to (j), inclusive, of Section 11322.6 and Section 11325.22.

- (b) Participation in the self-initiated education or vocational training program shall be reflected in the welfare-to-work plan required by Section 11325.21. When a welfare-to-work plan is developed, it shall provide that whenever an individual ceases to participate in, refuses to attend regularly, or does not maintain satisfactory progress in the self-initiated program, the individual shall participate under this article in accordance with Section 11325.22.
- (c) Any person whose previously approved self-initiated education or training program is interrupted for reasons that meet the good cause criteria specified in subdivision (f) of Section 11320.3 may resume participation in the same program if the participant maintained good standing in the program while participating and the self-initiated program continues to meet the approval criteria.
- (d) Supportive services reimbursement shall be provided for any participant in a self-initiated training or education program approved under this subdivision. Any offset to supportive services payments shall be made in accordance with subdivision (e) of Section 11323.4. For the purpose of determining eligibility for child care supportive services, a schedule approved by a college counselor shall be deemed sufficient verification of necessary child care.
- (e) Any student who, at the time he or she is required to participate under this article pursuant to Section 11320.3, has been enrolled and is making satisfactory progress in a degree or certificate program, but does not meet the criteria set forth in subdivision (a), shall have until the beginning of the next educational semester or quarter break to continue his or her educational program if he or she continues to make satisfactory progress. At the time the educational break occurs, the individual is required to participate pursuant to Section 11320.1. A recipient not expected to complete the program by the next break may continue his or her education, provided he or she transfers at the end of the current quarter or semester to a program that qualifies under that subdivision, the county determines that participation is

AB 743 -10-

likely to lead to self-supporting employment of the recipient, and
the welfare-to-work plan reflects that determination.

- (f) Any degree, certificate, or vocational program offered by a private postsecondary training provider shall not be approved under this section unless the program is either approved or exempted by the appropriate state regulatory agency and the program is in compliance with all other provisions of law.
- (g) Hours of participation in a self-initiated education or training program pursuant to this section are not subject to the limitations on work activities described in Section 11322.85.
- SEC. 6. Section 11327.4 of the Welfare and Institutions Code is amended to read:
- 11327.4. (a) (1) Whenever an individual has failed or refused to comply with program requirements without good cause in a program component to which he or she is assigned and refuses to agree to or fails, without good cause, to comply with a compliance plan agreed to between the county and the participant, the individual shall be subject to sanctions specified in Section 11327.5.
- (2) (A) For the purposes of this article, the phrase "failed or refused to comply with program requirements" shall be limited to: failing or refusing to sign a welfare-to-work plan, or to participate or provide required proof of satisfactory progress in any assigned program activity, pursuant to this article, or accept employment; terminating employment; or reducing earnings.
- (B) An individual who is currently participating in a self-initiated program that is reflected in a welfare-to-work plan shall not be subject to sanctions on the basis of failure or refusal to sign a new welfare-to-work plan if the individual is making satisfactory progress in that program, as described in subdivision (a) of Section 11325.23.
- (b) (1) Upon determination that an individual has failed or refused to comply with program requirements, the county shall issue a notice of action effective no earlier than 30 calendar days from the date of issuance informing the individual that a sanction will be imposed if the individual fails to either attend an appointment scheduled by the county to be held within 20 calendar days of the notice, or contact the county by phone, within 20 calendar days of the notice, and fails to do either of the following:

-11- AB 743

(A) Provide information to the county that he or she had good cause for the refusal or failure that has led the county to make a finding of good cause for nonparticipation.

- (B) Agree to a compliance plan to correct the failure or refusal to comply.
- (2) The county shall schedule a time during which each individual who has failed or refused to comply with program requirements has an opportunity to demonstrate that he or she had good cause for that refusal or failure. The county shall schedule an appointment within 20 calendar days of the notice of action. The individual shall be allowed to reschedule the cause determination appointment once within the 20-calendar-day period.
- (3) The written notice of action sent by the county shall do all of the following:
- (A) Inform the individual of the specific act or acts that have eaused the individual to be out of compliance with participation requirements.
- (B) Inform the individual of his or her right to assert good cause for his or her refusal or failure.
- (C) Inform the individual of the date and time of the scheduled appointment.
- (D) Provide a general definition of good cause and examples of reasons that constitute good cause for not participating in the program.
- (E) Inform the individual of the right to contact the county welfare department by telephone to establish good cause over the telephone in lieu of attending the appointment scheduled by the county.
- (F) Inform the individual of the right to reschedule the appointment once within the 20-calendar-day period.
- (G) Inform the individual that if good cause is not found, a compliance plan will be developed and the individual will be expected to agree to the plan or face a sanction.
- (H) Inform the individual of the name, telephone number, and address of state and local legal aid and welfare rights organizations that may assist the individual with the good cause and compliance plan process.
- (I) Describe the transportation and child care services that a person is entitled to, as needed in order to attend the appointment.

AB 743 -12-

(e) If the individual fails to attend the appointment, the county shall attempt to contact the individual by telephone at the time of or after the appointment in order to establish a finding of good cause or no good cause, and, if a finding of no good cause is made, develop a compliance plan to correct the instance of nonparticipation.

