

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



November 2, 1995

ALL COUNTY LETTER NO. 95-63

TO: ALL COUNTY WELFARE DIRECTORS

## REASON FOR THIS TRANSMITTAL

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

SUBJECT: REVISION TO THE GENERAL ASSISTANCE/GENERAL RELIEF (GA/GR) VENDOR PAYMENT REGULATIONS.

REFERENCES: MANUAL SECTIONS (M.S.) 63-502.141(a); 63-502.2(b)(2).

This letter is to inform County Welfare Departments (CWDs) about a state regulation revision that will be effective on December 1, 1995, with benefits restored back to September 1994, issuance month, or date of application, whichever occurred last. This revision is necessary to comply with a federal mandate contained in public Law 103-66, Section 13915, that revises the provision on GA/GR vendor payments.

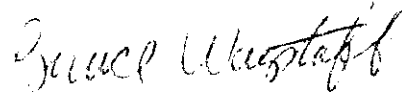
Federal food stamp regulations concerning GA/GR vendor payments previously stated that vendor payments provided for "living expenses" were considered to be income. The new mandate has limited vendor payments which can be considered income by substituting "housing expenses" for the phrase "living expenses". This change will allow only those GA/GR vendor payments covering housing expenses, excluding energy and utility expenses, to be considered as income.

Accordingly, M.S. 63-502.141(a) has been revised to specify that GA/GR vendor payments are excluded from income consideration except for those concerning housing expenses. The GA/GR vendor payment(s) for housing expenses are to be considered unearned income unless excluded by M.S. 63-502.2(b)(2). Enclosed is the proposed regulation change.

Upon the effective date of the provision, continuing cases and any household (HH) entitled to restored benefits shall have their benefits restored when the case is next reviewed, when the CWD becomes aware that a review is needed, upon request by the HH, or at recertification, whichever occurs first.

If you have any questions, please call Ernie Villalobos of the Food Stamp Program Bureau at (916) 657-1680.

Sincerely,

A handwritten signature in cursive script that reads "Bruce Wagstaff".

BRUCE WAGSTAFF  
Deputy Director  
Welfare Programs Division

Enclosure

Amend Sections 63-141(a) and 63-502.353(a)(5), and adopts Sections 63-502.2(b)(2)(F) and 63-502.37 et seq. to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

.1 Income Definition

.14 Unearned income shall include, but not be limited to:

.141 Assistance payments from Aid to Families with Dependent Children (AFDC), General Assistance/General Relief (GA/GA), Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), or other assistance programs based on need except as specified in Section 63-501.111.

(a) Such assistance is considered to be unearned income even if provided in the form of a vendor payment (provided to a third party on behalf of the household), unless the vendor payment is specifically exempt from consideration as countable income as specified in Section 63-502.2. GA/GR vendor payments for housing are counted as income unless specifically exempt from consideration as unearned income as specified in Section 63-502.2 All other GA/GR vendor payments are excluded from consideration as income.

(b) (Continued)

.2 Income Exclusions. Only the following items shall be excluded from household income:

(b) Vendor payments. Money that is not legally obligated to be paid to the household, but which is paid to a third party for a household expense by a person or organization outside of the household.

(1) (Continued)

(2) An AFDC, GA/GR, RCA or ECA payment shall be considered an excludable vendor payment and not counted as income to the household if that payment is for:

(A) through (E) (Continued)

(F) Emergency or special assistance (as specified in Section 63-502.2(b)(3). (Continued)