

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



December 30, 1986

ALL COUNTY LETTER NO. 86-138

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IMPLEMENTATION OF DEFRA OPTIONS (AFDC, RCA, ECA AND RDP)

On January 1, 1987, AFDC emergency regulations (ORD No. 1086-48) are scheduled to take effect implementing the provisions of AB 3741 (Statutes of 1986, Chapter 1402) which provide the authority for the following four state options under the Federal Deficit Reduction Act (DEFRA) of 1985:

- 1) Retention of real property other than the home for nine months if the Assistance Unit (AU) is making a good faith effort to sell the property;
- 2) Specific treatment of overpayments less than \$35 and overpayments \$35 or more;
- 3) Shortening the lump sum period of ineligibility when certain criteria are met; and
- 4) Disregarding the value of any support and maintenance provided in kind by a private nonprofit organization from consideration as income.

Specific instructions regarding items 1 through 4 above are contained in Attachments I through IV, respectively.

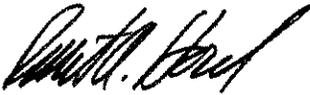
In addition to a copy of the draft regulations, also attached to this letter are camera-ready copies of the following new forms, revised forms and one notice of action (NOA) to be used in conjunction with the property regulations:

- 1) CA 81, Lien Agreement (9 months);
- 2) CA 82, Agreement to Sell Property (9 months);
- 3) TEMP CA 1019, Lien Agreement (3 months);
- 4) TEMP CA 1020, Agreement to Sell Property (3 months); and
- 5) M42-213E, 9 Month Approval, Sale of Property.

An additional NOA is attached which is not camera-ready but is provided to illustrate a modification to an existing NOA. Also, specific NOA message language for use in various circumstances concerning the real property exclusion is provided in Attachment I.

NOAs regarding the lump sum period of ineligibility will be forthcoming.

If you have any questions regarding this letter, please contact the appropriate analyst in the AFDC and Food Stamp Policy Implementation Bureau at (916) 322-5330 or ATSS 492-5330.



ROBERT A. HOREL
Deputy Director

Attachments

cc: CWDA

REAL PROPERTY EXCLUSION (MPP SECTION 42-213.12)

The six month period for which an assistance unit (AU) can sell real property and grant the county a lien has been extended to nine months. All other provisions of MPP Section 42-213.12 remain unchanged.

The Revised CA 81 and CA 82 must be used for recipients and applicants who negotiate the Agreement To Sell Property and the lien agreement on or after January 1, 1987.

For cases with an existing six month lien, the county must extend the exemption for three months if the six month exemption expires on or after December 31, 1986, assuming the AU continues to meet the specified eligibility criteria and agrees to an extension of the lien for the aid received during the additional three months.

The county must contact each recipient who has a six month lien expiring on or after December 31, 1986 by means of a discontinuance NOA, prior to the actual expiration date of the lien. The county must inform the recipient that the exemption period can be extended for up to three months if the lien is extended.

The following message No. M42-213Ht must be used through June 1987 to advise recipients who have a six month lien of the change in the law.

"Since you went on cash aid, the law has changed. You can get cash aid for three more months if you sign a new lien for the real property you own that is not your home. You must sign it before your aid stops.

Please call your worker right away."

The message must be added to the existing NOA, M42-213F.

We have attached a sample NOA (M42-213Ft) for purposes of illustrating how M42-213F must be modified. The attachment is not intended for use as a camera-ready copy.

NOTE: As of May 1, 1987, the language for message No. M42-213F, as transmitted on page 84 of the Turner Implementation Plan (see ACL 86-57, June 30, 1986) will be in effect.

For recipients whose liens expire on or after December 31, 1986, and to whom a discontinuance NOA has already been sent, the following message No. M42-213Jt must be sent as an informing notice as soon as possible:

"The county told you before that your cash aid would stop because you owned property worth more than \$1,000.

Now the law has changed. You may get cash aid for three more months if you sign a new lien for the real property that is not your home. You must sign it within thirty days.

Please call your worker right away."

For recipients who signed the three month lien agreement (TEMP CA 1019) and the Agreement to Sell Property (TEMP CA 1020) after receiving a discontinuance NOA, the following notice of action message No. M42-213Kt must be sent to rescind the discontinuance. The message language should be placed on the NA 291 or other appropriate NOA form that shows the first month budget.

"The county has approved your cash aid for up to three months. Your monthly cash aid amount is shown on this notice.

During the next three months you must keep trying to sell the property that is not your home. You may have to pay back the aid you got when you sell it.

We may stop your aid after three months if you still own the property.

Please contact your worker when you sell it."

