STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

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

September 21, 1992

REASON FOR THIS TRANSMITTAL
[X] State Law Change
[ ] Federal Law or Regulation Change
[ ] Court Order
[ ] Clarification Requested by One or More Counties
[ ] Initiated by SDSS

ALL COUNTY INFORMATION NOTICE NO. I-49-92

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IMPLEMENTATION OF AFDC PROGRAM CHANGES ENACTED IN THE BUDGET AND COMPANION LEGISLATION

REFERENCE: ACL 92-78

The purpose of this letter is to help you prepare for upcoming changes in the AFDC Program. As you know, the recently enacted State Budget and the implementing legislation made several changes to the AFDC Program. We have already provided you with materials and instructions to implement the first of these changes - the 4.5 percent MAP reduction, which takes effect October 1, 1992 (see All-County Letter Number 92-78).

CHANGES ENACTED IN THE BUDGET

The second set of changes, which could take effect as early as December 1, 1992, will require federal waivers. We requested those waivers on September 17, 1992. These changes are the 1.3 percent MAP reduction, the elimination of the 100-Hour Work Rule for recipients, and a California Relocation Grant. In addition, we have requested waivers of the time limit on the $30 & 1/3 earned income disregard as part of this waiver package. Since the 1992-93 Budget contains no funding for the cost of the $30 & 1/3 disregard, however, actual implementation will be contingent on the availability of state funds (for example, as part of the 1993-94 budget) and on a finding that this provision will not cause the overall waiver package to result in a net federal cost.

Draft regulations to implement the Budget changes are attached. We are preparing forms, notices, and instructions for you to use in implementing these changes, and we anticipate providing these materials to you by early October. We will keep you informed on the status of the waivers and our implementation schedule.

WELFARE REFORM DEMONSTRATION PROJECT

As you know, we have already received federal waivers to implement the California Welfare Reform Demonstration Project (WRDP). This project will only be implemented if the voters approve the Government Accountability and Taxpayers Protection Act (GATPA) in the November 3, 1992 election. We would then provide implementation materials as soon as possible.

If enacted, the WRDP changes will take the place of the Budget changes discussed above and would take effect as soon as January 1, 1993.

REGIONAL GRANTS

As we indicated in an earlier All County Information Notice, the Budget required us to seek waivers to implement a regionalized schedule of grants in the SSI/SSP Program. If this waiver is approved, we will also seek approval to implement regionalized grants in the AFDC Program. Counties should take no steps to implement the AFDC regional grants at this time. We will keep you informed of our progress in negotiating the necessary waivers.

EDP SYSTEM REPROGRAMMING

We will provide specific instruction as soon as possible on the approval process that we plan to use for reprogramming of county systems to implement the changes enacted in the Budget. We recommend that your planning include all the Budget-approved items including the 30 and 1/3 provision.

TRAINING

We do not now plan to do training in October. In early November, we will reassess with county input the need for training.

COUNTY INPUT

The State Department of Social Services would like to thank all County representatives who provided technical assistance in the development of these draft regulations. Their contribution is greatly appreciated.

CONTACTS

If you have any questions or need further information regarding these changes, please contact the following staff of the AFDC Policy Implementation Bureau at (916) 654-2137 or CALNET 464-2137: **Relocation Family Grant, Aid Payments/Aid Restrictions:** Jane Laciste, Mary Galaza; **100 Hour Rule:** Yvonne Lee. Any questions on data processing should be addressed to Gino Maiolini at (916) 322-2441.

MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

ATTACHMENTS

IMPLEMENTA ON OF REGULATIONS PURSUANT TO ASSEMBLY BILL 979, CHAPTER 587, STATUTES OF 1992 SENATE BILL 724, CHAPTER 97, STATUTES OF 1991 AND SENATE BILL 485, CHAPTER , STATUTES OF 1992

.1 Sections Implemented

The following amendments and adoptions comply with the provisions of Assembly Bill 979, Chapter 587, Statutes of 1992 (Budget Act of 1992), Senate Bill 724, Chapter 97, Statutes of 1991 and Senate Bill 485, Chapter , Statutes of 1992. This regulatory action consists of:

changes to reduce the Maximum Aid Payment (MAP);

adoption of a residency requirement which will limit the amount of aid a family may receive when they have not resided in California for 12 months or more;

elimination of the 100-hour limit for AFDC-U recipients who work.

.11 Sections Adopted

89-100	Assistance Payments Demonstration Project (APDP)
89-101	Federal Demonstration Project - Introduction
89-300	Work Incentives
89-301	100-Hour Rule Elimination
89-402	MAP Level and MAP Restriction

.12 Section Amended

41-440	Federal AFDC-U: Unemployed Parent Program

.2 Effective Dates

Unless otherwise specified in Section 40-015.21, all regulatory action herein implementing the provisions of the Budget Act of 1992, Senate Bill 724, Chapter 97, Statutes of 1991 and Senate Bill 485, Chapter , Statutes of 1992, shall be effective December 1, 1992 for both applicant and continuing cases.

