

AMENDED IN ASSEMBLY APRIL 4, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2062

Introduced by Assembly Member Lopez
(Coauthor: Assembly Member Gallagher)

February 17, 2016

An act to amend ~~Section~~ *Sections 11265.3 and 11265.47* of the Welfare and Institutions Code, relating to CalWORKs.

LEGISLATIVE COUNSEL'S DIGEST

AB 2062, as amended, Lopez. CalWORKs: income reporting: benefit redetermination.

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 a combination of federal, state, and county funds. Existing law requires the State Department of Social Services to establish an income reporting threshold for CalWORKs recipients, *including CalWORKs assistance units that do not include an eligible adult*, and requires a recipient to notify the county, within 10 days, if the recipient's household income exceeds the reporting threshold. Under existing law, if the county determines that the recipient is ineligible for CalWORKs or the recipient's grant amount should be reduced based on an increase in income, the county is required to discontinue the recipient from CalWORKs or reduce the recipient's grant, with timely and adequate notice, effective the following month. Existing law provides that current and future grants may be reduced because of prior overpayments.

This bill ~~would~~ *would, for recipients of CalWORKs and CalWORKs assistance units that do not include an eligible adult*, prohibit the county

from assessing an overpayment for the month following a change in income if the recipient has reported the change and the county was unable, before the first of the month following the change in income, to provide ~~10 days~~^{2 10 days} notice of the termination or reduction in benefits. By increasing the administrative duties of counties, this bill would impose a state-mandated local program.

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. Section 11265.3 of the Welfare and Institutions
2 Code is amended to read:

3 11265.3. (a) In addition to submitting the semiannual report
4 form as required in Section 11265.1, the department shall establish
5 an income reporting threshold for recipients of CalWORKs.

6 (b) The CalWORKs income reporting threshold shall be the
7 lesser of the following:

8 (1) Fifty-five percent of the monthly income for a family of
9 three at the federal poverty level, plus the amount of income last
10 used to calculate the recipient's monthly benefits.

11 (2) The amount likely to render the recipient ineligible for
12 CalWORKs benefits.

13 (3) The amount likely to render the recipient ineligible for
14 federal Supplemental Nutrition Assistance Program benefits.

15 (c) A recipient shall report to the county, orally or in writing,
16 within 10 days, when any of the following occurs:

17 (1) The monthly household income exceeds the threshold
18 established pursuant to this section.

1 (2) The household address has changed. The act of failing to
2 report an address change shall not, in and of itself, result in a
3 reduction in aid or termination of benefits.

4 (3) An incidence of an individual fleeing prosecution or custody
5 or confinement, or violating a condition of probation or parole, as
6 specified in Section 11486.5.

7 (d) At least once per semiannual reporting period, counties shall
8 inform each recipient of all of the following:

9 (1) The amount of the recipient's income reporting threshold.

10 (2) The duty to report under this section.

11 (3) The consequences of failing to report.

12 (e) When a recipient reports income exceeding the reporting
13 threshold, the county shall redetermine eligibility and the grant
14 amount as follows:

15 (1) If the recipient reports the increase in income for the first
16 through fifth months of a current semiannual reporting period, the
17 county shall verify the report and determine the recipient's financial
18 eligibility and grant amount.

19 (A) If the recipient is determined to be financially ineligible
20 based on the increase in income, the county shall discontinue the
21 recipient with timely and adequate notice, effective at the end of
22 the month in which the income was received.

23 (B) If it is determined that the recipient's grant amount should
24 decrease based on the increase in income, the county shall reduce
25 the recipient's grant amount for the remainder of the semiannual
26 reporting period with timely and adequate notice, effective the
27 first of the month following the month in which the income was
28 received.

29 (C) *If a recipient has reported a change in income in accordance*
30 *with subdivision (c), an overpayment shall not be assessed for the*
31 *following month if the county was unable to provide 10 days' notice*
32 *of the termination or reduction in benefits before the first of the*
33 *month following the month in which the change occurred.*

34 (2) If the recipient reports an increase in income for the sixth
35 month of a current semiannual reporting period, the county shall
36 not redetermine eligibility for the current semiannual reporting
37 period, but shall consider this income in redetermining eligibility
38 and the grant amount for the following semiannual reporting period,
39 as provided in Sections 11265.1 and 11265.2.

1 (f) Counties shall act upon changes in income voluntarily
2 reported during the semiannual reporting period that result in an
3 increase in benefits, only after verification specified by the
4 department is received. Reported changes in income that increase
5 the grants shall be effective for the entire month in which the
6 change is reported. If the reported change in income results in an
7 increase in benefits, the county shall issue the increased benefit
8 amount within 10 days of receiving required verification.

9 (g) (1) When a decrease in gross monthly income is voluntarily
10 reported and verified, the county shall recalculate the grant for the
11 current month and any remaining months in the semiannual
12 reporting period pursuant to Sections 11265.1 and 11265.2 based
13 on the actual gross monthly income reported and verified from the
14 voluntary report for the current month and the gross monthly
15 income that is reasonably anticipated for any future months
16 remaining in the semiannual reporting period.

17 (2) When the anticipated income is determined pursuant to
18 paragraph (1), and a grant amount is calculated based upon the
19 new income, if the grant amount is higher than the grant currently
20 in effect, the county shall revise the grant for the current month
21 and any remaining months in the semiannual reporting period to
22 the higher amount and shall issue any increased benefit amount
23 as provided in subdivision (f).

