



CDSS

WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

August 26, 2016

ALL COUNTY LETTER (ACL) NO. 16-66

REASON FOR THIS TRANSMITTAL

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

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CALWORKS PROGRAM SPECIALISTS
ALL COUNTY CALFRESH COORDINATORS
ALL COUNTY WELFARE TO WORK COORDINATORS
ALL CONSORTIA REPRESENTATIVES

SUBJECT: CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CalWORKs): REPEAL OF THE MAXIMUM FAMILY GRANT (MFG) RULE

REFERENCE: [ASSEMBLY BILL \(AB\) 1603](#) (CHAPTER 25, STATUTES OF 2016); WELFARE AND INSTITUTIONS CODE (WIC) SECTION [11450.04](#); ALL COUNTY INFORMATION NOTICE (ACIN) NO. [1-29-07](#); ALL COUNTY LETTERS (ACL) NO. [01-82](#) and [97-29](#).

The purpose of this letter is to inform County Welfare Departments (CWDs) of the repeal of the CalWORKs MFG rule due to the enactment of AB 1603, signed by the Governor on June 27, 2016. Effective January 1, 2017, no child will be denied aid because he or she was born into a family that received cash aid continuously for ten months immediately prior to their birth. Children previously determined as MFG and excluded from the Assistance Unit (AU) shall have their needs included when determining the Maximum Aid Payment (MAP) and must be added to the AU effective January 1, 2017, if all other conditions of eligibility are met.

BACKGROUND

The MFG rule provides that, for the purpose of determining the MAP, the number of needy persons in a family shall not include any child born into a family that has received cash aid continuously for ten months immediately prior to the child's birth. Continuously

is defined as receiving aid without a break in aid of at least two consecutive months. This rule continues to apply until the family has not received aid for at least 24 consecutive months while the child was living with the family or one of the exemptions to the rule have been met.

NEW RULE

Effective January 1, 2017, no applicant or recipient will be denied cash aid for a child born into the applicant's or recipient's family during a period in which the applicant's or recipient's family was receiving aid. This rule applies to children currently designated MFG, as well as future children born to the AU. Children with MFG status will no longer be excluded by law, and their needs must be included in the cash aid grant effective January 1, 2017.

CWDs are to treat the change in MFG status as a county-initiated mid-period change that must be acted upon with timely and adequate notice, even if the change results in a mid-period decrease to the family's grant. For example, if removing the MFG status from a child and counting their income results in a decrease to the grant amount, the change must still take effect on January 1, 2017, even if January is in the middle of their SAR reporting period.

This change will not be applied retroactively. When determining the MAP, the number of needy persons in a family shall not include the needs of a child subject to the MFG rule until January 1, 2017. Former recipients who reapply for aid prior to January 1, 2017 will not have the needs of the child subject to the MFG rule considered in calculating the cash aid grant until the new law goes into effect.

IDENTIFYING AND INFORMING CALWORKS APPLICANTS AND RECIPIENTS

CWDs shall review current caseload data to determine existing CalWORKs cases with an MFG child(ren). Identified AUs shall be provided the attached Notice of Action (NOA) TM44-314. This NOA informs the AU that due to a change in state law effective January 1, 2017, the cash aid grant will now include the needs of child(ren) previously subject to the MFG rule, and the grant will change. The NOA also includes the new grant amount based on the increase in the number of persons aided in the AU.

In addition, the California Department of Social Services (CDSS) has provided the attached mass mailer notice (TEMP 2260) for CWDs to send to all CalWORKs recipients. The mailer will inform recipients of the change in state law that repeals the MFG rule and increases or changes cash aid effective January 1, 2017. CWDs must

begin sending the mailer to all CalWORKs recipients by November 1, 2016. This form is required with no substitutes permitted.

To ensure all CalWORKs recipients are aware of the statutory changes, the CDSS strongly encourages CWDs to display the informing notice in CWD offices and distribute the informing notice along with other documentation sent to all CalWORKs applicants beginning January 2017 through December 2017. In addition, CWDs are encouraged to discuss the changes in CalWORKs eligibility at application and redetermination interviews or at other points of contact with CalWORKs applicants and recipients.

CHILD SUPPORT

The MFG statute required any child support payment for an MFG child to be sent to the family. These payments were exempt from consideration as income for both eligibility and grant computation.

As of January 1, 2017, cases with former MFG children will be subject to child support requirements and shall be referred for child support services and collection. These families will only receive the first \$50 child support paid. Because the child support will be retained by the county and no longer provided directly to the family, this income cannot be reasonably anticipated and should not be used in the grant calculation. K1/3F cases with former MFG children will continue to receive any child support payments collected by the Local Child Support Agency (LCSA) directly, and any reasonably anticipated child support income beyond the \$50 disregard must now be counted as unearned income against the child-only grant. The changes described in this paragraph are county-initiated mid-period actions.

For recipients, a new CW 2.1Q *Child Support Questionnaire* form or referral to the LCSA is not needed if the child is already identified on an existing CW 2.1Q. For recipients with a child not already identified on an existing CW 2.1Q, as a condition of eligibility, the parent must agree to assign support rights to the state or be sanctioned, and in order to avoid the 25 percent child support penalty, the adult will also be required to cooperate with the LCSA in determining paternity of the aided child and doing whatever is required by the LCSA to cooperate with child support enforcement, unless good cause is found to exist per the Manual of Policies and Procedures (MPP) Section 82-512. AUs will be required to complete and sign the CW 2.1NA *Notice and Agreement for Child, Spousal and Medical Support* and the CW 2.1Q *Child Support Questionnaire* forms.

