

AMENDED IN ASSEMBLY JUNE 30, 2016

AMENDED IN SENATE MAY 31, 2016

AMENDED IN SENATE APRIL 19, 2016

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1232

Introduced by Senator Leno

February 18, 2016

An act to add Section 11023 to the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1232, as amended, Leno. CalWORKs and CalFresh: eligibility determinations.

Existing federal law provides for the 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, through a combination of state and county funds and federal funds received through the TANF program, each county provides cash assistance and other benefits to qualified low-income families.

Existing federal law provides for the federal Supplemental Nutrition Assistance Program, under which nutrition assistance benefits are allocated to each state by the federal government. Under existing state law, the CalFresh program, California's federal allocation is distributed to eligible individuals by each county. Existing law requires that the eligibility of households be determined to the extent permitted by federal law, and requires the State Department of Social Services to establish

a program of categorical eligibility for CalFresh in accordance with federal law. Existing law requires each county human services agency to carry out the local administrative responsibilities of this program, subject to the supervision of the department and to rules and regulations adopted by the department.

This bill would require a county human services agency that elects to use information contained in a consumer credit report for the determination of CalWORKs or CalFresh eligibility or benefit level to obtain written authorization from the applicant or recipient prior to obtaining the credit report and, if the county takes an adverse action against a recipient, to provide the recipient of benefits with a specified notice indicating that the verification or eligibility determination was based, in whole or in part, upon the information contained in the consumer credit report. The bill would also prohibit the county from requiring the applicant or recipient to submit hard-copy documentation that is duplicative of the information it will verify using the credit report.

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

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

1 SECTION 1. It is the intent of the Legislature to support an
2 increase in CalFresh benefits for low-income working families by
3 simplifying and adding transparency to the verification of wages.
4 It is also the intent of the Legislature to educate applicants and
5 recipients of aid of their federal rights to receive a free report and
6 to correct errors in a report issued by federally regulated consumer
7 reporting agencies when the services of those agencies are used
8 by the state or county to determine CalFresh or CalWORKs
9 eligibility or benefit level.

10 SEC. 2. Section 11023 is added to the Welfare and Institutions
11 Code, to read:

12 11023. (a) If a county human services agency elects to use
13 information contained in a consumer credit report for the
14 determination of CalFresh or CalWORKs eligibility or benefit
15 level, the county shall ~~do all of the following:~~

16 ~~(1) Obtain~~ *obtain* written authorization from an applicant or
17 recipient prior to obtaining the credit report.

18 ~~(2) If the county takes an adverse action against a recipient,~~
19 ~~provide the~~

1 (b) If a county takes an adverse action against an applicant or
2 recipient, the determination of which was based, in whole or in
3 part, upon information contained in the consumer credit report,
4 the county shall do all of the following:

5 (1) Provide the applicant or recipient with the notice required
6 by Section 615 of the federal Fair Credit Reporting Act (15 U.S.C.
7 Sec. 1681m), indicating that the verification or eligibility
8 determination was based, in whole or in part, upon the information
9 contained in the consumer credit report. ~~For purposes of this~~
10 ~~paragraph, an “adverse action” means a determination of~~
11 ~~ineligibility for CalFresh or CalWORKs or a reduction in benefits~~
12 ~~or services.~~

13 ~~(3)~~
14 (2) Issue the notice required by paragraph ~~(2)~~ (1) in writing and
15 in accordance with the standards for adequate notice established
16 in federal law.

17 ~~(4)~~
18 (3) Make the information available to an applicant or recipient
19 who requests a copy of his or her case file or appeals a negative
20 action based in whole or in part on information the county obtained
21 from the consumer credit report.

22 (c) For purposes of this section, an “adverse action” means a
23 determination of ineligibility for CalFresh or CalWORKs or a
24 reduction in benefits or services.

25 ~~(b)~~
26 (d) The written authorization and notice required by this section
27 may be provided by electronic means.

28 ~~(e)~~
29 (e) If the county human services agency elects to use information
30 contained in a consumer credit report for the determination of
31 benefit level, the county shall not require the applicant or recipient
32 to submit hard-copy documentation that is duplicative of the
33 information it will verify using the credit report.

34 ~~(d)~~
35 (f) Nothing in this section precludes the use of other forms of
36 verification or prohibits the county from requesting additional
37 documentation when the county establishes, in writing, that the
38 information it has already received is questionable.