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December 15, 2015

Regulation Package No. 0515-07

CDSS MANUAL LETTER NO. EAS-15-03

TO: HOLDERS OF THE EAS MANUAL, DIVISIONS 40, 44 & 82

Regulation Package # 0515-07

Effective 1/1/16

Sections 40-034, 44-211, 44-303, 44-307, 44-316, 82-832

This manual letter has been posted on the Office of Regulations Development website at <http://www.cdss.ca.gov/ord/PG3715.htm>.

These proposed regulations implement Section 47 of Assembly Bill (AB) 1468 (Chapter 26, Statutes of 2014), which removes the ban on California Work Opportunity and Responsibility to Kids (CalWORKs) eligibility for people who have a prior drug felony conviction. Effective April 1, 2015, this population is no longer excluded by law from receiving CalWORKs.

In 1997, AB 1542 excluded drug felons, fleeing felons and people who were in violation of probation or parole from being eligible for CalWORKs. AB 1468 removes the drug felon provisions of AB 1542 by repealing and adding Welfare and Institutions (W&I) Code section 11251.3.

This policy change was initially implemented through All County Letter (ACL) 14-100. These proposed regulations will ensure that the state regulations are in compliance with the law and that people with a prior drug felony conviction are no longer excluded from eligibility from CalWORKs.

By removing the ban on people with a prior drug felony conviction from CalWORKs eligibility, this regulatory action may help people with a prior drug felony conviction successfully transition back into society, become self-sufficient and avoid recidivism by increasing the benefit amounts and economic security of their families.

FILING INSTRUCTIONS

Revisions to all manuals are indicated by a vertical line in the left margin. The attached pages are to be entered in your copy of the Manual of Policies and Procedures (MPP). The latest prior manual letter containing EAS changes was Manual Letter No. EAS-15-02.

<u>Page(s)</u>	<u>Replace(s) Page(s)</u>
35 through 36	35 through 36
448.3	448.3
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Attachment

OC

**40-033 IMPLEMENTATION OF VOUCHER/VENDOR PAYMENT REGULATIONS 40-033
IN THE CALWORKS PROGRAM**

- | | | |
|----|-------------------|---|
| .1 | Effective Date | This regulatory action is effective July 1, 1998. |
| .2 | Sections Repealed | None. |
| .3 | Sections Adopted | 44-307 et seq. |
| .4 | Sections Amended | 44-303.3
44-304.6 |

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11251.3, 11320.15, 11450.13, 11453.2, and 17012.5, Welfare and Institutions Code; and AB 1542 (Ch. 270, Stats. 1997), Section 185(b).

40-034 IMPLEMENTATION OF CALWORKS DRUG AND FLEEING
FELON PROVISIONS

40-034

.1 General

Assembly Bill (AB) 1542, Chapter 270, Statutes of 1997, and AB 1260, Chapter 284, Statutes of 1997, enacted provisions which impact the Aid to Families with Dependent Children (AFDC) program. AB 1542 renames the AFDC program to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. These proposed regulations implement and make specific the requirements of AB 1542 which adds Section 11486, and AB 1260 which adds Section 11251.3 to the Welfare and Institutions Code.

Section 11486.5 provides that persons fleeing to avoid felony prosecution, custody or confinement, or violating a condition of parole or probation are ineligible for aid under CalWORKs. Section 11251.3 provides that persons convicted of a felony related to the possession, use, or distribution of a controlled substance after December 31, 1997, are ineligible for aid under CalWORKs.

.2 Effective Date

This regulatory action is effective July 1, 1998.

.3 Sections Repealed

82-832.14 and 82-832.26

.4 Sections Adopted

40-034, 82-832.19, .191 and .20

.5 Sections Amended

82-832, 82-832.21, .23 and .231

.6 Repeal Date

The regulatory provisions excluding persons with a prior drug felony conviction from eligibility for CalWORKs are repealed effective April 1, 2015.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11251.3 and 11486.5, Welfare and Institutions Code; AB 1542 (Ch. 270, Stats. of 1997) and AB 1468 (Chapter 26, Statutes of 2014).

