

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



December 28, 1995

ALL-COUNTY LETTER 95-82

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR THIS TRANSMITTAL

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

SUBJECT: IMPLEMENTATION OF REGULATION PACKAGE #0295-4: POLICY CHANGES FOR INELIGIBLE ALIEN PARENT AND SENIOR PARENT DEEMING, CLEANUP OF MONTHLY REPORTING, NET INCOME, LUMP SUM, AND EXCLUDED PERSONS PROVISIONS

REFERENCES: MPP 40-181, 44-113, 44-133, 44-207, 82-828, and 82-832
Federal Register, Vol. 57, No. 131, July 8, 1992

The purpose of this letter is to provide you with copies of regulations, Notices of Action (NOA) messages and forms you will need to implement the attached regulations package which will be effective for the budget month of March 1, 1996. The package provides for: (1) a policy change for the deeming of income from ineligible alien parents, initiated by this Department; (2) a policy change pertaining to senior parent deeming of income for minor parents who receive SSI, initiated as a result of federal policy clarification; and (3) minor cleanup language for various regulations to ensure policy clarity and consistency.

REGULATIONS (ATTACHMENT 1)

Copies of the attached regulations implement the following changes:

Deeming of Income Policy Changes

- o 44-113.14 - Unmet Needs: This section is being amended to be consistent with the new ineligible alien parent deeming formula. Specifically, the portion of the unmet needs test which applies to a second excluded alien parent has been amended. The new ineligible alien parent deeming formula replaces the previous cross reference which applied the stepparent deeming formula. The use of the ineligible alien parent formula is applied here to maintain consistent treatment of income. Additionally, Handbook Sections have been added to provide examples of this differential computation that applies prior to allocating any income from the

aided parent in cases where a preliminary income test is necessary to determine the availability of the excluded second parent's income to meet the needs of the common ineligible alien child. There has been no change in the computation of the aided parent's income for purposes of determining an unmet need.

- o **44-133.5 - Ineligible Alien Parent Deeming:** This new cite is added to incorporate a new deeming formula for ineligible alien parents who do not fall under the Immigration Reform Control Act (IRCA). These individuals will no longer have their income deemed available to an assistance unit pursuant to the stepparent deeming rules of 44-133.6. The new formula offsets ineligible alien parents' income from a need standard differential between the excluded ineligible alien parent unit and the assistance unit. A cross reference to the unmet needs calculation of 44-113.4 has also been added and relocated to this section for convenience.
- o **44-133.6 - Stepparent Deeming:** Ineligible alien parents are removed from the stepparent deeming formula, with the exception of any remaining ineligible alien parents who fall under IRCA and have not yet been aided. The cross reference for determination of unmet needs has also been removed and relocated to the new ineligible alien parent deeming formula.
- o **44-133.7 - Senior Parent Deeming:** This section is being amended to incorporate a policy change requiring that senior parent deeming apply to the minor parent's child's assistance unit in cases where the senior parent is unaided and the minor parent resides in the home and receives SSI/SSP.

Cleanup

- o **40-181.223 - CA-7 Late Reporting Penalties:** Corrects the cross reference applied in imposing penalties for late reporting.
- o **44-133.26 - Assistance Unit Resides with SSI/SSP Recipient:** Clarifies that a senior parent's income is applied in an AFDC grant computation when the senior parent is an applicant or recipient of aid, even if the income was used in an SSI/SSP calculation.
- o **44-133.7 - Senior Parent Deeming:** Adds clarifying language that senior parent deeming does not apply if the senior parent is receiving AFDC. Also clarifies that "needs" may not be counted twice.
- o **44-207.4 - Lump Sum Income:** Adds clarifying language and cross references which were previously deleted from the lump sum provisions to accurately reflect the current policy.
- o **82-832.2 - Sanctioned Persons:** Repeals obsolete language which provides for the exclusion of certain individuals who fail to see

potentially available income. The change is necessary to comply with current regulations implemented July 1, 1993, which initiated a federally-mandated policy change penalizing the entire assistance unit when a mandatory member fails to seek potentially available income. A renumbering of the continued portion of these provisions were also necessary as a result of this change.

NOA MESSAGES (ATTACHMENT 2)

Attached are two temporary NOA messages that have been developed to assist you with implementation of the deeming changes. Instructions for use are at the end of each message document.

NA FORMS (ATTACHMENT 3)

Attached are the Continuation Page for Deemed Income Computations-Cash Aid (NA 271), the Continuation Page for Income of Aided Parent/Ineligible Alien Child (NA 272), and the Continuation Page for the Unmet Need Deduction from Aided Parent's Income (NA 276). All three NA forms have been revised as a result of the regulation change. Instructions for use are included with the revised forms.

TRANSLATIONS

The Spanish translations for the NOA messages and the NA forms will follow under separate cover. The Asian languages (Cambodian, Chinese and Vietnamese) will be available, upon request through the Language Services Bureau.

CONTACTS

For questions pertaining to the regulations, please contact Julie Lopes at (916) 654-1786/CALNET 464-1786. For questions pertaining to a NOA and/or NA form, contact Pam Kian at (916) 654-1801 /CALNET 464-1801. To request camera-ready copies of the Asian translations, contact Language Services Bureau at (916) 654-1282/ CALNET 464-1282. To request camera-ready copies of the Spanish translations for the NA forms only contact the Forms Management Unit at (916) 657-1907/CALNET 437-1907.

Sincerely,

Walter Baumgartner
for Bruce Wagsstaff
BRUCE WAGSTAFF
Deputy Director
Welfare Programs Division

Attachments