The county may also contact the affected recipients by telephone, in order to make an appointment to review the lien documents as soon as possible. The county must inform the recipient that he or she must come to the county welfare department office in order to complete an Agreement to Sell Property and the lien agreement for the additional three month period, provided the recipient is still eligible. The county should have the three month lien agreement and Agreement to Sell Property completed prior to the expiration date of the six month lien since the nine months are consecutive. However, due to the January 1, 1987 effective date of the regulations, it may not be possible for the county and the recipient to complete the TEMP CA 1019 and TEMP CA 1020 prior to the expiration of the lien. In this event, if the TEMP CA 1019 and TEMP CA 1020 are completed before the end of the first month after the lien expires, aid shall be reinstated retroactive to the first of the month after the discontinuance. Paragraph 1, line 6 of the TEMP CA 1019 must be prepared so that the date consecutively follows the expiration date of the six month lien without a break. Though the TEMP CA 1019 and TEMP CA 1020 can be completed prior to January 1, 1987, the lien agreement (TEMP CA 1019) must not be sent to the county recorder's office prior to January 1, 1987, the effective date of the regulation change.

If a recipient is not cooperative and fails to complete the TEMP CA 1019 and TEMP CA 1020, the proposed case action of discontinuance will have to stand.

Note: Some county recorder's offices can record liens more expeditiously if the lien has the parcel number of the land noted on it. If the county has that information, it may be included on the CA 81 or TEMP CA 1019 where the form requires a description of the property.

NONFRAUDULENT OVERPAYMENTS UNDER \$35
(MPP SECTION 44-350.141)

The county must not demand collection of nonfraudulent overpayments totaling less than \$35 from individuals no longer receiving aid.

When nonfraudulent overpayments owed by individuals no longer receiving aid total \$35 or more, a demand notice for repayment must be sent. Further collection efforts should only be pursued if the county determines that the cost to collect the overpayment does not exceed the amount to be recovered. Costs which counties should consider when determining the cost effectiveness of collecting include: total administrative and personnel costs, legal filing fees, investigative costs, and any other costs which are applicable to the county.

SHORTENING THE LUMP SUM PERIOD OF INELIGIBILITY
(MPP Section 44-207.44)

Currently, the lump sum period of ineligibility (POI) may be shortened if the ineligible family does not have income or resources other than the lump sum payment to meet needs resulting from sudden and unusual circumstances of a life threatening nature beyond their control. The proposed regulations provide for expanding upon permissible reasons for shortening the POI when requested by the recipient. These reasons include:

1. The standard of need increases and the amount of aid the family would have received also increases (e.g., a cost-of-living adjustment, or the family qualifies for a special need).

EXAMPLE: A general cost-of-living adjustment increases the MBSAC and the family in a POI would have been eligible for the increased amount.

The family originally received \$10,000 in August 1986. The standard of need was \$500. The family is ineligible for 20 months, October 1986 through May 1988. In July 1987 the MBSAC increases to \$600 and the family applies to shorten the POI. The recalculation done in July is as follows: the first nine ineligible months, October through June, are computed based on the MBSAC for that period; ($\$500 \times 9 = \$4,500$) and the remaining income ($\$5,500$) is divided by the new MBSAC ($\$5,500$ divided by $\$600$) for a remaining POI of nine months (through March 1988) with \$100 remainder income in the month following the last month of ineligibility. Thus, the original POI has been shortened by two months.

EXAMPLE: The ineligible family would qualify for a nonrecurring special need payment if they were on aid.

The family's home is damaged by a flood in May, resulting in \$500 in repair costs. The family applies to shorten their POI; it is determined that the flood was a sudden and unusual circumstance beyond their control and they are eligible for a \$500 special need payment. If the lump sum was \$2,000, the \$500 would be subtracted from the amount, and a revised POI would be calculated, based on \$1,500.

2. The family in a POI incurs and pays for medical expenses (not covered by Medi-Cal or private medical insurance).

CALCULATION: From the total lump sum and net nonexempt income received in the month the lump sum was received, subtract the amount actually used by the ineligible family to meet medical expenses. Compute a revised POI based on the new amount, starting with the original first month of the POI.

3. All or part of the lump sum becomes unavailable to the family for a reason beyond their control.

EXAMPLES: The lump sum is stolen or lost, or the spouse leaves the home with the lump sum income. The POI is recalculated using the amount of the lump sum remaining (if any) after theft or loss. If the entire amount is no longer available due to theft or loss, the remainder of the POI would be eliminated.

Until NOAs are available concerning the shortening of the lump sum period of ineligibility, counties must include the following message No. M44-207Mt with the NOA message language you are currently using for lump sum discontinuances:

"You may be able to get cash aid sooner if your situation changes.