- (d) If the individual fails to attend the meeting and the county is not able to contact the individual in accordance with subdivision (e), and the individual fails to contact the county within the 20-calendar-day period, a sanction shall be imposed in accordance with Section 11327.5.
- (e) If the individual attends the appointment or contacts the county by telephone within the 20-calendar-day period and is either found by the county to have had good cause for his or her refusal or failure, or agrees to a compliance plan to correct the failure or refusal, the county shall rescind the notice of action issued pursuant to subdivision (b). If the individual agrees to a compliance plan at the appointment, the individual shall be provided a copy of the plan. If the individual agrees to a compliance plan over the telephone, a copy of the plan shall be mailed to the client.
- (f) If the individual is found by the county to have had good cause for his or her refusal or failure, an instance of noncompliance shall not be considered to have occurred.
- (g) If the individual is found by the county not to have had good cause, but agrees to a compliance plan and then fulfills the terms of the compliance plan, an instance of noncompliance shall not be considered to have occurred.
- (h) If the individual enters into a written compliance plan, but does not fulfill the terms of the plan, and the county determines, based on available information, that the individual did not have good cause for failure to meet the terms of the plan, the county shall send a notice of action to impose a sanction. The procedures specified in subdivision (b) shall not be applicable to a sanction imposed under this subdivision.
- SEC. 3. Section 11325.23 of the Welfare and Institutions Code is amended to read:
- 11325.23. (a) (1) Except as provided in paragraph (2), any student who, at the time he or she is required to participate under this article pursuant to Section 11320.3, is enrolled in any undergraduate degree or certificate program that leads to

-13- AB 743

employment may continue in that program if he or she is making satisfactory progress in that program, the county determines that continuing in the program is likely to lead to self-supporting employment for that recipient, and the welfare-to-work plan reflects that determination.

- (2) Any individual who possesses a baccalaureate degree shall not be eligible to participate under this section unless the individual is pursuing a California regular classroom teaching credential in a college or university with an approved teacher credential preparation program.
- (3) (A) Subject to the limitation provided in subdivision (f), a program shall be determined to lead to employment if it is on a list of programs that the county-welfare department human services agency and local education agencies or providers agree lead to employment. The list shall be agreed to annually, with the first list completed no later than January 31, 1998. By January 1, 2000, all educational providers shall report data regarding programs on the list for the purposes of the report card established under former Section 15037.1 of the Unemployment Insurance Code for the programs to remain on the list.
- (B) For students not in a program on the list prepared under subparagraph (A), the county shall determine if the program leads to employment. The recipient shall be allowed to continue in the program if the recipient demonstrates to the county that the program will lead to self-supporting employment for that recipient and the documentation is included in the welfare-to-work plan.
- (C) If participation in educational or vocational training, as determined by the number of hours required for classroom, laboratory, or internship activities, or study time, is not at least 30 hours, or if subparagraph (B) of paragraph (1) of subdivision (a) of Section 11322.8 applies, 20 hours, the county shall require concurrent participation in work activities pursuant to subdivisions (a) to (j), inclusive, of Section 11322.6 and Section 11325.22.
- (b) Participation in the self-initiated education or vocational training program shall be reflected in the welfare-to-work plan required by Section 11325.21. The welfare-to-work plan shall provide that whenever an individual ceases to participate in, refuses to attend regularly, or does not maintain satisfactory progress in the self-initiated program, the individual shall participate under this article in accordance with Section 11325.22.

AB 743 — 14—

(c) Any person whose previously approved self-initiated education or training program is interrupted for reasons that meet the good cause criteria specified in subdivision (f) of Section 11320.3 may resume participation in the same program if the participant maintained good standing in the program while participating and the self-initiated program continues to meet the approval criteria.

- (d) Supportive services reimbursement shall be provided for any participant in a self-initiated training or education program approved under this subdivision. This reimbursement shall be provided if no other source of funding for those costs is available. Any offset to supportive services payments shall be made in accordance with subdivision (e) of Section 11323.4.
- (e) Any student who, at the time he or she is required to participate under this article pursuant to Section 11320.3, has been enrolled and is making satisfactory progress in a degree or certificate program, but does not meet the criteria set forth in subdivision (a), shall have until the beginning of the next educational semester or quarter break to continue his or her educational program if he or she continues to make satisfactory progress. At the time the educational break occurs, the individual is required to participate pursuant to Section 11320.1. A recipient not expected to complete the program by the next break may continue his or her education, provided he or she transfers at the end of the current quarter or semester to a program that qualifies under that subdivision, the county determines that participation is likely to lead to self-supporting employment of the recipient, and the welfare-to-work plan reflects that determination.
- (f) Any degree, certificate, or vocational program offered by a private postsecondary training provider *or private college* shall not be approved under this section unless the program is either approved or exempted by the appropriate state regulatory agency and the program is in compliance with all other provisions of law. *laws*.

SEC. 7.

- SEC. 4. No appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for purposes of implementing this act.
- 39 SEC. 5. Notwithstanding the rulemaking provisions of the 40 Administrative Procedure Act (Chapter 3.5 (commencing with

15 AB 743

- 1 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
- 2 Code), until regulations are adopted, the State Department of
- 3 Social Services shall implement this act through all-county letters
- 4 or similar instructions issued no later than July 1, 2016. The
- 5 department shall adopt regulations implementing this section on
- or before July 1, 2017.
- 7 SEC. 8.
- 8 SEC. 6. If the Commission on State Mandates determines that
- 9 this act contains costs mandated by the state, reimbursement to
- 10 local agencies and school districts for those costs shall be made
- 11 pursuant to Part 7 (commencing with Section 17500) of Division
- 12 4 of Title 2 of the Government Code.