

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



April 15, 1996

ALL COUNTY LETTER 96-17

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR TRANSMITTAL

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

SUBJECT: FOOD STAMPS INACCESSIBLE RESOURCE(S) AS DEFINED BY THE
MICKEY LELAND HUNGER RELIEF ACT OF 1990

REFERENCE: Manual Section (M.S.) 63-501.3(h)

This letter provides information and implementation instructions to County Welfare Departments (CWDs) on a new Food Stamp regulation that expands the standards by which a resource can be considered to be inaccessible. This regulation shall be implemented May 1, 1996.

Current federal and state Food Stamp (FS) regulations address issues of accessibility and inaccessibility of resources. The Mickey Leland Act expands the area of "inaccessibility" by including resources that the household (HH) is unable to sell for any significant return because the HH's interest is relatively slight or because the costs of selling would be relatively great given the amount of ownership interest involved. This new provision does not apply to negotiable financial instruments such as stocks, bonds or property such as vehicles.

M.S. 63-501.3(h) (1) through (5) has been reformatted to better accommodate this expanded definition of what is considered an inaccessible resource and includes handbook examples to clarify the intent of the revised definition. Enclosed is the revised regulation section.

Resource Determinations [M.S. 63-501.3(h)(5)]

The amendment to M.S. 63-501.3(h)(5) will expand the scope of the definition of an inaccessible resource to include property that if sold, or otherwise disposed of, would not produce a "significant return" to the HH, or its sale or other disposition is unlikely to produce "any significant amount of funds" for the support of the HH. The amendment also defines "significant return" and "any significant amount of funds" as one-half or more of the applicable resource limit for the HH.

The CWD may require verification of the resource value to be excluded if the information provided by the HH is questionable, as provided by existing state regulations (M.S. 63-300.5, 63-504.421, and 63-505.4).

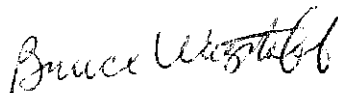
Additional Instructions

Continuing cases entitled to restored benefits shall have their benefits restored back to January 1, 1996 or date of application, whichever is later. The benefit adjustment should be made 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.

All HHs that had food stamp benefits denied or terminated from January 1, 1996 through May 1, 1996 due to ineligibility under the previous inaccessible resource criteria, but would be eligible under the new inaccessible resource criteria, shall be entitled to have their benefits restored back to January 1, 1996 or the date of application, whichever is later.

The TEMP 2117 MULTILINGUAL poster has been developed to inform HHs of the new regulation. Enclosed is a copy of the poster language, however CWDs will receive copies of the poster under separate cover. The poster shall be displayed starting May 1, 1996 until July 31, 1996 in CWDs, issuance sites, or locations frequented by certified HHs.

If you have any questions regarding the revision to the FS regulations, please call Ernie Villalobos of the Food Stamp Program Bureau at (916) 657-1680. If you have questions regarding the TEMP 2117 MULTILINGUAL poster, please contact Melissa Buchanan at (916)654-8467.



BRUCE WAGSTAFF
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Enclosures