STATE OF CALIFORNIA – HEALTH AND WELFARE AGENCY

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

October 22, 1984

ALL-COUNTY LETTER NO. 84-109

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: SHAW V. McMAHON

REFERENCE: FEDERAL LUMP SUM REGULATION AND STATE-ONLY AFDC-U

This is to inform you that on September 20, 1984 a Notice of Decision for Judgment Granting a Permanent Injunction and Writ of Mandate was issued by Judge Dolgin of the Superior Court of Contra Costa County, in the case of Shaw v. McMahon. A copy of the Notice of Decision is attached.

This order requires counsel for the Department and the Plaintiffs to agree upon a final order for the court to issue which will prohibit the Department from applying the federal lump sum regulation when determining eligibility for the state-only AFDC-U program. The issue is essentially the same as the one being litigated in the Reyna case except that Reyna applies to the "striker" provision while Shaw applies to the lump sum income provision. Even though we intend to appeal this decision, the Department intends to implement the final court order as soon as possible. So that we may gain time to negotiate the final order without prejudicing the affected applicants and recipients we are asking that certain cases be flagged.

Therefore, all counties must flag or otherwise identify all cases in which the lump sum income regulation (EAS 44-207.4) has resulted in either a denial, termination , or suspension of AFDC benefits since September 20, 1984. In order to ascertain county compliance, we request that you complete and return the attached certification form no later than two weeks from the date of this letter. If you have any questions, please contact Bob Stipe, AFDC Program Development Bureau at (916) 324-2012.

Robert A. Horel

ROBERT A. HOREL
Deputy Director

Attachment

State of California
Health and Welfare Agency

Department of Social Services

SHAW V. McMAHON

Certification Form

I hereby certify that the County of _____, State of California, began to flag or otherwise identify all cases since September 20, 1984 in which the lump sum income regulation (EAS 44-207.4) resulted in either a denial, termination , or suspension of AFDC.

_____

Your Name/Title (PRINT) Date

_____

Signature Phone Number

Return completed form to: AFDC Program Development Bureau
State Department of Social Services
744 P Street, M.S. 16-25
Sacramento, CA 95814

Attention: Betty Gilmore

10/16/84

FILED

SEP 20 1984

J. R. OLSSON, County Clerk
CONTRA COSTA COUNTY
By _____ Deputy

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF CONTRA COSTA

TAMIE SHAW, Plaintiff, vs. LINDA McMAHON, et al., Defendants.	No. 262,299 NOTICE OF DECISION FOR JUDGMENT GRANTING PERMANENT INJUNCTION & WRIT OF MANDATE

The Central Issue here is the interpretation of W & I Code 11157.

It is clear to me from the statute that the lump-sum rule should only be applied to AFDC beneficiaries getting federal funded benefits, not to those receiving state funds only. There would be no need for the legislature to have put in the qualifying language in that statute if it intended the rule to apply to state only benefits.

DATED: September 20th, 1984

DAVID A. DOLGIN
JUDGE OF THE SUPERIOR COURT