Call your worker right away if:

- o you have a new special need or there is a cost-of-living change in the cash aid amount, or
- o the lump sum money is spent for medical bills or a life threatening situation, or
- o the lump sum money is lost, stolen or taken from you, or
- o the lump sum money is gone for any other reason that is not your fault."

EXEMPTING AS IN-KIND INCOME ANY NEED
ITEMS PROVIDED BY PRIVATE NONPROFIT ORGANIZATIONS
(MPP SECTION 44-111.454)

Currently all full items of need provided or earned are counted as income. The proposed regulations provide that any income in kind, whether a full or partial item of need, provided by a private nonprofit organization shall be exempt as income.

Private nonprofit organizations are religious, charitable, educational or other organizations such as described in Section 501(c) of the Internal Revenue Code of 1954. Examples of private nonprofit organizations include but are not limited to: churches, the Salvation Army and the Red Cross. It should be noted that this exemption does not include public or governmental agencies, nor does the exemption apply to assistance provided by Voluntary Resettlement Agencies (VOLAG) during the refugee's resettlement period (please see ACL 85-128).

Amend MPP Section 42-213.12 to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING 42-213
PROPERTY WHICH MAY BE RETAINED (Continued)

•1 Real Property to be Excluded (Continued)

•12 Real property, not otherwise excluded, that the assistance unit is making a good faith effort to sell may be exempt from consideration in the resource limit described in Section 42-207 for a period of no more than six nine consecutive months. Any six month period ending on or after December 31, 1986 may be extended to nine months at the recipient's request.

•121 As a condition of receiving aid during the exempt period and prior to the county granting aid, the applicant/recipient shall:

(a) Grant the county a lien against the property which shall be payable to the county when the property is sold (see Section 42-213.122), and

(b) Agree in writing to begin immediately to make a good faith effort to sell the property. See Section 42-213.123 for what constitutes a good faith effort. If the applicant/recipient elects not to sell the property at any time prior to the expiration of the six nine months, the property shall no longer be exempt from consideration in the resource limit.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11257.5.

Amend WPP Section 42-213.124 to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING 42-213
PROPERTY WHICH MAY BE RETAINED (Continued)

.1 Real Property to be Excluded (Continued)

.12 (Continued)

.124 Any aid paid during the six nine-month period or until the property is sold, whichever comes first, shall be considered repayable aid at the time of the sale of the property and shall be collectible from the net proceeds of the sale of the property. The amount of repayable aid shall be determined as follows:

(a) If the net proceeds from the sale of the property plus the value of other countable real and personal property at the beginning of the exempt period are less than the resource limit specified in Section 42-207, there shall be no repayable aid.

(1) Example: At the beginning of the exempt period, an assistance unit had \$300 in a savings account in addition to a parcel of land that was not counted in the resource limit under this section. The property was sold for \$8,000. Loans and liens, except for the lien granted to the county under this section, that were secured by the property equaled \$6,000. Costs directly related to the sale were \$1,400. The \$6,000 plus the \$1,400 were subtracted from the gross amount of the sale (\$8,000) to arrive at the net proceeds from the sale of \$600. The net proceeds (\$600) plus the value of other countable resources at the beginning of the exempt period (\$300 in savings account) are less than the \$1,000 limit allowed under Section 42-207. Therefore, there is no repayable aid.

(b) If the amount of aid paid during the exempt period exceeds the net proceeds of the sale

of the property, then the amount of repayable aid is the amount of the net proceeds.

- (1) Example: The county did not count the value of a lot with a house that was owned but not occupied by an assistance unit in the resource limit as allowed under this section. At the end of ~~six~~ nine months, the property sold for \$29,000 and the family had received \$3,950 in aid payments. The net proceeds of the sale were determined to be \$3,000. The amount of repayable aid is \$3,000 because the net proceeds were less than the amount of aid paid during the exempt period.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11257.5.

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Amend MPP Section 42-213.125 to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING 42-213
PROPERTY WHICH MAY BE RETAINED (Continued)

•1 Real Property to be Excluded (Continued)

•12 (Continued)

- 125 The county shall inform the applicant/recipient at the time this exemption is granted that it is time-limited; and, at the end of ~~six~~ nine months the assistance unit will be ineligible if the property has not been sold and the combined value of real and personal property continues to exceed the \$1,000 limit specified in Section 42-207.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11257.5.

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Amend MPP Section 44-111.45 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION AS INCOME (Continued) 44-111

.4 Exclusions or Exemptions of Other Payments and Income (Continued)

.45 Income In Kind (Continued)

.454 Provided by a Private Nonprofit Organization

Any income in kind, whether a full or partial item of need, provided by a private nonprofit organization shall be exempt as income.

