[CIV-106461] ACL 19-76 - CalWORKs Change in Earned Income Disregard (EID) and Income Reporting Threshold (IRT) Tier 2

Issue Type:	**SCR**	Team Responsible:	**Eligibility**	Assignee:	**Unassigned**
Fix Version/s:	**[21.03]**	Designer Contact:	**Josias Caveto [X]**	Change Type (SCR):	**New Policy**
Minor Version:	**21.04.XX**	Expedite Changes:	**No**	Estimate:	**183**
Reporter:	**Josias Caveto [X]**	Regulation Reference:	**ACL 19-76, CRPC 2225**	Created:	**02/19/2020 03:40 PM**
Status:	**Ready for Committee**	Impact Analysis:		Outreach Required:	**No**
Policy/Design Consortium Contact:	**Binh Tran**	Training Impacted:		Funding Source:	**C-IV M&O**
Project Phase (SCR):	**Production**	Project Phase (SCR):	**Production**		
Other Agency Cross Reference:	**CA-212912**				

Current Design:

CalWORKs Net Non-Exempt Income (NNI) is calculated by disregarding the first $500 of disability-based unearned income (DBI) and/or any earned income and 50 percent of any remaining earned income. If the Assistance Unit has earned income only, the first $500 and 50 percent of the remaining earned income is used as part of the family's NNI when calculating the MAP.

The CW Tier 2 IRT is calculated based on 130% of the Federal Poverty Level (FPL) values for the current year, using the Family Unit Size, which includes both active aided and active non-aided household members.

Request:

1. Per ACL 19-76, increase the Earned Income Disregard from $500 to $550, effective June 1, 2021.
2. Per CRPC 2225, update the Tier 2 IRT based on the Assistance Unit Size rather than the Family Unit Size.

Recommendation:

1. Effective June 1, 2021, update the CW Disability Based Earned Income Disregard (CT 335 – AI) from $500 to $550.
2. Effective June 1, 2021 update the CW Disability Based Unearned Income Disregard (CT 335 – 53) from $500 to $550.
3. Regression test the forms/NOAs which populate the Disability Based Unearned Income Disregard and the Disability Based Earned Income Disregard values.
4. Update the Tier 2 IRT based on the Assistance Unit Size rather than the Family Unit Size.

Outreach Description:
Operational Impact: