

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



March 1, 1994

ALL COUNTY LETTER NO. 94-19

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

SUBJECT: REVISED REGULATIONS ON INCREASED PROPERTY LIMITS AND RESTRICTED ACCOUNTS PROVISIONS FOR RECIPIENTS OF AFDC

REFERENCE: MPP SECTION 42-200 - PROPERTY
MPP SECTION 89-500 - INCREASED PROPERTY LIMITS FOR RECIPIENTS
SB 35 (CHAPTER 69, STATUTES OF 1993)
SB 1078 (CHAPTER 1252, STATUTES OF 1993)

HANDBOOK: THIS LETTER CONTAINS INFORMATION UPDATING THE AFDC NOTICE OF ACTION HANDBOOK

The purpose of this letter is to transmit copies of draft regulations, Notices of Action (NOAs), an informing notice and a copy of the restricted account agreement which you will need to implement new provisions pertaining to increased property limits for recipients of AFDC. These provisions do not apply to applicants for AFDC. These provisions were enacted with the State Budget and the accompanying legislation, Senate Bill 35, Chapter 69, Statutes of 1993 and SB 1078, Chapter 1252, Statutes of 1993.

The intent is to file the attached draft regulations with the Secretary of State to become effective April 1, 1994, pending approval of the necessary federal waivers. We expect final approval of these waivers by March 11, 1994. We are providing the enclosed materials and draft regulations to assist you in implementing these provisions on April 1, 1994. We will notify you when these regulations are approved by the Office of Administrative Law and a copy of the adopted regulations will be provided as soon as they are available. Should the regulations not be approved we will notify you immediately.

REGULATIONS (ATTACHMENT 1)

These regulations adopt three welfare reform provisions that will allow an increase in the property limits for AFDC recipients as follows:

- o Raise the property limit from \$1000 to \$2000;
- o Raise the exempt value of a motor vehicle from \$1500 to \$4500; and
- o Allow the retention of additional funds up to \$5000 in restricted account(s) for the purpose of the postsecondary education or vocational training of a child, or the start up of a business, or the purchase of a home.

TEMP 2061, GENERAL MASS INFORMING NOTICE (ATTACHMENT 2)

The TEMP 2061 provides information about the change in property limits and the restricted accounts. It is intended to be a one-time only stuffer, to be included with a mailing to all recipients, as soon as administratively feasible. Additionally, until the narrative can be incorporated on the SAWS 2A, Rights and Responsibilities document and/or the CA 1030, AFDC Informing Document, counties are required to provide the TEMP 2061 as part of the application packet.

The TEMP 2061 is a master only; stock will not be produced.

CALIFORNIA WORK PAYS DEMONSTRATION PROJECT (CWPDP) RESEARCH COUNTIES (Los Angeles, San Bernardino, San Joaquin, Alameda) TEMP 2061A, GENERAL MASS INFORMING NOTICE FOR CWPDP COUNTIES (ATTACHMENT 2A)

Cases assigned to experimental status will be subject to the new changes in the property limits. Cases in control status will not be subject to these regulation changes. It is recommended that the mass informing notice not be sent to control cases. However, if this is not feasible, research counties are requested to use the TEMP 2061A, not the TEMP 2061. The TEMP 2061A includes approved narrative for your control cases.

CA 86 (4/94), AGREEMENT-RESTRICTED ACCOUNT (ATTACHMENT 3)

The CA 86 is to be used to establish a restricted account. The form is comprised of a coversheet, outlining the requirements to initiate a restricted account, and an agreement that is to be entered into between the county and the recipient.

~~This is a master only form because of expected low usage. No state stock will be produced at this time; however, this decision may be modified if a substantial usage warrants it.~~

IMPLEMENTATION INSTRUCTIONS FOR THE CA 86 (ATTACHMENT 3A)

Attachment 3A provides instructions for the use of the form and direction regarding distribution of copies to the recipient.

AFDC NOTICE OF ACTION (NOA) HANDBOOK REVISION (ATTACHMENT 4)

NOA Message Document M42-207B is being replaced by M89-501. This NOA discontinues cash aid when countable property exceeds the new \$2,000 limit.

New NOA Message Document M89-503 discontinues cash aid for various violations of the restricted account agreement.

Instructions for use are found at the end of each message document. English and Spanish versions are attached. Other standard languages will be issued by the Language Services Bureau in the usual manner.

Update your AFDC NOA Handbook by filing the attached English language message documents in Section 6 and by removing the obsolete message document M42-207B.

RESTRICTED ACCOUNT QUESTIONS AND ANSWERS (ATTACHMENT 5)

A series of questions and answers are attached to address many of the implementation questions which have come up during the development of this portion of the regulations.

FOOD STAMPS

For Food Stamp (FS) purposes, the Restricted Account will be excluded as a resource as long as the account owner is receiving AFDC. However, once the owner of the account is no longer receiving AFDC, any funds in the Restricted Account will be considered a resource. This is because the Department has been unsuccessful in obtaining a waiver from the Food and Nutrition Service (FNS) which is consistent with all of the terms and conditions set forth in State legislation to exclude the restricted account from resources.

TRANSLATIONS

Reproducible copies of the TEMP 2061 SP and the TEMP 2061A SP are attached. A copy of the CA 86 SP will be forwarded when finalized. Camera-ready copies of the TEMP 2061, TEMP 2061A, and CA 86 in Cambodian, Lao, Chinese and Vietnamese will be forwarded to the County Forms Coordinator by the Language Services Bureau when available.

CONTACTS

If you have any questions or need further information regarding these changes, please contact the following staff regarding the specific program areas:

Revised property regulations/Restricted Account Questions and Answers: Maxine Quitiquit (916) 654-1048, CALNET 464-1048;

Existing property regulations: Henry Puga (916) 654-1068, CALNET 464-1068


General Mass Informing Notice/Restricted Account Agreement: Elizabeth Allred (916) 657-3350, CALNET 437-3350;

AFDC NOAs: John Honeycutt (916) 654-1077, CALNET 464-1077;

Food Stamps: Nancy Yee (916) 654-1065, CALNET 464-1065;

CWPDP: Leslie Raderman (916) 657-2357, CALNET 437-2357

Sincerely,


MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

Attachments