Private nonprofit organizations are religious, charitable, educational, or other organizations such as described in Section 501(c) of the Internal Revenue Code of 1954, which include but are not limited to the Salvation Army, Red Cross, and churches. (Actual tax exempt certification by IRS is not necessary.) Exception: Any assistance provided by Voluntary Resettlement Agencies (VOLAG) as part of their resettlement responsibilities must be considered in determining the refugee's eligibility for aid under the Refugee Demonstration Project (RDP) or Refugee Cash Assistance (RCA) program.

Authority: Welfare and Institutions Code Sections 10553 and 10554

Reference: Welfare and Institutions Code Section 11008.18.

Amend MPP Sections 44-207.44 and .45, adopt Sections 44-207.441 through .443 and 44--207.451 and .452; and renumber existing Sections 44-207.441 through .444 to 44-207.452a through d to read:

44-207 INCOME ELIGIBILITY (Continued)

44-207

.4 Treatment of Lump Sum Income (Continued)

.44 The period of ineligibility may be shortened when the family does not have income or resources other than the lump sum payment sufficient to meet needs that result from sudden and unusual circumstances of a life threatening nature beyond the control of the ineligible assistance units. ~~All~~ or part of the lump sum income must have been used both to meet the needs of the family prior to the occurrence of the life threatening circumstances and to meet emergency medical, shelter, utilities, clothing, and/or food needs that result from such circumstances. when the ineligible family reapplies and one or more of the following situations occurs:

.441 The standard of need increases and the amount the family would have received also changes;

HANDBOOK

EXAMPLE: Any general increase in the MBSAC (COLA increases) or it is determined that the ineligible family would be eligible for a special need item pursuant to MPP 44-211.2 or .3.

.442 ~~The family does not have income or resources other than the lump sum payment, and incurs and pays for medical expenses.~~

HANDBOOK

EXAMPLE: Medical expenses that are not covered by Medi-Cal or private medical insurance.

.443 ~~The family does not have income or resources other than the lump sum payment and~~ All or part of the lump sum income becomes unavailable to the family for a reason beyond the control of the family;

HANDBOOK

Acceptable situations where the lump sum becomes unavailable include but are not limited to: theft or loss of the lump sum income; spouse leaves the home with lump sum income and has no further contact with the family; or the lump sum is spent on expenses to meet needs due to sudden and usual circumstances of a life threatening nature.

Unacceptable situations when the lump sum becomes unavailable include but are not limited to: the lump sum is spent on the repair of the home or replacement or repair of essential needs of major appliances due to normal wear and tear; the lump sum is spent on an increase in utility costs and rent; or the lump sum is spent on the purchase of additional property (real and personal).

- (a) In situations where the ineligible family would be eligible for a special need item pursuant to 4-21.3, the period of ineligibility is shortened first according to the provision in 4.1 above and if the expense of the need item is more than the specified amount, then provision 4.43 is followed.

HANDBOOK

For example: An ineligible family's house is destroyed by a fire in May. They must pay first and last month's rent (a total of \$600) for housing and a utility deposit of \$100. The family received a lump sum of \$2000 in February, the standard of need is \$400. The family is ineligible for five months, April through August. They apply to shorten their period of ineligibility in May. The family's total expenses in May are \$700; they are eligible for a nonrecurring special need of \$600 and \$100 of their lump sum income was unavailable to the family for a reason beyond their control. The period of ineligibility is recalculated as follows: $\$2000 - \$700 = \$1300$. $\$1300$ is divided by $\$400 = 3$ months plus \$100 remainder. The family's period of ineligibility is from April through June; \$100 would be counted as income in July.

(b) Once it is determined that the lump sum income becomes unavailable to a family for reasons beyond its control, the county must substantiate such a finding in the case record.

.45 Verification of expenditures for emergency items or services shall be provided by the ineligible family unit at the county's request. The principles and methods of gathering evidence as set forth in 40-157.2 and 40-157.3 shall be observed.

.46 When the lump sum income is used to meet needs resulting from life threatening circumstances as set forth above, one of the above situations is applicable, the county shall apply the following computation to reduce the period of ineligibility:

.461 When the standard of need increases (COLA or eligibility for recurring special need):

a. Determine the total lump sum income and any other net non-exempt income received in the month lump sum income was received.

b. Subtract the total MBSAC plus any special needs amount the ineligible family unit was allocated to meet their needs from the first month of ineligibility up to the month the MBSAC increases.

c. Use the remainder from this subtraction for the lump sum income amount. Divide the remainder by the increased standard of need to establish a revised period of ineligibility. (See Section 44-207.42.) The revised period of ineligibility shall begin in the same month as the originally calculated period of ineligibility. The revised period of ineligibility is the sum of the number of ineligible months up to the month of application for shortening the period of ineligibility and the new period of ineligibility.

d. When the remainder is less than the MBSAC for the family (including any excluded person) plus special needs for the assistance unit, the amount shall be

counted as income in the month following the period of ineligibility.

HANDBOOK

Example: The assistance unit receives a lump sum of \$10,000 in August 1986. The standard of need is \$500. The family is ineligible for 20 months, October 1986 through May 1988. In July the standard of need increases to \$600. The family applies to shorten the period of ineligibility in July 1987. The recalculation done in July would be done with the assumption that \$5,500 (\$10,000 - \$4,500) of the lump sum income was still available since the family should have budgeted \$500 for October 1986 through June 1987 (6 months x \$500 = \$4,500). The \$5,500 is divided by \$600. The family is ineligible nine more months, July 1987 through March 1988; \$100 would be counted as income in April. The period of ineligibility has been shortened by two months.

.462 When the lump sum income becomes unavailable to the family for a reason beyond the control of the family or the family incurs and pays for medical expenses or the family is eligible for a nonrecurring special need?

441a. Add the lump sum income and any other net nonexempt income received in the month the lump sum income was received.

442b. From this total, subtract the amount of the nonrecurring special need or the amount actually used by the ineligible family unit to meet needs resulting from life threatening circumstances the unavailability of the lump sum or the medical expense.

443c. Use the remainder from this subtraction for the lump sum income amount and apply the lump sum income calculation to establish a revised period of ineligibility. (See Section 44-207.42.) The revised period of ineligibility shall begin in the same month

as the originally calculated period of ineligibility.

- *444d. When the remainder from this subtraction is less than the MPSAC for the family (including any excluded person) plus special needs for the FRU, the amount shall be counted as income in the month following the period of ineligibility.

HANDBOOK

Example: Same case situation as the example in .461 above. The family is eligible for a nonrecurring special need item in April 1987. The family applies to shorten the period of ineligibility in April 1987. $\$10,000 - \$500 = \$9,500$. The $\$9,500$ is divided by $\$500$. The new period of ineligibility is 19 months with no remainder.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11157; 45 CFR Section 733.20(a)(1)(ii)(F).

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Amend WPP Section 44-350.14 to read:

44-350 OVERPAYMENTS -- GENERAL (Continued)

44-350

.1 General (Continued)

.14 The county shall take all reasonable steps necessary to promptly correct and collect any overpayments that are known to the county. This includes recovery of overpayments due to either applicant/recipient and/or county administrative errors, with the following exceptions:

.141 The county shall not demand collection of nonfraudulent overpayments totaling less than \$35 from individuals no longer receiving aid. Where the nonfraudulent overpayment amounts owed by the individual no longer receiving aid is \$45 or more, the county shall send a demand notice for repayment. No further collection efforts shall be made unless the county determines that the cost to collect the overpayment does not exceed the amount to be recovered.

Counties shall maintain information regarding the uncollected overpayments to enable recoupment should the individual reapply.

Costs which counties shall consider when determining the cost effectiveness to collect are total administrative and personnel costs, legal filing fees, investigative costs, and any other costs which are applicable.

.142 See exception at Section 42-730.324(b) regarding waiver of overpayments when a recipient stops participating in a GAIN preemployment work assignment before an adjustment to required work hours has been made.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11004(q).

Amend MPP Section 44-350.2 to read:

44-350 OVERPAYMENTS -- GENERAL (Continued)

44-350

.2 Definitions (in Alphabetical Order) (Continued)

- j) Nonfraudulent overpayment - An overpayment which is not determined to be fraudulent pursuant to MPP 20-003.1.

HANDBOOK

MPP 20-003.1 provides that fraud exists when a person, on behalf of himself or others, has:

- (1) knowingly and with intent to receive or defraud made a false statement or representation to obtain benefits, obtain a continuance or increase of benefits, or avoid a reduction of benefits.
- (2) knowingly and with intent to defraud failed to disclose a fact which, if disclosed, could have resulted in denial, reduction, or discontinuance of benefits.
- (3) Accepted benefits knowing he/she is not entitled thereto, or accepted any amount of benefits knowing it is greater than the amount to which he/she is entitled.
- (4) For the purpose of obtaining, continuing, or avoiding a reduction or denial of benefits, made statements which he/she did not know to be true with reckless disregard of the truth.

jk) (Continued)

kl) (Continued)

lm) (Continued)

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11004(c).

