

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 445-4458



April 3, 1980

ALL-COUNTY INFORMATION NOTICE I-35-80

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: OVERPAYMENT STUFFER LANGUAGE (AB 381)

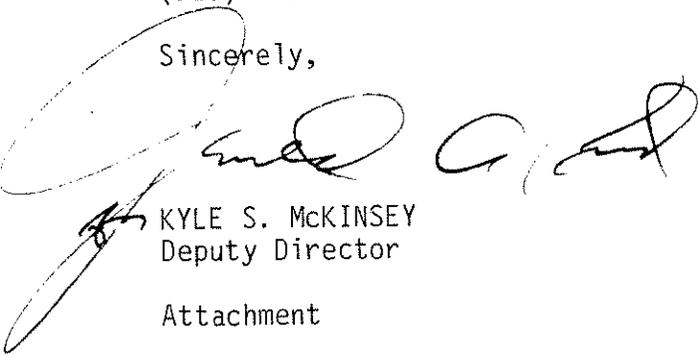
REFERENCE:

Several counties have asked for stuffer language to explain the overpayment regulations resulting from the passage of AB 381, effective January 1, 1980. These regulations increase the amount of time a county is allowed for grant adjustment following the discovery of a willful overpayment from one year to two years. They also revise the definition of "willful failure to report facts" and require a county to seek recovery of any portion of the aid paid pending the state hearing process that the recipient was not eligible to receive, if the hearing results in a determination of willful overpayment.

The attached stuffer language can be used to inform recipients of these new changes to the regulations.

If you have any questions, contact your AFDC Program Management Consultant at (916) 445-4458.

Sincerely,



KYLE S. McKINSEY
Deputy Director

Attachment

cc: CWDA

New AFDC Overpayment Rules

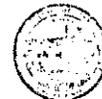
As the result of a new law that took effect January 1, 1980, some AFDC overpayments can now be recovered by reducing your AFDC grant each month for as long as 24 months. This can happen if you were overpaid because you failed to report fully and accurately and you knew or should have known your reporting responsibilities.

If you receive a notice that your AFDC grant will be reduced because you have an overpayment of this kind and you file for a State Hearing within 10 days, the amount of your grant will continue unchanged until the hearing. If you lose the hearing, the amount of aid you received which is above the amount you were eligible to receive is also an overpayment and can also be recovered by reducing your AFDC grant.

It is very important that you promptly report fully and accurately all income and changes that could affect your eligibility or grant.

If you have any questions about these new rules, call your Eligibility Worker.

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 445-6907



April 18, 1980

- This letter sent to the names on the attached list.

Dear :

This letter is an urgent request for your assistance in heading off a problem of severe magnitude developing in the Food Stamp Program. As you are aware, Secretary Bergland did inform Congress in February of this year that current Food Stamp Program appropriations are not sufficient to meet the needs for the entire current fiscal year. In addition, on April 1 Secretary Bergland issued a statement declaring his intent to suspend all program benefits for the month of June if Congress fails to appropriate enough funds, prior to May 15, 1980, to carry the program through the fiscal year.

We urge you to make every effort to ensure that Congress:

- increases, before May 15, 1980, the total amount of federal spending in a Third Budget Resolution in order to continue the Food Stamp Program through the remainder of FY 1980;
- increases or eliminates, before May 15, 1980, the ceiling on Food Stamp Program expenditures;

(S 1309 contains a provision for raising the spending ceiling on FY 1980 funds. We urge you to support expeditious passage of the appropriation provision of S 1309, or any similar provision, to ensure that FY 1980 funding is increased.)

- approves, before May 15, 1980, sufficient supplemental appropriations to enable the Food Stamp Program to continue at its present level.

We are concerned that Congress act on these measures before May 15, 1980. We understand that the House will not act on S 1309 or other appropriation measures until the Third Concurrent Budget Resolution is completed on May 15. By that date it will be too late to prevent the suspension of program benefits and the serious consequences that will result.

The consequences of suspending benefits are many and far-reaching, affecting the recipient as well as seriously weakening the integrity of the Food Stamp Program. There are nearly 1.5 million people in California participating in

the program. Without adequate preparation time to adjust individual household budgets or seek alternate sources of food, many people will find it difficult, if not impossible, to buy enough food to meet their nutritional needs. As a result, many may go hungry or be forced to resort to other means of obtaining food such as tapping community resources (free meal centers, food closets, and food banks); eating pet foods or other substitutes not meant for human consumption; or illegally obtaining food. All of these alternatives are undesirable and can be prevented.

