

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



August 1, 1989

ALL-COUNTY LETTER NO. 89-71

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FOOD STAMP COORDINATORS

SUBJECT: FOOD STAMP EMPLOYMENT AND TRAINING (FSET) PROGRAM:  
REIMBURSEMENTS FOR DEPENDENT CARE

This is to inform you that effective July 1, 1989, Federal law requires a change in the reimbursement for the costs of dependent care for participants in the Food Stamp Employment and Training (FSET) Program.

The Hunger Prevention Act of 1988, Public Law (PL) 100-435, amends the FSET requirements pertaining to participant reimbursement. Effective July 1, 1989, participants must be reimbursed for dependent care that is necessary for participation, up to \$160 per month per dependent. This reimbursement must be based on actual costs (rather than an allowance based on average or estimated costs) and is in addition to the \$25 reimbursement for transportation and other costs of participation (which may be in the form of an allowance). The County may provide the dependent care services itself or arrange for care through providers by use of purchase of services or vouchers or provide vouchers to the household.

The law provides that a caretaker relative of a dependent in a family receiving benefits under Aid to Families with Dependent Children (AFDC) in an area where an employment, education or training program under Title IV of the Social Security Act is in operation, is not eligible for this dependent care reimbursement. Since the State's Title IV Program, Greater Avenues for Independence (GAIN), is now in operation in all Counties, this FSET dependent care reimbursement may not be made to a caretaker relative in an AFDC household.

The reimbursement for dependent care, as well as the \$25 reimbursement for transportation and other expenses of participation, has a sharing ratio of 50 percent Federal/25 percent State/25 percent County.

Dependent care should be claimed separately as a direct cost under FSET Supportive Services, Program Identifier Number 468047.

State regulations are being processed on an emergency basis. You will be notified of their filing through the normal channels. The amendments to the Manual of Policies and Procedures (MPP) Section 63-407.83 (participant reimbursement) will be effective as of July 1, 1989. Any participant who has had or who will have dependent care expenses on or after that date must be reimbursed at the new rate.

The amendments to MPP Section 63-407.811 (deferral criteria) will be effective as of the date of filing. As of that date mandatory participants shall be deferred from participation for lack of dependent care only if such care is unavailable or the cost exceeds \$160 per month per dependent.

If you have any questions, please contact your GAIN and Employment Services Operations Analyst at (916) 324-6962.



DENNIS J. BOYLE  
Deputy Director

cc: CWDA