Amend MPP Section 44-352.2 to read:

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

.2 Amount That Can Be Recovered

The amount that can be recovered is the total amount calculated under 44-352.11 or 44-352.12, with the following exceptions:

- .21 Collection of overpayments owed by an individual no longer receiving aid shall not be demanded when:
 - .211 The overpayments are nonfraudulent; and
 - .212 The total amount of the overpayments are less than \$35.
- .22 Where the nonfraudulent overpayments owed by an individual no longer receiving aid totals \$35 or more, the county shall send a demand notice for repayment. No further collection efforts shall be made unless the county determines it is cost-effective to collect the overpayment (see MPP 44-50.14).

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11004(q).

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Amend MPP Section 44-352.3 to read:

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

.3 From Whom The Overpayment May Be Recouped

- .31 An overpayment may be recouped from one or more of the following, unless specifically exempted under MPP 44-352.2:

Authority: welfare and Institutions Code Sections 10553 and 10554.

Reference: welfare and Institutions Code Section 1004(g).

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Amend MPP Section 44-352.441 to read:

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

.4 Methods of Recovery (Continued)

.44 Civil Judgment

.441 If the recipient or former recipient an individual no longer receiving aid, unless specifically exempted under MPP 44-352.2, refuses or is unable to repay the amount demanded, the county shall refer the case to the appropriate county official for action on a civil judgment.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11004(q).

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RECORDING REQUESTED BY:

FOR RECORDER'S USE

WHEN RECORDED MAIL TO:

FOR THE AMOUNT OF THE LIEN BALANCE CONTACT:

Empty rectangular box for Recorder's Use.

COUNTY OF: _____
LIEN

On this _____ day of _____, 19____, I, _____ (The undersigned),
in the consideration of the granting of aid to me by the COUNTY of _____, a political subdivision
of the State of California, hereby grant to the COUNTY of _____ a lien against the real property
owned by me or in which I have an interest as described below. This lien is granted as security for the amount of aid
paid by the COUNTY of _____ on behalf of myself, my spouse, or my children beginning
the _____ day of _____, 19____, for a period of no more than nine (9) consecutive months.

I hereby waive the defense provided by the statute of limitations.

This lien is binding upon myself, my heirs, executors, administrators, and assignees.

The following is a true and correct description of the real property owned by me or in which I have an interest:
(Attach additional pages if necessary)

NAME(S) OF OWNER(S) AS IT APPEARS ON THE COUNTY TAX ASSESSOR'S ROLLS:

THE AUTHORITY FOR THIS LIEN IS FOUND IN W & I CODE 11257.5

SIGNATURE OR MARK	DATE	PRINTED NAME IN FULL
SIGNATURE OR MARK OF SPOUSE	DATE	SPOUSE'S PRINTED NAME IN FULL
SIGNATURE OF WITNESS TO MARK(S)		DATE

NOTARIZATION

State of California, County of _____, ss. On this _____ day of _____, 19____,
before me the undersigned, a notary public in the State of California, personally appeared

_____ and _____ personally known to me (or proved to me
on the basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to this instrument, and
acknowledged that he (she or they) executed it.

NOTARY SIGNATURE	TITLE	DATE	SEAL
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AGREEMENT TO SELL PROPERTY

NOTE: Attach copies of information documenting other resources owned by the family at the time this agreement is signed (e.g., Statement of Facts Supporting Eligibility).

NAME		SPOUSE'S NAME		
CASE NUMBER	SOCIAL SECURITY NUMBER		DRIVER'S LICENSE NUMBER (SPECIFY STATE)	
ADDRESS OR LOCATION OF REAL PROPERTY	NAME(S) OF OWNER(S)		ESTIMATED CURRENT VALUE	AMOUNT OWED (LOANS, LIENS, OTHER ENCUMBRANCES) IF ANY
				ESTIMATED NET PROCEEDS OF SALE

CONDITIONS OF AGREEMENT

I (We) understand that my (our) resources exceed the amount which an otherwise eligible family may have and still qualify for payments under the Aid to Families with Dependent Children (AFDC) program. I (We) hereby request that aid payments be made to me (us) until I (we) can sell the above-described real property at its appropriate fair market value. I (We) agree to take all necessary and proper steps to sell the above-described real property and to actively continue my (our) efforts to do so until the property is sold. I (We) understand that I (we) have nine (9) months to sell the property and if at the end of nine (9) months the property has not sold and my (our) resources continue to exceed the amount allowed, I (we) will be ineligible for assistance under the AFDC program. I (We) further understand that I (we) will have to repay the amount of aid I (we) receive that would not have been paid if I (we) had sold the above-described property on the day I (we) was (were) granted aid under these conditions.

