
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 42 (Bryan) - CalWORKs: CalFresh: eligibility: income and resource exclusions

Version: June 23, 2025

Urgency: No

Hearing Date: July 14, 2025

Policy Vote: HUMAN S. 5 - 0

Mandate: Yes

Consultant: Agnes Lee

Bill Summary: AB 42 would exempt a grant, award, scholarship, loan, or fellowship benefit provided for the purpose of attending an institution of higher education, from consideration as income for purposes of determining eligibility or grant amounts under the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Fiscal Impact:

- The California Department of Social Services (CDSS) estimates the following:
 - Local assistance costs of \$57,100 (\$28,000 General Fund and \$29,100 federal funds) in the first year of implementation and \$131,000 (\$66,600 General Fund and \$64,400 federal funds) ongoing thereafter for CalFresh/California Food Assistance Program (CFAP) administration and CFAP benefits.
 - Local assistance costs of \$22,900 (General Fund) in the first year of implementation and \$67,200 (General Fund) ongoing thereafter for CalWORKs benefits and administration.
 - One-time General Fund costs of \$350,750 for automation.
- Costs to counties for administration would be potentially reimbursable by the state, subject to a determination by the Commission on State Mandates.

Background: The CalWORKs program 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 participate in welfare-to-work activities and are provided education and employment and training services designed to help remove barriers to work and promote self-sufficiency. CalWORKs is funded through a combination of state and county funds and federal funds received through the federal Temporary Assistance for Needy Families (TANF) program.

Current law exempts the following from consideration as income and/or resources for purposes of determining eligibility and/or aid amount under the CalWORKs program, as specified:

- Income that is received too infrequently to be reasonably anticipated, as exempted in federal Supplemental Nutrition Assistance Program regulations;
- 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;
- Income or stipends paid by the U.S. Census Bureau, a governmental entity, or a non-profit organization for temporary work related to the decennial census;
- Federal pandemic unemployment compensation, as specified;
- Guaranteed income payments;
- Funds deposited and investment returns accrued in a California Hope, Opportunity, Perseverance, and Empowerment (HOPE) trust account.

Existing federal law provides for the Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh. Federal SNAP regulations provide states with the option to exclude, for purposes of calculating a household's income under SNAP, any type of income that the state excludes when determining eligibility or benefits for TANF cash assistance or certain federal Medicaid assistance. California also provides state-funded food benefits through the CFAP for noncitizens who do not qualify for federally-funded CalFresh benefits.

Proposed Law: Specific provisions of the bill would:

- Exempt any grant, award, scholarship, loan, or fellowship benefit provided to any assistance unit member for the purpose of attending an institution of higher education, excluding cash payments made directly by friends or relatives, from consideration as income for purposes of determining eligibility for benefits or calculating grant amounts for CalWORKs and from being counted as resources for purposes of determining eligibility for benefits or calculating grant amounts for CalWORKs for 12 months following the receipt of the funds.
- Require CDSS to exercise the option provided in federal regulations, as specified, to exclude, for purposes of calculating a household's income under CalFresh, any type of income that the department excludes when determining eligibility or benefits for cash assistance provided with federal TANF funds and certain federal Medicaid assistance, as specified.

Related Legislation:

AB 320 (Bennett) would prohibit any compensation awarded to a pupil member of a county board of education or school district governing board from being considered as income or assets when determining eligibility and benefit amount for any means-tested program, and any scholarships for public colleges and universities. The bill is scheduled to be heard on July 14, 2025 in this committee.

AB 1357 (Celeste Rodriguez) would prohibit guaranteed income payments from being considered income or resources for purposes of determining eligibility for benefits, or the amount of benefits, under any means-tested program, as specified. The bill is scheduled to be heard on July 14, 2025 in this committee.

AB 274 (Bryan, 2023) was similar to this bill. The bill was vetoed by the Governor.

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