

## **Summary of CalWORKs Changes Fiscal Year 2013 – 2014**

### **Earned-Income Disregard Increase**

A CalWORKs family's grant decreases as the family earns more income. However, a portion of earned income, known as the "earned-income disregard," is excluded from the calculation of the grant amount. The 2012-13 budget increases the earned-income disregard to exclude the first \$225 plus 50 percent of remaining earned income, effective October 2013. This restores the earned-income disregard to its former level prior to being reduced in 2011-12.

### **Implementation of Semi-Annual Income Reporting**

Beginning October 2013, CalWORKs eligibility for all other families will be reviewed every six months using a semi-annual eligibility/income report (SAR 7) and at the annual redetermination. This is the "semi-annual" reporting system.

This means that you will have only one report that is due, in between your application and any annual redetermination of your benefits application.

The SAR 7 report will:

- List the month about which you need to report (the 5th month)
- List the month the report is due (the 6th month)
- Ask for information about all income, work and training in the 5th month and any expected changes
- Ask for all information about household members or costs that has changed since your application/redetermination