

**County of San Diego, Health and Human Services Agency (HHS)A)
CalWORKs Program Guide**

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| Income/Benefits Excluded or Exempt From Consideration as Income | Number | Page |
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Revision Date:
February 1, 2022

Background:
State regulation requires certain types of payments or benefits be excluded or exempted in whole or in part from consideration as income.

Purpose:
This section provides a list of income types that are not considered in CalWORKs program eligibility and benefits determination. Any income not listed as excluded or exempt will be treated as either earned or unearned income in the CalWORKs budget. The purpose of this revision is to incorporate the increase to the child support disregard amounts. This revision also includes an update of the treatment of the temporary census earned income for CalWORKs. The change to the child support disregard amounts is effective January 1, 2022.

Note: CalWORKs Program Guide (CPG) Special Notice No. 21-12 becomes obsolete with the issuance of this material.

Policy:
Income In-Kind

- The following income in-kind is excluded:
- Home produce such as from a garden, orchard, livestock, and poultry used by the assistance unit (AU) for their own consumption
 - Partial items of need
 - Any income in-kind (full or partial item of need) provided by a private nonprofit organization

Infrequent Income
Any prospectively budgeted income which is received too infrequently to be reasonably anticipated, but not in excess of \$30 per calendar quarter per AU.

Mileage Reimbursement
Actual mileage reimbursement when paid at a flat rate per mile, or as a repayment of actual costs.

Child/Spousal Support Disregard
The first \$100 (for a family with one child) or \$200 (for a family with two or more children) in current child/spousal support received, reasonably anticipated to be received by an AU or collected on behalf of an AU is disregarded as income (CPG 43-200.D).

When a SB 380 child's needs are excluded from the Maximum Aid Payment (MAP) determination, the child's income and resources are also excluded (CPG 44-300.H).

Child Care Payment to the Provider
Child Care payments paid directly to the provider by the CalWORKs Child Care Payment System on behalf of CalWORKs customers are exempt as income.

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Earned Income of a Child

A child is defined as a person receiving aid under their parent's case. A minor parent who is an adult in their own case is not considered a child.

The following types of income of a child are excluded or exempt from consideration:

- Earnings or incentive payments earned by a child 16 years of age or older who is participating in the Independent Living Program (ILP)
- Earnings of a child received from the Workforce Investment Act (WIA) Program
- Earned income of a child under 19 if they are a full-time student or have a school schedule that is equal to at least one-half of a full-time curriculum and is not employed full time (part time is less than 173 hours per month). School attendance is defined as attendance in a school, college, university, or in a course of vocational or technical training designed to prepare the child for gainful employment and include participation in Job Corps program under the Economic Opportunity Act. The income exemption is applied during the school term, between terms, or during vacations if the child plans to return to school following the vacation period.

Loans

A written agreement signed and dated by the lender and customer as parties to the agreement that clearly specifies both:

- 1) The obligation of the customer to repay the loan
- 2) A repayment plan which provides for installments of specified amounts that continue on a regular basis until the loan is repaid

Student Loans and Grants

The following loans and grants are not considered income:

- Loans made under Title III of the Federal Economic Act
- Loans and grants received under the Carl D. Perkins Vocational and Applied Technology Education Act are excluded only to the extent that the proceeds are used to meet attendance costs for a student attending school on at least a half-time basis, as defined by the institution
- Grants to any undergraduate student for educational purposes made or insured under any program administered by the Federal Secretary of Education
- Loans or grants to undergraduate students when they are awarded based on the student's need. Certification from an official at the student's school is required. The certification must state that the award is based on need and that the CalWORKs grant was considered in making the award
- Educational loans and grants to undergraduate students used to meet educational expenses such as fees, equipment, special clothing needs, or transportation

Loans and Grants under Title IV of the Higher Education Act

Loans and grants under the Title IV of the Higher Education Act or under the Bureau of Indian Affairs student assistance program which are not considered income include:

- Supplemental Educational Opportunity Grant Program
- Carl D. Perkins Loans or Carl D. Perkins Vocational Act
- Robert C. Byrd Honors Scholarship Program
- National Science Scholarship Program

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- Cal Grant Program (State Student Incentive Grants) or Pell Grant
- Paul Douglas Teacher Scholarship Program
- College Work Study
- Income Contingent (ICL), Stafford, Consolidation or Guaranteed Student (GSL) Loans
- Bureau of Indian Affairs Higher Education Grant
- Indian Health Services Scholarship Program
- Federal Family Education Loan (FFEL)
- Supplemental Loans for Students (SLS) Program or Parent Loans for Students (PLUS)

College Work Study

Earnings from a college work study program including both Work Study under Title IV of the Higher Education Act and CalWORKs Work Study.