SIGNATURE OR MARK	CURRENT ADDRESS	CITY, STATE, ZIP	DATE
SIGNATURE OR MARK OF SPOUSE	CURRENT ADDRESS	CITY, STATE, ZIP	DATE
SIGNATURE OF WITNESS TO MARK(S)	CURRENT ADDRESS	CITY, STATE, ZIP	DATE

AUTHORITY: W&I CODE 11257.5, MPP 42-213.12

SOCIAL SECURITY NUMBER: The number will be used in the administration of the AFDC Program and when coordinating information with other public agencies.

IMPORTANT INFORMATION ABOUT THIS AGREEMENT

I. You must make a Good Faith Effort to Sell the Property under the terms of this Agreement

When you sign the other side of this form, you agree to begin immediately to take steps to sell the property and to continue to make a good faith effort to sell the property until it is sold. To make a good faith effort to sell the property you must, at a minimum, either:

- (a) List the property for sale with a licensed real estate broker at the property's approximate fair market value and be willing to negotiate the price and the terms of the sale with potential buyers, or
- (b) Make an individual effort to sell the property which shall include all of the following:
 - (1) Advertise once a week in at least one publication of general circulation that the property is for sale.
 - (2) Place a sign on the property indicating that the property is for sale. Whenever possible the sign shall be visible from the street.
 - (3) Offer the property for sale at its approximate fair market value.
 - (4) Be willing to negotiate the price and the terms of the sale with potential buyers and respond to all reasonable inquiries about the property.

II. You must try to Sell the Property at no more than its Approximate Fair Market Value

The fair market value of the property is your choice of:

- (a) The assessed value of the property, or
- (b) A valuation of the market value of the property obtained by you from a licensed real estate broker.
- (c) In exceptional circumstances, such as when the property is located in a remote area and it is impossible or impractical to obtain a valuation, and you believe that the assessed value is too high or too low, the county and you may agree on the market value based upon other available information.

III. Notify your County Welfare Department

Notify your County Welfare Department as soon as you sell the property. Also, notify them if you have problems selling the property or if you decide not to sell the property.

RECORDING REQUESTED BY:

FOR RECORDER'S USE

WHEN RECORDED MAIL TO:

FOR THE AMOUNT OF THE LIEN BALANCE CONTACT:

COUNTY OF: _____
LIEN

On this _____ day of _____, 19____, I, _____, (The undersigned)

in the consideration of the granting of aid to me by the COUNTY of _____, a political subdivision of the State of California, hereby grant to the COUNTY of _____ a lien against the real property owned by me or in which I have an interest as described below. This lien is granted as security for the amount of aid paid by the COUNTY of _____ on behalf of myself, my spouse, or my children beginning the _____ day of _____, 19____, for a period of no more than three (3) consecutive months

I hereby waive the defense provided by the statute of limitations.

This lien is binding upon myself, my heirs, executors, administrators, and assignees.

The following is a true and correct description of the real property owned by me or in which I have an interest:
(Attach additional pages if necessary)

NAME(S) OF OWNER(S) AS IT APPEARS ON THE COUNTY TAX ASSESSOR'S ROLLS:

THE AUTHORITY FOR THIS LIEN IS FOUND IN W & I CODE 11257.5

SIGNATURE OR MARK	DATE	PRINTED NAME IN FULL
SIGNATURE OR MARK OF SPOUSE	DATE	SPOUSE'S PRINTED NAME IN FULL
SIGNATURE OF WITNESS TO MARK(S)	DATE	

NOTARIZATION

State of California, County of _____, ss. On this _____ day of _____, 19____, before me the undersigned, a notary public in the State of California, personally appeared

_____ and _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to this instrument, and acknowledged that he (she or they) executed it.

NOTARY SIGNATURE	TITLE	DATE	SEAL
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AGREEMENT TO SELL PROPERTY

NOTE: Attach copies of information documenting other resources owned by the family at the time this agreement is signed (e.g., Statement of Facts Supporting Eligibility).

NAME		SPOUSE'S NAME		
CASE NUMBER	SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER (SPECIFY STATE)		
ADDRESS OR LOCATION OF REAL PROPERTY	NAME(S) OF OWNER(S)	ESTIMATED CURRENT VALUE	AMOUNT OWED (LOANS, LIENS, OTHER ENCUMBRANCES) IF ANY	ESTIMATED NET PROCEEDS OF SALE

CONDITIONS OF AGREEMENT

I (We) understand that my (our) resources exceed the amount which an otherwise eligible family may have and still qualify for payments under the Aid to Families with Dependent Children (AFDC) program. I (We) hereby request that aid payments be made to me (us) until I (we) can sell the above-described real property at its appropriate fair market value. I (We) agree to take all necessary and proper steps to sell the above-described real property and to actively continue my (our) efforts to do so until the property is sold. I (We) understand that I (we) have three (3) months to sell the property and if at the end of three (3) months the property has not sold and my (our) resources continue to exceed the amount allowed, I (we) will be ineligible for assistance under the AFDC program. I (We) further understand that I (we) will have to repay the amount of aid I (we) receive that would not have been paid if I (we) had sold the above-described property on the day I (we) was (were) granted aid under these conditions.