44-211	SPECIAL NEEDS IN CALWORKS (Continued)	44-211
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- (c) The county shall pay up to two months of an AU's rent arrearage, provided each month's arrearage amount does not exceed 80 percent of the AU's TMHI without special needs.
- (d) If the CWD determines that the AU that is being evicted has been sharing housing costs as described in 44-211.532(b), the county shall pay only the eligible AU's share of the rent arrearages.
- (e) The CWD must ensure that payment of the Permanent HA arrearages in a shared housing situation will prevent eviction. If making these arrearage payments would not prevent eviction the CWD shall not approve permanent HA arrearage payments.

.534 Definitions

- (a) "Income" means income to be counted towards the TMHI which includes gross earned and unearned income, including the CalWORKs computed grant, CalWORKs Special Need payments, or Supplemental Security Income (SSI) and State Supplementary Payment (SSP). An AU's CalFresh benefits do not count as income and are not included in the TMHI.
- (b) "Total Monthly Household Income" means income that can be used to determine eligibility for Permanent HA. Counties must count the income of the AU members and of any other persons whose income is currently used in calculating the AU's grant, including but not limited to sanctioned and penalized household members and persons who are excluded by law due to their undocumented non-citizen or fleeing felon status.
 - (1) When an AU has asked to add a new person to their AU mid-period, any income of that person shall be included in the TMHI used to determine eligibility for and amount of Permanent HA, regardless of when the county will be increasing the AU size as a result of adding the new person.
 - (2) If the AU has reported that an AU member has left the home mid-period, and that person's income will no longer be available to help the AU pay rent, that person's income shall not be included as part of the AU's TMHI for Permanent HA.
 - (3) If an SSI/SSP recipient living in the home contributes toward the monthly rent, the family's total monthly rent amount to which the 80 percent standard is applied shall be reduced by the amount contributed by the SSI/SSP recipient.

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44-211	SPECIAL NEEDS IN CALWORKS (Continued)	44-211
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.63 Eligible Applicants

(SAR) .631 A pregnant woman with no eligible children who has applied for CalWORKs, is in her third trimester, and is eligible to receive CalWORKs shall be entitled to receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Sections 44-316.312(d)(SAR) and 44-318.15(SAR)).

(SAR) .632 A pregnant teen with no other eligible children in an AU of one who is under the age of 19, has not obtained a high school diploma or its equivalent and is otherwise eligible to receive CalWORKs, shall receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(d)(SAR) and 44-318.15 (SAR)).

(SAR) .633 A pregnant woman who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(d)(SAR) and 44-318.15 (SAR)).

(AR/CO) A pregnant mother who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the AR/CO Payment Period in which the child is expected to be born once required verification has been provided. When the birth of the child is reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(d)(AR/CO) and 44-318.15 (AR/CO)).

44-211	SPECIAL NEEDS IN CALWORKS (Continued)	44-211
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.64 Eligible Recipients

(SAR) .641 The pregnancy special need payment for a pregnant woman who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the semi-annual period in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(SAR), once required verification has been provided.

(AR/CO) The pregnancy special need payment for a pregnant teen mother who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the AR/CO Payment Period in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(AR/CO), once required verification has been provided.

.642 The recipient is only required to verify pregnancy initially (when the pregnancy is reported) and when the pregnancy continues beyond the originally estimated date of birth.

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.65 A pregnancy special need payment is \$47 per month.

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NOTE: Authority cited: Sections 10553, 10554, 10604, 11209, and 11450(f) and (g), Welfare and Institutions Code. Reference: Sections 11056, 11155.2(a), 11251.3, 11265.1, 11265.2, 11265.3, 11266(a)(2), 11271, 11272, 11273, and 11273(b), 11450(a)(1), (b), (c), and (f), 11450(f)(2)(A)(i), 11450(f)(2)(B), 11450(f)(2)(C), 11450(f)(2)(E)(i), (ii), (iii), (v), and (vi), 11450.5, 11452.018(a), and 11453.2, Welfare and Institutions Code; 45 CFR 206.10(a)(1)(ii), 45 CFR 206.10(a)(8), 45 CFR 233.10(a)(1)(iv), 45 CFR 233.20(a)(2)(v)(A), 45 CFR 234.11, 45 CFR 234.60; and 42 U.S.C.A., Section 606(b).

