



## [CA-212912] ACL 19-76 - CalWORKs Change in Earned Income Disregard (EID) and Income Reporting Threshold (IRT) Tier 2

Issue Type:	<b>SCR</b>	Team Responsible:	<b>Eligibility</b>	Assignee:	<b>Unassigned</b>
Fix Version/s:	<b>[21.03]</b>	Designer Contact:	<b>Jason M. Francis</b>	Change Type (SCR):	<b>New Policy</b>
Minor Version:	<b>21.04.XX</b>	Expedite Changes:	<b>No</b>	Estimate:	<b>196</b>
Reporter:	<b>Josias Caveto [X]</b>	Regulation Reference:	<b>ACL 19-76, CRPC 2225</b>	Created:	<b>01/15/2020 03:30 PM</b>
Status:	<b>Ready for Committee</b>	Impact Analysis:		Outreach Required:	<b>No</b>
Policy/Design Consortium Contact:	<b>Binh Tran</b>	Training Impacted:		Funding Source:	<b>LRS M&amp;E</b>
Project Phase (SCR):	<b>Production</b>	Funding Source ID:			
Other Agency Cross Reference:	<b>CIV-106461</b>				

**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:**