The CWDs must adequately explain all of the changes in child support requirements and collections to families with a newly eligible child or children so that the family is

aware of possible penalties and sanctions that might apply if they fail to follow the new rules and that the amount of child support payments they receive will change.

OTHER INCOME

Under MFG rules, benefits derived from Social Security or other government programs based on the absent parent's disability or retirement and paid to or on behalf of the child subject to the MFG rule were exempt from consideration as income in the grant computation.

Effective January 1, 2017, these benefits will no longer be exempt from consideration. CWDs must take action mid-period to identify and reevaluate this income and determine if any changes to the AU's grant are necessary with timely and adequate notice provided. If the CWD cannot provide a 10-day notice to reduce or discontinue the January grant, the CWD shall provide a 10-day notice to reduce February's grant, and collect an overpayment for January.

INCOME REPORTING THRESHOLD (IRT)

When the AU size increases, the AU's Tier Two IRT will also increase. As a reminder, CWDs must inform recipients of their new IRT amount anytime it changes.

CALFRESH

CalFresh benefits shall be recalculated for those CalFresh households whose CalWORKs grants have been adjusted. As a result of the recalculation, the amount of CalFresh benefits may decrease. CWDs shall provide adequate notice to all CalFresh households of any change to their CalFresh benefits as a result of the recalculation.

NEW FORMS AND NOTICE OF ACTION (NOA) MESSAGES

The consortium shall complete all programming and CWDs must ensure an appropriate process is in place in order to guarantee the appropriate revised forms are used and/or distributed to clients in accordance with the timeframes instructed in this ACL.

TEMP 2260 (08/16) – Changes To The California Work Opportunity And Responsibility To Kids (CalWORKs) Maximum Family Grant (MFG) Rule – This form was created for CWDs to send to all CalWORKs AUs to inform them of changes to the MFG rule, effective January 1, 2017. This is a required form with no substitutes permitted.

TM44-314 (08/16) - Maximum Family Grant Repealed - This NOA message was created to send to a CalWORKs AU when their AU size has increased due to the inclusion of a child who was previously deemed subject to the MFG rule. This NOA message also informs AUs that their monthly grant has changed due to the inclusion of an additional AU member. Instructions are included on the TM44-314.

Required Form - No Substitute Permitted

Forms in this category are required forms that the CWD may not modify or restructure. However, overprinting or reformatting under the conditions outlined in Operations Manual Section 23-400.211, Overprinting Required Forms and Section 23-400.212, Electronic Data Processing (EDP) Modifications, is permitted.

The following forms were revised to remove language referencing the MFG rule:

- CW 2.1Q (7/16) – Support Questionnaire
- CW 215 (7/16) - Notification Of Intercounty Transfer
 - Also revised to remove references to SAWS 2, SAWS 2A QR, QR 7, and QR 25A forms.
- CW 2103 (6/16) - Reminder For Teens Turning 18 Years Old
- CW 2218 (7/16) - Rights, Responsibilities And Other Important Information For The CalWORKs Program (Non-needy Caretaker Relative With Relative Foster Child)

The SAWS 2A SAR will be addressed under separate cover as part of the SAWS 2 Plus, which is currently being revised.

The following forms and NOA messages are obsolete as of January 1, 2017 as a result of the repeal of the MFG rule and should no longer be used:

- CW 2102 (8/00) - The Maximum Family Grant (MFG) Rule for Recipients of Cash Aid
- M44-314 (11/00) - Maximum Family Grant, Approval
- M44-314A (11/00) - Maximum Family Grant, Other
- M44-314B (11/00) - Maximum Family Grant, Change
- M44-314C (9/97) - Maximum Family Grant, Change

CAMERA-READY COPIES AND TRANSLATIONS

For a camera-ready copy in English, contact the CDSS Forms Management Unit at fmudss@dss.ca.gov. You may obtain these forms from the CDSS webpage at: http://www.dss.cahwnet.gov/cdssweb/FormsandPu_271.htm.

When all translations are completed per MPP Section 21-115.2, they are posted on an on-going basis on the CDSS webpage. Copies of the translated forms can be obtained at: http://www.dss.cahwnet.gov/cdssweb/FormsandPu_274.htm.

For questions on translated materials, please contact the CDSS Language Services at (916) 651-8876. Until translations are available, recipients who have elected to receive materials in languages other than English should be sent the English version of the form or notice along with the GEN 1365 – Notice of Language Services and a local contact number. <http://www.cdss.ca.gov/cdssweb/entres/forms/Multi/GEN1365MUL.pdf>

The CWDs shall ensure that effective bilingual services are provided. This requirement may be met through utilization of paid interpreters, qualified bilingual employees, and qualified employees of other agencies or community resources. These services shall be provided free of charge to the applicant/recipient. In the event that CDSS does not provide translations of a form, it is the CWD's responsibility to provide interpreter services if an applicant or recipient requests them. More information regarding translations can be found in [MPP Section 21-115](#).

REGULATION CHANGES

This ACL will be followed by regulations to incorporate the above changes.

If you have any questions regarding this letter, please contact the CalWORKs Eligibility Bureau at (916) 654-1322.

Sincerely,

Original Document Signed By:

TODD R. BLAND
Deputy Director
Welfare to Work Division

c: CWDA

Attachments