

DEPARTMENT OF BENEFIT PAYMENTS



August 1, 1974

ALL-COUNTY LETTER NO. 74-148

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: SHOCK V. CARLESON: NEEDY UNMARRIED PARENTS

REFERENCE:

The All County Letter (74-68) of April 23, 1974 on this subject stated that a "needy unmarried natural parent residing with his eligible child(ren) is included in the FBU for purposes of computing the AFDC grant as well as for the purpose of determining financial eligibility." This letter is to clarify the circumstances under which the second unmarried parent is included in the FBU.

The child of unmarried parents living in the home, in both AFDC-FG (deprivation - incapacity) and AFDC-U cases (whether or not conditions for federal participation are met), is considered needy if the income of neither unmarried parent meets the needs of the parent and child. If the child is thus determined to be needy, include in the FBU the child and the parent who has the least amount of income. The second unmarried parent living in the home will be included in the FBU if his/her income is less than the difference between the Maximum Aid Payment (MAP) for an FBU with him in and for an FBU with him out. If the second unmarried parent is excluded from the FBU, net income in excess of the MAP differential is income to the FBU.

Example #1: Unmarried parents have a child in common for whom they are requesting aid. The unmarried father is incapacitated and has a disability benefit of \$200 a month which does not meet the needs of himself and his child (MBSAC for two - \$232). The unmarried mother has no income so her income does not meet the needs of herself and her child. Thus the child is needy and included in the FBU with the mother. Since the net income, \$200, of the unmarried father is greater than the difference between MAPs for FBUs with him in and him out (\$262 minus \$212 is \$50), he is not included in the FBU and his income in excess of \$50, in this example, is income to the FBU. Thus net income of \$150 is deducted from Maximum Aid of \$212 for a grant of \$62.

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OBSOLETE
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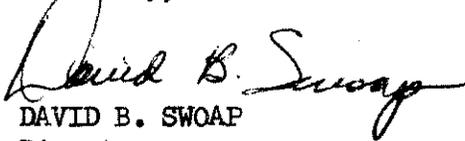
Example #2: Unmarried parents have two children in common for whom aid is requested. The unmarried father is unemployed but has a part-time job with earnings of \$45 with no work-related expenses which does not meet the needs of himself and his children. The unmarried mother has no income, thus the children are needy. The children and the mother are included in the FBU. Since the unmarried father's net earnings are less than the difference between MAPs for FBUs with him in and him out (\$311 minus \$262 is \$49), he also is included in the FBU and, as a recipient, his earnings of \$45 receive the earnings exemption for net nonexempt income of \$10 deducted from Maximum Aid of \$311 for a grant of \$301.

The inclusion of an AFDC-U unmarried father is not dependent upon his meeting the conditions for federal participation in EAS 41-440.5. Thus an AFDC-U unmarried father who is determined needy may not be excluded from the grant computation simply because he is currently receiving UIB.

The persons count for the second unmarried parent included in the AFDC computation is always nonfederal unless each parent has a separate eligible child in addition to the mutual child(ren) (Fiscal Manual 25-530.3C). However, the persons count for the first unmarried parent and the eligible child(ren) is not affected by Smock v. Carleson. For these persons, counties will continue to follow previous procedures for determining correct federal or nonfederal persons count.

Questions regarding this issue may be directed to the AFDC Program Operations Bureau (916) 445-4458.

Sincerely,


DAVID B. SWOAP
Director

cc: CWDA