44-303	AID PAYMENTS - DEFINED	44-303
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Aid payments are:

- .1 Money payments, i.e., payments delivered unconditionally to the recipient or family or to the legally appointed guardian or conservator of the recipient's estate, with no state or county control of the use of the payments.

When a staff person in the county welfare department or in the State Department of Social Services serves as a substitute payee or as a court appointed guardian or conservator for the recipient, as provided in Sections 40-107.2 and 30-222.6, his/her determinations regarding utilization of the aid payments on behalf of the recipient do not constitute "state or county control" within the meaning of this section. However, care shall be taken to leave the recipient as much control over the use of the payment as possible and consistent with conditions.

or

- .2 Protective payments, i.e., assistance payments made to a substitute payee serving as representative of the recipient or family (see Section 44-309).

or

- .3 Vendor payments, i.e., payments made directly to a person or agency supplying goods or services to the recipient or family. Vendor payments are applicable:

- .31 In all aids, for payments on home repairs under special shelter payment provisions; and
- .32 In CalWORKs, for use in certain Homeless Assistance cases (see Section 44-211.5); and
- .33 In CalWORKs cases in which a parent or caretaker relative is in sanction status for at least three consecutive months (see Section 44-307.1). A county shall establish when to begin to issue vouchers or vendor payments or at least rent and utilities after this three-month period in sanction status. This timeframe shall be included in a county's written policies and procedures.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11251.3, 11327.5(d), 11453.2, and 17012.5, Welfare and Institutions Code; Family Support Act of 1988, Public Law (PL) 100-485, October 13, 1988 and California Department of Health Services Manual Letter 77-1.

44-304 AID PAYMENT SCHEDULES 44-304

- .1 Forwarding of Warrants
warrant is mailed, the envelope containing the warrant shall bear a statement that the warrant is not to be forwarded and that an address correction is requested (Welfare and Institutions Code Section 11006.4).
- .2 Frequency of Delivery
Except for counties with approved alternate payment systems counties shall select either semimonthly or monthly delivery of payments.
- .3 Changes in Frequency
Counties shall, when electing to change frequency of delivery:
 - .31 CDSS Notification
Notify CDSS in writing at least 90 calendar days prior to converting from one payment frequency to another.
 - .32 Recipient Notification
Notify all recipients of in writing at least 30 calendar days prior to converting from one payment frequency to another.
- .4 Recipient Option
Counties opting for a monthly payment system shall be permitted to offer recipients the option of receiving semimonthly payments on a case-by-case basis. The total number of recipients receiving semimonthly payments shall not exceed 50% of the county's caseload.
- .5 Standard Delivery Dates
 - .51 Semimonthly Delivery
The county shall deliver ongoing payments as follows when the county has selected semimonthly delivery:
 - (SAR) .511 First Warrant
The county shall place the first warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the SAR Payment Period unless the county received the completed SAR 7 after the tenth day prior to the end of the SAR Submit Month or if the annual redetermination is not completed by the 15th day of the month in which it is due.

44-305 AID PAYMENTS - PAYEE AND DELIVERY (Continued) 44-305

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 10063(a), 11006.2, 11254, Welfare and Institutions Code; 45 CFR 233.29, 45 CFR 233.31(b)(4) and 45 CFR 233.32; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12 (a)(1)(vii)].