SIGNATURE OR MARK	CURRENT ADDRESS	CITY, STATE, ZIP	DATE
SIGNATURE OR MARK OF SPOUSE	CURRENT ADDRESS	CITY, STATE, ZIP	DATE
SIGNATURE OF WITNESS TO MARK(S)	CURRENT ADDRESS	CITY, STATE, ZIP	DATE

AUTHORITY: W&I CODE 11257.5, MPP 42-213.12

SOCIAL SECURITY NUMBER: The number will be used in the administration of the AFDC Program and when coordinating information with other public agencies.

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The fair market value of the property is your choice of:

- (a) The assessed value of the property, or
- (b) A valuation of the market value of the property obtained by you from a licensed real estate broker.
- (c) In exceptional circumstances, such as when the property is located in a remote area and it is impossible or impractical to obtain a valuation, and you believe that the assessed value is too high or too low, the county and you may agree on the market value based upon other available information.

III. Notify your County Welfare Department

Notify your County Welfare Department as soon as you sell the property. Also, notify them if you have problems selling the property or if you decide not to sell the property.

Notice of Action

If you have questions or want more information about this action, please contact your worker.

Case Name :
Case Number :
Worker :
Phone :
Date :

Description of the Action, Amount, Reason(s), Comments. Effective _____, the following action is being taken:

Your application for cash aid has been approved for up to nine months. Your monthly aid amount is figured on this notice.

During the next nine months you must keep trying to sell the real property you own that is not your home. You may have to pay back the aid you got when you sell it.

We may stop your aid after nine months if you still own the property.

Please contact your worker when you sell it.

Computation of: Financial Eligibility
 Aid Payment

_____ for _____ persons _____
Special Needs (specify) _____ + _____
_____ + _____
Net Non-exempt Income - _____
Child/Spousal Support Collected by the County
(for eligibility computation only) - _____
Total Grant = _____
Overpayment Adjustment (see page _____) - _____
Aid Payment = _____

Net Nonexempt Income Computation

	Name	Name	Name
Total Earned income			
Standard Work Expense Disregard	-		
Dependent Care Expense Disregard	-		
Disregard: \$30	-		
Subtotal	=		
Disregard: 1/3 of Subtotal	-		
Other Countable Income: _____	+		
	+		
Court Ordered Child/Spousal Support Paid	-		
Net Nonexempt Income	=		
Net Nonexempt Income Total (columns 1 + 2 + 3)			_____

Regulations. This action is required by State regulations which are available for review at the county welfare department: Manual of Policies and Procedures (MPP) Section(s): 42-213.12

Medi-Cal: California Administrative Code Title 22, Sections: _____

Child Support. The District Attorney can help you locate an absent parent, legally establish your child's paternity, and collect child support. To obtain these services, or to continue them if aid is discontinued, you must contact the District Attorney's office.

Family Planning Services. Information is available from the County Welfare Department on request.

State Hearing. If you are dissatisfied with this action, your aid may continue unchanged if you ask for a State Hearing before the effective date of the action. Read the back for important information about your right to appeal this action.

Notice of Action

If you have questions or want more information about this action, please contact your worker.

Case Name :
Case Number :
Worker :
Phone :
Date :

Sample

Description of the Action, Amount, Reason(s), Comments. Effective _____, the following action is being taken:

The County is stopping your cash aid. The reason is that the total value of the property you own is over \$1,000.

The County must count the value of all the property you own other than your home. You have not sold real property that is not your home. The value of this property now counts against you unless it is impossible to sell.

The County counted the value of your property as follows:

<u>Property</u>	<u>Equity Value</u>
1.	\$
2.	\$
3.	\$
4.	\$ _____
TOTAL	\$

Since you went on cash aid, the law has changed. You can get cash aid for three more months if you sign a new lien for the real property you own that is not your home. You must sign it before your aid stops.

Please call your worker right away.

Regulations. This action is required by State regulations which are available for review at the county welfare department: Manual of Policies and Procedures (MPP) Section(s) 42-213.12

Cal — California Administrative Code Title 22, Section(s) _____

State Hearing. If you are dissatisfied with this action, your aid may continue unchanged if you ask for a State Hearing before the effective date of the action. Read the back for important information about your right to appeal this action.