AB 474 (Ward) - Housing discrimination: nonprofit home-sharing program: eligibility for public social services

Version: July 14, 2025   **Policy Vote:** JUD. 12 - 0, HUMAN S. 5 - 0
Urgency: No   **Mandate:** Yes
Hearing Date: August 29, 2025   **Consultant:** Liah Burnley

Bill Summary: Provides that income received from renting units as a landlord in a nonprofit home-sharing program shall not be considered as income or assets to determine eligibility and benefit amounts for public social services.

*********** ANALYSIS ADDENDUM – SUSPENSE FILE ***********
**The following information is revised to reflect amendments
adopted by the committee on August 29, 2025**

Fiscal Impact:

- The California Department of Social Services (CDSS) indicates that there are no state operations costs because this bill would only require CDSS to seek federal waivers, which is absorbable work under current staffing levels. CDSS reports that this bill will result in a local assistance impact. This bill would increase benefit costs for a portion of the California Work Opportunities and Responsibility to Kids (CalWORKs) program and the Cash Assistance Program for Immigrants (CAPI) recipients by exempting any income received through renting bedrooms or units as a landlord in a nonprofit home-sharing program from consideration as income or assets for the purposes of determining eligibility and benefit amounts for public social services.

  For CalFresh and Supplemental Security Income/ State Supplementary Payment (SSI/SSP), federal regulations are in direct conflict with the provisions of this bill. This bill would require the Department to seek all available federal waivers to implement the provisions of this bill for CalFresh and SSI/SSP. As such, this fiscal analysis contemplates scenarios where the federal government both denies and approves the waivers for CalFresh and SSI/SSP.

  If federal waivers are not approved, AB 474 would still apply to state-only programs like CalWORKs, CAPI, and the Trafficking and Crime Victims Assistance Program (TCVAP), which do not need federal approval to implement changes. By excluding rental income from eligibility calculations, the bill would expand access to these programs and lead to new General Fund costs.

  If all waivers are approved for all programs, total costs, assuming extended CAPI, are as follows:

First Year	Ongoing
$2,778,000	$5,052,500

If all waivers are denied, which CDSS anticipate is the most likely scenario, total costs are as follows:

First Year	Ongoing
$2,167,500	$3,500,000

CDSS also notes that if amendments were adopted to exclude CalWORKs, CalFresh, and CFAP, the following costs would apply:

First Year	Ongoing
$1,692,500	$2,500,000

- o CalFresh: There is no local assistance fiscal impact to CalFresh unless a waiver is approved by the United State Department of Agriculture. If the waiver is approved, this bill would result in a local assistance impact of $104,000 total funds ($26,000 GF) for every 100 new CalFresh cases. This is until 2028 when the cost sharing ratio for benefits changes due to House Resolution 1.

- o SSI/SSP: There is no local assistance fiscal impact to SSI/SSP unless a waiver is approved by the Social Security Administration. If the waiver is approved, this bill will result in a local assistance impact of $507,000 total funds ($146,000 GF) in the first year of implementation and $1.0 million TF ($292,000 GF) ongoing.

- o CalWORKs: This bill would result in a local assistance fiscal impact of $982,000 total funds in the first year of implementation and ongoing annual costs of $2.0 million total funds for every 100 new CalWORKs families.

- o CalSAWS: This bill would result in a local assistance fiscal impact of $448,500 total funds in the first year of implementation for automation updates to CalSAWS.

- o TANF Block Grant Funding: California's annual $3.7 billion federal TANF block grant can be used flexibly within the CalWORKs program. It is fully allocated within the existing and proposed state budgets. As such, new costs for the CalWORKs program are considered General Fund (GF) cost impacts. State GF costs may be mitigated to the extent TANF funding is not fully expended in any particular year, or if one of the CalWORKs Subaccounts has sufficient revenue available to support grant costs.

- o Base CAPI: This bill would result in a local assistance fiscal impact of $717,000 GF in the first year of implementation and ongoing annual costs of $1.4 million GF.

- o Extended CAPI: This bill would result in a local assistance fiscal impact of $737,000 GF in the first year of implementation and ongoing annual costs of $1.5 million GF.

- o Additional CDSS Programs: This bill would also result in minimal impact to the Refugee Cash Assistance Program (RCA) and the TCVAP. RCA and TCVAP programs follow the eligibility and administrative rules of CalWORKs; therefore, the impact to the income and asset eligibility for CalWORKs recipients would also apply to RCA and TCVAP clients. Due to the size of RCA and TCVAP population, the cost is expected to be very minimal.

Committee Amendments:

- Specify that discrimination, for the purposes of the nonprofit home-sharing program pursuant to the California Fair Employment and Housing Act, does not include refusal to rent or lease a portion of an owner-occupied single-family house to a person as a roomer, boarder, or tenant living within the household, if all the following apply:

  - o The owner is renting the portion of their home as a landlord in a nonprofit home-sharing program as defined in Section 10007 of the Welfare and Institutions Code;

  - o The owner rents to no more than two roomers, boarders, or tenants within the household;

  - o Living areas within the dwelling unit are shared between the owner and the roomer, boarder, or tenant; and,

  - o The owner complies with subdivision (c) of Section 12955, which prohibits discriminatory notices, statements, and advertisements.

- Makes other conforming changes.

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