44-307 VOUCHER/VENDOR PAYMENTS 44-307

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|----|-------------------------|--|
| .1 | Voucher/Vendor Payments | A county shall issue vouchers or vendor payments for at least rent and utilities payments any time a parent or caretaker relative is in sanction status for at least three consecutive months. A county shall establish when to begin to issue vouchers or vendor payments for at least rent and utilities after this three-month period in sanction status. This timeframe shall be included in a county's written policies and procedures. The vouchers or vendor payments shall continue until the parent or caretaker relative is no longer subject to sanction. |
| .2 | Grant not Sufficient | When the computed grant is not sufficient to cover both rent and utilities, the county shall issue a voucher or vendor payment for the full amount of the grant. The voucher or vendor payment may be for rent, utilities, or some portion of either. |

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|-----|----------|--|
| .21 | Example: | Recipient's rent for a given month \$500. |
| | | Utilities for the month \$100. |
| | | Grant for the month \$400. |
| | | The county could either send a \$400 voucher to the landlord or send a \$100 voucher to the utility company and a \$300 voucher to the landlord. |

HANDBOOK ENDS HERE

44-316 REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)**44-316**

(d) Request for Recurring Special Needs

(SAR) (1) Recurring special needs that have been requested mid-period and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the SAR Payment Period in which the special need is expected to end, except as provided in Section 44-211.641 (SAR).

(AR/CO) (1) Recurring special needs that have been requested mid-period and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the AR/CO Payment Period in which the special need is expected to end, except as provided in Section 44-211.641(AR/CO).

(SAR) (2) When an AU member becomes pregnant mid-period, the county shall make payments according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end of the SAR Payment Period in which the child is expected to be born.

(AR/CO) (2) When a teen AU member becomes pregnant mid-period, the county shall make payments according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end of the AR/CO Payment Period in which the child is expected to be born.

(SAR) (A) If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next SAR Payment Period, the county shall continue the pregnancy special need payment until the end of the SAR Payment Period in which the new estimated date of confinement is established or until the newborn is added to the AU. See Section 44-318.15 (SAR) for when to add the newborn.

(AR/CO) (A) If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next AR/CO Payment Period, the county shall continue the pregnancy special need payment until the newborn is added to the AU. See Section 44-318.15(AR/CO) for when to add the newborn.

44-316	REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)	44-316
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(SAR) .32 Recipient Mid-Period Mandatory Reports

(SAR) Recipients shall report in person, verbally or in writing, specific changes during the SAR Payment Period within ten (10) days of when the change becomes known to the AU.

(AR/CO) .32 Recipient Mid-Period Mandatory Reports

(AR/CO) Recipients shall report in person, verbally or in writing, specific changes during the AR/CO Payment Period within ten (10) days of when the change becomes known to the AU.

.321 The following occurrences shall be reported by the recipient to the county:

- (a) Reserved
- (b) Fleeing felon status
- (c) Violation of conditions of probation or parole
- (d) Address changes
 - (1) The act of failing to report an address change shall not, in and of itself, result in a reduction in aid or a termination of benefits.
- (e) Income exceeding the lowest of three levels of the Income Reporting Threshold (IRT)

(AR/CO) (f) Changes in household composition

.322 The county shall discontinue cash aid to the recipient at the end of the month in which timely and adequate notice can be provided when changes specified in Sections 44-316.321(b) and (c) are reported.

.323 The county shall act on address changes, in accordance with regulations and procedures regarding changes of residence.

44-316	REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)	44-316
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- (f) A child in the AU reaches the age limit (see Section 42-101);
- (g) A child in the AU is placed in Foster Care;
- (SAR) (h) A Refugee Cash Assistance (RCA) recipient reaches the eight-month RCA time limit;
- (i) Aid is authorized for an individual who is currently aided in another AU;
- (SAR) (j) Late SAR 7 adjustment;
- (k) State Hearing decision resulting in mandatory changes mid-period;
- (l) When an AU becomes a Family Reunification case;
- (m) An AU member is no longer a California resident;
- (SAR) (n) County acts on redetermination information in accordance with Section 40-181.1(SAR).
- (AR/CO) (n) County acts on redetermination information in accordance with Section 40-181.1(AR/CO);
- (SAR) (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient SAR 7, SAWS 2 or mid-period reporting; or (2) incorrect action or lack of action by the county on SAR 7, SAWS 2 or mid-period information reported by the recipient;
- (AR/CO) (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient SAWS 2 or mid-period reporting; or (2) incorrect action or lack of action by the county on SAWS 2 or mid-period information reported by the recipient;
- (p) When it becomes known to the county that an AU member is deceased;
- (q) An AU is transferred to a Tribal TANF program;
- (r) Cost-of-living adjustments for Minimum Basic Standards of Adequate Care (including income in-kind), Maximum Aid Payment, and Social Security;

