### SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

### THIRD READING

Bill No: AB 320 Author: Bennett (D)

Amended: 6/18/25 in Senate

Vote: 21

SENATE HUMAN SERVICES COMMITTEE: 5-0, 6/16/25

AYES: Arreguín, Ochoa Bogh, Becker, Limón, Wahab

SENATE EDUCATION COMMITTEE: 7-0, 7/2/25

AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Gonzalez, Laird

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 69-0, 5/8/25 (Consent) - See last page for vote

**SUBJECT:** Public social services: eligibility: income exclusions

**SOURCE:** Los Angeles County Office of Education

**DIGEST:** This bill prohibits any compensation awarded to a student member of a county board of education or school district governing board from being considered as income or an asset for the purposes of determining eligibility or award for means-tested programs, including CalWORKS.

#### **ANALYSIS:**

# **Existing Law:**

1) Establishes the federal Temporary Assistance for Needy Families (TANF) program, which provides block grants to states to develop and implement their own state welfare-to-work programs designed to provide cash assistance and other supports and services to low-income families. (42 United States Code (USC) section 601 et seq.)

- 2) Establishes under federal law the Supplemental Nutrition Assistance Program (SNAP) to promote the general welfare and to safeguard the health and wellbeing of the nation's population by raising the levels of nutrition among low-income households. (7 USC section 2011 et seq.)
- 3) States that SNAP shall be limited to households whose income limits their access to nutritious foods and defines what is considered income for the purposes of SNAP eligibility. (7 CFR section 273.9(a) and (b))
- 4) Establishes the CalWORKS program to provide cash assistance and other social services for low-income families through the federal TANF program. Under CalWORKs, each county provides assistance through a combination of state, county, and federal TANF funds. (Welfare and Institutions Code [WIC] section 11200 et seq.)
- 5) Establishes income, asset, and real property limits used to determine eligibility for the CalWORKs program, and CalWORKs grant amounts, based on family size and county of residence. (WIC section 11150 to 11160; 11450 et seq.)
- 6) Exempts the following from being considered as income for purposes of CalWORKS eligibility:
  - a) Income that is received too infrequently to be reasonably anticipated.
  - b) Income from a college work study program.
  - c) An award or scholarship provided by a public or private entity to or on behalf of a dependent child based on the child's academic or extracurricular achievement or participation in a scholastic, educational, or extracurricular competition. (WIC section 11157(b))
- 7) Allows a governing board of a school district to appoint a pupil to the board if a pupil petition requests it. (Education Code [EDC] section 30012 (d))
- 8) Allows the governing board of a school district to award a pupil that is a pupil member of that governing board either or both: elective course credit based on the number of equivalent daily instructional minutes for the pupil member's services provided and monthly financial compensation as determined by the governing board. (EDC section 35120(f))

This bill:

- 1) Prohibits, notwithstanding any other law and to the extent permitted by federal law, any compensation given to a student for serving as a pupil member on a county board of education from being considered as income or assets for determining eligibility and benefit amount for any means-tested program, including but not limited to: CalWORKs, CalFresh, General Assistance, Medi-Cal, and Cash Assistance Program for Immigrants (CAPI), and any scholarships for public colleges and universities, including, but not limited to, Cal Grant awards, Chafee grant awards, Middle Class Scholarship Program awards, California College Promise Grants, California State University Educational Opportunity Program (EOP) grants, Community College Extended Opportunity Programs and Services (EOPS) grants, and grants from the University of California or the California State University.
- 2) Prohibits, notwithstanding any other law and to the extent permitted by federal law, any compensation given to a student for serving as a pupil member on the governing board of a school district from being considered income or assets for determining eligibility and benefit amount for any means-tested program, including but not limited to: CalWORKs, CalFresh, General Assistance, Medi-Cal, and CAPI, and any scholarships for public colleges and universities, including, but not limited to, Cal Grant awards, Chafee grant awards, Middle Class Scholarship Program awards, California College Promise Grants, California State University EOP grants, Community College EOPS grants, and grants from the University of California or the California State University.
- 3) Exempts compensation awarded to a pupil member of a governing board of a school district or county board of education from consideration as income or resources for the purposes of CalWORKS, to the extent allowed by federal law.

## **Comments**

According to the author, "AB 320 expands on the provisions of AB 824 (2021), which allowed high school students to petition for a seat on their local County Boards of Education and Charter School Governing Boards. We have since discovered that compensation earned by student board members is considered 'income' in means-tested programs, making some students ineligible for the aid they had previously qualified for. AB 320 ensures that any compensation awarded to a pupil member of a county board of education is not counted as income for means-tested aid programs, such as Cal-WORKs and Medi-Cal."

*CalWORKs*. As the California's version of the federal TANF program, CalWORKs is the state's largest anti-poverty program. CalWORKs provides temporary cash

assistance aimed at moving children out of poverty and helping qualified low-income families meet their basic needs, such as rent, clothing, utility bills, food, and other items needed to ensure children are cared for at home and safely remain with their families. In addition to cash assistance, adult CalWORKs recipients are provided education, employment, and training services designed to help remove barriers to work and promote self-sufficiency. These services are typically outlined in a welfare-to-work plan. CDSS is the designated state agency responsible for program supervision at the state level, and counties are responsible for administering the program at the local level.