Suspension of benefits will seriously affect workload at the local level. If benefits are suspended, then restored at a later date, the workload of the local agencies to deliver benefits could easily double. Many people may move away, making delivery of restored benefits a costly administrative nightmare. There are many small businesses who contract with local welfare departments for the purpose of issuing coupons. Since these issuing agents are paid a fixed fee for each individual transaction, a suspension of benefits will reduce their income to zero. In California most of these issuing agents are grassroots based and do not have the capital to sustain them for a month. Potentially this could destroy a well established issuance system. Also, most of the employees for these agents are from welfare rolls. Loss of their jobs will most likely return them to that position.

We urge your support and help in avoiding this potentially disastrous situation. If I can be of any assistance to you, please let me know.

Sincerely,

Original Signed by
Marion J. Woods
MARION J. WOODS
Director

The Honorable Glenn M. Anderson
House of Representatives
Rayburn HOB, Room 2410
Washington, D.C. 20515

The Honorable Robert E. Badham
House of Representatives
Longworth HOB, Room 1108
Washington, D.C. 20515

The Honorable Anthony C. Beilenson
House of Representatives
Longworth HOB, Room 2342
Washington, D.C. 20515

The Honorable George F. Brown, Jr.
House of Representatives
Rayburn House Office Bldg., Room 2342
Washington, D.C. 20515

The Honorable Clair W. Burgener
House of Representatives
Cannon HOB, Room 343
Washington, D.C. 20515

The Honorable John L. Burton
House of Representatives
Longworth HOB, Room 1714
Washington, D.C. 20515

The Honorable Phillip Burton
House of Representatives
Rayburn HOB, Room 2304
Washington, D.C. 20515

The Honorable Don H. Clausen
House of Representatives
Rayburn HOB, Room 2336
Washington, D.C. 20515

The Honorable Tony Coelho
House of Representatives
Cannon HOB, Room 216
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The Honorable James C. Corman
House of Representatives
Rayburn HOB, Room 2217
Washington, D.C. 20515

The Honorable George E. Danielson
House of Representatives
Rayburn HOB, Room 2202
Washington, D.C. 20515

The Honorable William E. Dannemeyer
House of Representatives
Longworth HOB, Room 1206
Washington, D.C. 20515

The Honorable Ronald V. Dellums
House of Representatives
Rayburn HOB, Room 2464
Washington, D.C. 20515

The Honorable Julian C. Dixon
House of Representatives
Cannon HOB, Room 423
Washington, D.C. 20515

The Honorable Robert K. Dornan
House of Representatives
Cannon HOB, Room 419
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The Honorable Don Edwards
House of Representatives
Rayburn HOB, Room 2329
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The Honorable Vic Fazio
House of Representatives
Longworth HOB, Room 1709
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The Honorable Barry M. Goldwater, Jr.
House of Representatives
Rayburn HOB, Room 2240
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The Honorable Wayne Grisham
House of Representatives
Cannon HOB, Room 511
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The Honorable Augustus F. Hawkins
House of Representatives
Rayburn HOB, Room 2371
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The Honorable Harold T. Johnson
House of Representatives
Rayburn HOB, Room 2347
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The Honorable Robert J. Lagomarsino
House of Representatives
Longworth HOB, Room 1117
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The Honorable Jerry Lewis
House of Representatives
Cannon HOB, Room 327
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The Honorable Jim Lloyd
House of Representatives
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The Honorable Dan Lungren
House of Representatives
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The Honorable Paul McCloskey, Jr.
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Washington, D.C. 20515

The Honorable Robert Matsui
House of Representatives
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The Honorable George Miller
House of Representatives
Longworth HOB, Room 1531
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The Honorable Norman Y. Mineta
House of Representatives
Cannon HOB, Room 313
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The Honorable Carlos J. Moorhead
House of Representatives
Rayburn HOB, Room 2442
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The Honorable Leon E. Panetta
House of Representatives
Cannon HOB, Room 431
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The Honorable Charles Pashayan, Jr.
House of Representatives
Longworth HOB, Room 1427
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The Honorable Jerry M. Patterson
House of Representatives
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The Honorable John H. Roussetol
House of Representatives
Rayburn HOB, Room 2133
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The Honorable Edward R. Roybal
House of Representatives
Rayburn HOB, Room 2211
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The Honorable William Royer
House of Representatives
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The Honorable Norman D. Shumway
House of Representatives
Longworth HOB, Room 1228
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The Honorable Fortney H. Stark
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The Honorable William M. Thomas
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The Honorable Lionel Van Deerlin
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The Honorable Henry A. Waxman
House of Representatives
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The Honorable Bob Wilson
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The Honorable Charles H. Wilson
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