AB 274 – Simplifying CalWORKs/CalFresh

SUMMARY
Assembly Bill 274 will exempt all student grants, loans, fellowships, and scholarships from calculations of income for the purposes of CalWORKs and apply any exemption under CalWORKs to CalFresh.

BACKGROUND
According to the Public Policy Institute of California (PPIC), only 27% of community college students who receive CalWORKs funding complete a credential program or successfully transfer to a four-year college. In 2019, the California Community College Chancellor’s Office College identified increasing financial aid to cover total costs of college, including living expenses, as a way to boost credential or degree completion. Despite the colleges’ best efforts, the COVID-19 pandemic and rising housing prices have made higher education even more inaccessible, especially for low-income students.

Currently, federal law gives California the option to exempt any form of income for CalFresh that is already exempt for CalWORKs. It also gives California the ability to exempt all educational funding as income for the purposes of the two programs. In 2022, Massachusetts began exempting all forms of financial aid from being calculated as a form of income for SNAP beneficiaries. In the same year, California Governor Gavin Newsom signed AB 288 (Calderon) into law, which prohibited colleges in California from reducing a low-income student’s financial aid when they earn a private grant, a practice known as scholarship displacement.

SOLUTION
AB 274 will exempt all student grants, loans, fellowships, or scholarships from calculations of income for the purposes of CalWORKs and CalFresh eligibility. This will allow our state’s most vulnerable students, CalWORKs and CalFresh recipients, to access the maximum amount of aid available to them. It will also simplify the current benefits calculation process, saving time and resources for both students and the California Department of Social Services (CDSS).

SUPPORT
Coalition of California Welfare Rights Organizations (Co-Sponsor)
Western Center on Law and Poverty (Co-Sponsor)
uAspire (Co-Sponsor)

FOR MORE INFORMATION
Amy Ho | Legislative Assistant
Office of Assemblymember Isaac Bryan
(916) 319-2055
Amy.Ho@asm.ca.gov