CalWORKs is funded through federal, state, county and realignments funds. The federal government gives the state a TANF block grant and CalWORKs receives a majority of that allocation. California and local governments spend a maintenance-of-effort amount as is required by federal law. The state also uses General Fund money for state-only programs and provides counties with a single allocation to fund many CalWORKs services. Funds from the 1991 realignment are also used to fund assistance payments and are part of the single allocation. Eligibility for CalWORKs is based on family size, income level, and region.

Families must show economic hardship through income and asset tests. For example they must show proof of any income like paystubs or benefit award letter and assets like proof of ownership of cars or land. Participation in the program is also time limited; adults are only allowed to use CalWORKs for 60 months in their lifetime. Children of adults who receive cash aid can continue to receive benefits until they are 18 years old in California. Based on the welfare-to-work plan, families can have cash aid temporarily cut through "sanctions" for not complying with certain required elements of CalWORKs or their plan.

CalFresh. CalFresh is California's version SNAP, an entitlement program that provides eligible households with federally funded monthly benefits to purchase food. CalFresh food benefits are 100 percent federally funded. CalFresh administration costs are funded with 50 percent federal funds, 35 percent General Fund, and 15% county funds, except for state-mandated program changes. CalFresh food benefits are issued through an Electronic Benefit Transfer (EBT) card which cardholders can use at point-of-sale terminals authorized by the United States Department of Agriculture, Food and Nutrition Service. Grocers and other retailers are paid directly by the federal government for the dollar value of purchases made with CalFresh food benefits. Monthly benefits per household vary based on household size, income, and deductible living expenses—with larger households generally receiving more benefits than smaller households and

relatively higher-income households generally receiving fewer benefits than lower-income households. The average benefits in 2024 was \$279 a month for all households, \$496 for households with children, and \$166 for households with older adults.

CalWORKS and CalFresh Income Exemptions. Under current law, certain types of income are considered exempt in the CalWORKs program, which means they are not counted when calculating a person's program eligibility for the program and cash benefit amount they receive. Exempt income includes:

- Income that is received too infrequently to be reasonably anticipated
- Income from college work-study programs
- An award or scholarship provided by a public or private entity to or on behalf of a dependent child
- Federal pandemic unemployment compensation
- Income or stipends paid by the United States Census Bureau, a governmental entity, or a nonprofit organization for temporary work related to improving participation in the decennial census that is earned in the year preceding a decennial census and during the year of the decennial census.
- Income from specified Guaranteed Income programs

CalWORKS and CalFresh participants are not required to submit verification for their excluded income by state law but counties can monitor and request verification as necessary. The only type of income that requires verification is gross nonexempt income and any income that is questionable. All income exemptions allowable for CalFresh are allowable for CalWORKS as well. There are exemptions that are allowed for CalWORKS that do not apply to CalFresh. For example, income from Guaranteed Income programs are exempt under CalWORKS but if the program uses government funds to fund the income stipends, it cannot be exempt from CalFresh eligibility determinations.

This bill adds income paid to pupil members of county school boards and school district boards to the list of income exemptions. While this is likely allowable for

<sup>&</sup>lt;sup>1</sup> CDSS ACL 21-137

<sup>&</sup>lt;sup>2</sup> 7 CFR 273.9(b)(1)

CalWORKS, the fact that the income is paid with county or school district funds it will likely continue to be considered for CalFresh eligibility determinations.

## **Related/Prior Legislation**

AB 42 (Bryan, 2025) would make any grant, award, scholarship, loan, or fellowship benefit from a private source given for educational purposes exempt from consideration as income or resources for the purposes of CalWORKS and CalFresh eligibility and award determination. AB 42 is pending on the Senate Floor.

AB 417 (Bennett, Chapter 437, Statues of 2023) Authorizes a pupil who is enrolled in a high school that is under the jurisdiction of the county board of education n, and who may be less than 18 years of age, to be selected to serve as a pupil member of the county board of education, if no petition is submitted to select a pupil who is enrolled in a high school that is under the jurisdiction of the county board of education.

AB 275 (Ward, Chapter 321, Statutes of 2023) Revised and recasts provisions related to the compensation of regular members and pupil members of county boards of education, school district governing boards, and governing bodies of charter schools and of entities managing multiple charter schools.

AB 824 (Bennett, Chapter 669, Statutes of 2021) Authorized county boards of education and charter schools to appoint one or more high school students as members of their governing bodies in response to petitions from high school pupils enrolled in their county or charter schools. This bill also created the policies and procedures required for the selection and replacement of students on the boards.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee, Unknown ongoing General Fund costs, likely minor, for increased program benefits or scholarships.

Unknown one-time General Fund costs for automation system changes. The California Department of Social Services estimates one-time General Fund costs of \$58,000 for automation related to programs under its jurisdiction.

Unknown potential costs to counties for administration related to program eligibility/benefit determinations. Cost to counties would be potentially

reimbursable by the state, subject to a determination by the Commission on State Mandates.

**SUPPORT:** (Verified 8/29/25)

County of Los Angeles Board of Supervisors County of San Diego Junior Leagues of California State Public Affairs Committee Los Angeles County Office of Education

**OPPOSITION:** (Verified 8/29/25)

None received

ASSEMBLY FLOOR: 69-0, 5/8/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Bonta, Bryan, Calderon, Caloza, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Arambula, Boerner, Carrillo, Flora, Gallagher, Jeff Gonzalez, Irwin, Celeste Rodriguez, Sanchez, Wallis

Prepared by: Naima Ford Antal / HUMAN S. / (916) 651-1524 8/30/25 11:19:24

\*\*\*\* END \*\*\*\*