24 (h) During the semiannual reporting period, a recipient may
25 report to the county, orally or in writing, any changes in income
26 and household circumstances that may increase the recipient's
27 grant. Except as provided in subdivision (i), counties shall act only
28 upon changes in household composition voluntarily reported by
29 the recipients during the semiannual reporting period that result
30 in an increase in benefits, after verification specified by the
31 department is received. If the reported change in household
32 composition is for the first through fifth month of the semiannual
33 reporting period and results in an increase in benefits, the county
34 shall recalculate the grant effective for the month following the
35 month in which the change was reported. If the reported change
36 in household composition is for the sixth month of a semiannual
37 reporting period, the county shall not redetermine the grant for the
38 current semiannual reporting period, but shall redetermine the
39 grant for the following reporting period as provided in Sections
40 11265.1 and 11265.2.

1 (i) During the semiannual reporting period, a recipient may
2 request that the county discontinue the recipient's entire assistance
3 unit or any individual member of the assistance unit who is no
4 longer in the home or is an optional member of the assistance unit.
5 If the recipient's request is verbal, the county shall provide a 10-day
6 notice before discontinuing benefits. If the recipient's request is
7 in writing, the county shall discontinue benefits effective the end
8 of the month in which the request is made, and simultaneously
9 issue a notice informing the recipient of the discontinuance.

10 (j) (1) This section shall become operative on April 1, 2013. A
11 county shall implement the semiannual reporting requirements in
12 accordance with the act that added this section no later than October
13 1, 2013.

14 (2) Upon implementation described in paragraph (1), each
15 county shall provide a certificate to the director certifying that
16 semiannual reporting has been implemented in the county.

17 (3) Upon filing the certificate described in paragraph (2), a
18 county shall comply with the semiannual reporting provisions of
19 this section.

20 **SECTION 1.**

21 *SEC. 2.* Section 11265.47 of the Welfare and Institutions Code
22 is amended to read:

23 11265.47. (a) The department shall establish an income
24 reporting threshold for CalWORKs assistance units described in
25 subdivision (a) of Section 11265.45.

26 (b) The income reporting threshold described in subdivision (a)
27 shall be the lesser of the following:

28 (1) Fifty-five percent of the monthly income for a family of
29 three at the federal poverty level, plus the amount of income last
30 used to calculate the recipient's monthly benefits.

31 (2) The amount likely to render the recipient ineligible for
32 federal Supplemental Nutrition Assistance Program benefits.

33 (3) The amount likely to render the recipient ineligible for
34 CalWORKs benefits.

35 (c) A recipient described in subdivision (a) of Section 11265.45
36 shall report to the county, orally or in writing, within 10 days,
37 when any of the following occurs:

38 (1) The monthly household income exceeds the threshold
39 established pursuant to this section.

40 (2) Any change in household composition.

1 (3) The household address has changed.

2 (4) An incidence of an individual fleeing prosecution or custody
3 or confinement, or violating a condition or probation or parole, as
4 specified in Section 11486.5.

5 (d) When a recipient described in subdivision (a) of Section
6 11265.45 reports income or a household composition change
7 pursuant to subdivision (c), the county shall redetermine eligibility
8 and grant amounts as follows:

9 (1) If the recipient reports an increase in income or household
10 composition change for the first through 11th months of a year,
11 the county shall verify the report and determine the recipient's
12 financial eligibility and grant amount.

13 (A) If the recipient is determined to be financially ineligible
14 based on the increase in income or household composition change,
15 the county shall discontinue the recipient with timely and adequate
16 notice, effective at the end of the month in which the change
17 occurred.

18 (B) If it is determined that the recipient's grant amount should
19 decrease based on the increase in income, or increase or decrease
20 based on a change in household composition, the county shall
21 increase or reduce the recipient's grant amount for the remainder
22 of the year with timely and adequate notice, effective the first of
23 the month following the month in which the change occurred.

24 (C) If a recipient has reported a change in income in accordance
25 with subdivision (c), an overpayment shall not be assessed for the
26 following month if the county was unable to provide 10-days'
27 notice of the termination or reduction in benefits before the first
28 of the month following the month in which the change occurred.

29 (2) If the recipient reports an increase in income for the 12th
30 month of a grant year, the county shall verify this report and
31 consider this income in redetermining eligibility and the grant
32 amount for the following year.

33 (e) During the year, a recipient described in subdivision (a) of
34 Section 11265.45 may report to the county, orally or in writing,
35 any changes in income that may increase the recipient's grant.
36 Increases in the grant that result from reported changes in income
37 shall be effective for the entire month in which the change is
38 reported and any remaining months in the year. If the reported
39 change in income results in an increase in benefits, the county shall

1 issue the increased benefit amount within 10 days of receiving
2 required verification.

3 (f) During the year, a recipient described in subdivision (a) of
4 Section 11265.45 may request that the county discontinue the
5 recipient's entire assistance unit or any individual member of the
6 assistance unit who is no longer in the home or is an optional
7 member of the assistance unit. If the recipient's request is verbal,
8 the county shall provide a 10-day notice before discontinuing
9 benefits. If the recipient's request is in writing, the county shall
10 discontinue benefits effective the end of the month in which the
11 request is made, and simultaneously shall issue a notice informing
12 the recipient of the discontinuance.

13 (g) This section shall become operative on the first day of the
14 first month following 90 days after the effective date of the act
15 that added this section, or October 1, 2012, whichever is later.

16 ~~SEC. 2.~~

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

20 ~~SEC. 3.~~

21 *SEC. 4.* If the Commission on State Mandates determines that
22 this act contains costs mandated by the state, reimbursement to
23 local agencies and school districts for those costs shall be made
24 pursuant to Part 7 (commencing with Section 17500) of Division
25 4 of Title 2 of the Government Code.