.21 Section

The specified effective date is:

.211 Relocation Family Grant

Section 89-402.4 pertaining to the Relocation Family Grant (RFG) shall only apply to all new applicants as of December 1, 1992.

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Amend Section 41-440 read:

41-440 FEDERAL AFDC-U UNEMPLOYED PARENT PROGRAM

The requirements of Section 41-440 apply to all principal earners who establish deprivation based on unemployment whether the individual is included or excluded from the assistance unit.

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See Section 89-301.2 on the exemption from the 100-hour limit specified in this section for those recipients subject to the Assistance Payments Demonstration Project specified in Division 89. The county shall continue to apply the 100-hour limit to all AFDC-U applicants. (Continued)

HANDBOOK ENDS HERE

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89-101 FEDERAL DEMONSTRATION PROJECT - INTRODUCTION

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.1 Background

Pursuant to Assembly Bill 979, Chapter 587, Statutes of 1992 (Budget Act of 1992), Senate Bill No. 724, Chapter 97, Statutes of 1991, and Senate Bill No. 485, Chapter, xx, Statutes of 1992, the State Department of Social Services has requested and received federal approval for a California Demonstration Project entitled the Assistance Payments Demonstration Project. This Project enables California, in accordance with its federally mandated Terms and Conditions, to implement certain new AFDC provisions.

The Assistance Payments Demonstration Project components are provided in Division 89. They include work incentive provisions, MAP reductions and a relocation grant restriction.

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.2 Control Group

An exception to the application of the Division 89 Assistance Payments Demonstration Project provisions shall apply to those applicants and recipients who are designated by the Demonstration Project as members of the Project's control group. This designation shall be accomplished pursuant to the Project's mandated parameters outlined in the Federal Terms and Conditions as approved by the Secretary of the Department of Health and Human Services on September 30, 1992.

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Adopt Chapter 89-300 1 Section 89-301 to read:

89-300 WORK INCENTIVES 89-300

89-301 ELIMINATION OF THE 100-HOUR LIMIT 89-301

.1 Reserved

.2 100-Hour Limit

The county shall not apply the 100-hour limitation specified in Section 41-440.1 to recipients.

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Adopt Section 89-402 read:

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.1 MAP Amount

Effective December 1, 1992, the MAP level established in Welfare and Institutions Code Sections 11450(a)(1) and (2) is:

Size of AU	MAP
1	$ 307
2	504
3	624
4	743
5	847
6	952
7	1,045
8	1,139
9	1,230
10 or more	1,322

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.2 Reserved

.3 Reserved

.4 Relocation Family Grant

The maximum amount of aid payable to an AU when no member of the AU has resided in California for twelve consecutive months or more immediately prior to the date of application.

.41 Relocation Family Grant Rule

When the RFG is applicable, the county shall compare and base aid on the lesser of:

.411 CA Computed Grant Amount

The California computed actual grant amount for a full month excluding overpayment adjustments, or

.412 Other State MAP

The MAP amount of the previous State or U.S. Territory of residence, plus California special needs when included in .411 above.

(a)

When the members of the AU have not all resided in the same prior state, the county shall compare the California computed grant amount to the highest MAP amount of the prior states of residence involved.

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(b) The county shall u. other state MAP amounts as provided by the State Department of Social Services. These amounts shall be updated annually effective each July 1st based on data provided by the U. S. Department of Health and Human Services.

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.42 Grant Adjustment

Upon determination of the lesser amount of either the California computed actual grant amount or the prior state MAP, the grant will be adjusted for partial month proration and overpayments, as applicable.

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.43 How Long

The county shall apply the RFG rule until any member of the AU has resided in California for twelve consecutive months.

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.44 RFG Example

Mom and her three children arrive in California from Mississippi in April. Four months later (August), they apply for AFDC. The RFG rule will apply to the AU for eight months. (Twelve month residency requirement minus four months in California equals eight RFG months). Their RFG period will end March 31st of the following year.

After the AU received aid for one month, the children's father moves into the home (September). He is the unemployed principal earner and there is federal eligibility. The father has been in California for ten months and was living in Nevada prior to coming to California.

Since the father lived in California longer than anyone else in the AU, the AU will only have two remaining RFG months, which includes the first month of aid for the father. Therefore, the AU's new RFG period will end October 31st.

The county will use Nevada's MAP which is higher than Mississippi's MAP when applying the RFG rule.

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