Academic or Extra-curricular Awards or Scholarships

Awards or scholarships provided by public or private entity to, or on behalf of, a dependent child.

Agent Orange Settlement Payment

Payments made from the Agent Orange Settlement Fund and from other funds established pursuant to the Agent Orange product liability court proceedings.

Native American Tribe Member

The following payments are exempt under federal law:

- Funds of Native American Tribes including interest earned and investment income derived from such funds, when the funds have been:
 - Distributed by the Secretary of the Interior on per capita basis, or
 - Held in trust by the Secretary of the Interior
- Individual Native American income of up to \$2,000 in any 12 consecutive month period that is derived from individually owned interests in a trust or restricted lands

Alaskan Claims Settlement Act (ANSCA)

Cash Settlements including cash dividends on stock, land, or interest up to \$2,000 per person annually received from a Native Corporation are exempt for individual Natives and descendants of Natives.

Senior Volunteer Service Income

A compensation received by customers 60 years of age or older for volunteer services under the Retired Senior Volunteer, Foster Grandparents or Older Americans Service Program of National Older Americans Act program.

Domestic Volunteer Services Act of 1973

AmeriCorps*VISTA, formerly known as Vista Volunteer, payments and payments made for supportive services or reimbursement of out-of-pocket expenses made to people serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE).

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Children of Vietnam Veteran Born with Spina Bifida

Monetary allowances from the federal government for children of Vietnam veterans who are born with Spina Bifida.

Ricky Ray Hemophilia Fund

Any payments made to individuals with blood-clotting disorders, who contracted human immunodeficiency virus (HIV), due to contaminated blood products in the process of medical treatment, from any fund established pursuant to this act.

California Achieving a Better Life Experience (ABLE) Accounts

The ABLE (or CalABLE in California) accounts allow disabled customers to save and invest money for disability related expenses, called Qualified Disability Expenses (QDE). Disability-based income (DBI) deposited into the ABLE account is exempt. However, any remaining amount of the income not deposited into the account is counted after applying the \$225 disregard. DBI may include benefits from the State Disability Insurance, Private Disability Insurance, Temporary Worker's Compensation, Social Security Disability or Veteran's Disability Compensation.

- The customer, family and friends can contribute to the ABLE account, up to a maximum of \$14,000 per calendar year
- Money in the ABLE account is excluded as income and resources
- Withdrawals used toward QDE do not count as income

United States (U.S.) Department of Veterans Affairs (VA) Allowances

Effective 01/01/2018, under Senate Bill (SB) 570, benefits or allowances received by a veteran, dependent(s) of a veteran or a spouse of a veteran from the U.S. Department of Veterans Affairs (VA) for education, training, vocation or rehabilitation are exempt from consideration as income for CalWORKs eligibility and benefits determination.

The following exempt VA benefits and allowances include but are not limited to the following:

- Education and housing allowance under the Galvanized Iron (GI) Bill
- Yellow Ribbon Program
- Survivors and Dependent Assistance Program
- Tutorial Assistance
- License and Certification Reimbursement
- Vocational Rehabilitation and Employment Services
- National Call to Service Program
- Compensated Work Therapy (CWT)

U.S. Census

Effective January 1, 2021, any census-related income or stipend earned is exempt for CalWORKs if the temporary work is related to the decennial census, regardless of the year paid. This includes all income paid by the U.S. Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to improving participation in the decennial census.

Impacts:

None.

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Procedure:

CPG 45-200 – Student Loans and Grants Desk Aid.

References:

- EAS 44-111
- ACLs No. 17-61, 17-125, 19-106, 20-115, 21-99

Sunset Date:

This policy will be reviewed for continuance by February 28, 2025.

Approval for Release:



Rick Wanne, Director
Self-Sufficiency Services