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



August 22, 1994

ALL-COUNTY LETTER NO. 94-68	REASON FOR THIS TRANSMITTAL
TO: ALL COUNTY WELFARE DIRECTORS	[] State Law Change [] Federal Law or Regulation

SUBJECT: WELCH v. ANDERSON COURT ORDER

REFERENCES: ACL 94-58, 94-60

The purpose of this letter is to instruct the counties about what action to take as a result of the Superior Court decision in the court case of <u>Welch</u> v. <u>Anderson</u>. In <u>Welch</u> petitioners sought to enjoin the 2.3% reduction in AFDC grant cuts scheduled to go into effect on September 1, 1994.

On August 19, 1994, the Superior Court for the City and County of San Francisco issued a preliminary injunction ruling that the grant cut was not operative because the State no longer has a Federal waiver of the Medi-Cal maintenance of effort requirement. As you are aware the waiver was vacated by the Federal Ninth Circuit Court of Appeals in the case of Beno v. Shalala.

The State has filed an appeal to the California Court of Appeals. Because the injunction is mandatory it is stayed pending appeal. You are to continue with the September grant cuts until instructed otherwise.

Counties will be informed of future developments as early as possible. If you have any questions on this, please contact Mr. Vince Toolan at (916) 654-1808 or CALNET 464-1808.

Sincerely,

MICHAEL C: GENEST

Deputy Director

Welfare Programs Division