44-316	REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)	44-316
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- (s) When it becomes known to the county that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more (see Section 82-812.61).
- (t) Nine-month real property exemption expires (see Section 42-213.12).
- (u) A non-minor dependent is transferred into their own AU.

(AR/CO) (v) The county determines an overpayment occurs and begins collecting overpayment via grant adjustment.

NOTE: Authority cited: Sections 10553, 10554, and 11369, Welfare and Institutions Code. Reference: Section 10063, 11251.3, 11265, 11265.1, 11265.2, 11265.3, 11265.45, 11265.47, 11450.5, 11454, and 11454.2, Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12 (a)(1)(vii)].

ELIGIBILITY AND ASSISTANCE STANDARDS**Regulations****ASSISTANCE UNIT****82-832 (Cont.)**

82-832 EXCLUDED PERSONS (Continued)**82-832**

(j) Reserved

(k) Non-minor dependent

Is a non-minor dependent. Non-minor dependents shall constitute an AU of one and as such shall be excluded from the AU of a needy or non-needy caretaker relative for CalWORKs purposes.

.2 Sanctioned Persons

A person excluded from the AU due to a sanction, is:

.21 Child/Spousal Support

A parent, pregnant woman, or caretaker relative who refuses to assign support rights.

.22 Citizenship

A person who fails to cooperate in the verification of his/her citizenship or alien status.

.23 Welfare-to-Work

A non-exempt welfare-to-work participant who fails or refuses without good cause to meet program requirements, and:

.231

When the participant is a principal earner, the second parent is also ineligible unless he/she is participating in welfare-to-work activities.

.24 Social Security Number

An applicant or recipient; or a child whose parent, caretaker relative, or legal guardian who:

.241

Refuses or fails to furnish an SSN or evidence of a completed application for an SSN, or

.242

Refuses or fails to cooperate in verifying an SSN.

.25 Striking

A striker who is not a caretaker relative.

.26

Repealed by Manual Letter No. EAS-98-03, effective 7/1/98.

ELIGIBILITY AND ASSISTANCE STANDARDS

82-832 (Cont.)

ASSISTANCE UNIT

Regulations

82-832 EXCLUDED PERSONS (Continued)

82-832

.3 Add a Person Who Becomes
Ineligible Prior to Authorization of Aid
(SAR)

A new person who has been mandatorily reported on the SAR 7 and determined eligible based on the information provided, shall be treated as an excluded person for the next SAR Payment Period when ineligibility occurs after the SAR Data Month but prior to the authorization of aid (see Section 40-171.221). This person's income and needs, as reported on the SAR 7, shall be treated in accordance with Section 44-133.5 for the next SAR Payment Period and the AU shall be discontinued at the end of that SAR Period in which the individual was treated as an excluded person, if the following SAWS 2 establishes that ineligibility continues to exist for the AU.

(SAR) (a)

If a new person is mandatorily reported on the SAWS 2 and ineligibility occurs before the redetermination is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the SAR Payment Period in which the new person was mandatorily reported. (See section 40-105.1 for applicant and recipient reporting responsibilities and county action.)

(AR/CO)

If a new person is mandatorily reported on the SAWS 2 and ineligibility occurs before the redetermination is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the month in which the new person was mandatorily reported.

(AR/CO)

If a new person is mandatorily reported mid-period and ineligibility occurs before the application for the new person is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the month in which the new person was mandatorily reported.