STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

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

October 26, 1992

Reason for this Transmittal
[ ] State Law Change
[X] Federal Law Change
[ ] Court Order or Settlement Agreement
[ ] Clarification Requested by One or More Counties
[ ] Initiated by SDSS

ALL COUNTY LETTER No. 92-95

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IMPLEMENTATION OF EDUCATIONAL ASSISTANCE REGULATIONS (RDB #0892-27)

REFERENCE: MANUAL SECTIONS (MS) 63-406.214, .216 and .217; 63-501.3(k)(12); 63-502.2(e), (e)(2), (e)(5)(A), (e)(5)(B) and (e)(5)(C); 63-502.2(g)(1)(C), (D) and (F); 63-502.2(g)(2)(B) and (C).

This letter is to inform County Welfare Departments (CWDs) of revisions to the educational assistance regulations that were effective October 5, 1992. Affected households shall be entitled to restored benefits back to the date of application or August 1, 1992, whichever occurred later.

Student Eligibility Requirements (MS 63-406.214, .216 and .217)

MS 63-406.214 has been revised to clarify that a student may be eligible to participate in the Food Stamp Program when adequate child care is not available for the individual to attend class and work 20 hours per week or participate in a state or federally financed work study program.

MS 63-406.216 has been revised to expand the student eligibility criteria to include persons who are assigned to or placed in an institution of higher education through the following programs: Food Stamp Employment and Training Program (FSET), the Job Opportunity and Basic Skills (JOBS) Program under Title IV of the Social Security Act, any program under Section 236 of the Trade Act of 1974, or a state or local government employment and training program determined appropriate by the Food and Nutrition Service (FNS).

MS 63-406.217 has been amended to add the student eligibility criteria of a person enrolled full time in an institution of higher education and who is a single parent with the responsibility for the care of a dependent child under age 12.

Resource Exclusions [MS 63-501.3(k)(12)]

This regulation has been revised to exclude as a resource financial assistance provided by a program funded by the Carl D. Perkins Vocational and Applied Technology Educational Act Amendments of 1990 (P.L. 101-392).

Income Exclusions [MS 63-502.2(e), (e)(2) and (e)(2) Handbook, (e)(5)(A)(i), (ii), (iii) and (e)(5)(B)]

MS 63-502.2(e) has been revised to expand the income exclusion for financial assistance which is either earmarked by the lender or intended to be used for educational related expenses beyond tuition and mandatory fees. The expanded income exclusion includes books, supplies, transportation, dependent care or miscellaneous personal expenses (other than living expenses such as rent or mortgage, personal clothing, or food eaten at home).

MS 63-502.2(e)(2) has been revised to specify that the definition of mandatory fees has changed from "are those charged to all students or those charged to students within a certain curriculum" to now include the "rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved."

MS 63-502.2(e)(2) Handbook is being repealed because the definition of mandatory school fees has been changed and this example no longer applies.

MS 63-502.2(e)(5) has been repealed since there is no longer a distinction between federal and non-federal educational income for the purpose of excluding educational assistance from income. The references to Title IV and Bureau of Indian Affairs (BIA) Student Assistance Programs are no longer required.

MS 63-502.2(e)(5)(A)(i) and (ii) have been repealed because these factors are no longer required since the student is no longer subject to attending an institution on at least a half-time basis in order to receive the income exclusion and there no longer is a distinction between Federal Title IV or Bureau of Indian Affairs Student Assistance Programs and non-federal programs to be considered an income exclusion.

MS 63-502.2(e)(5)(A)(iii) [renumbered to Section 63-502.2(e)(4)(A)] has been revised to allow the CWD to document dependent care as an excludable expense since dependent care can now be excluded.

MS 63-502.2(e)(5)(B) [renumbered to Section 63-502.2(e)(4)(B)] has been revised to remove the reference to financial assistance received under Title IV of the Higher Education Act since there is no longer a distinction between federal and non-federal educational assistance. Educational assistance which is not verified shall not be excluded.

Educational Assistance [MS 63-502.2(e)(5)(C) renumbered to MS 63-502.2(e)(4)(C)]

MS 63-502.2(e)(4)(C) has been revised to remove the reference to financial assistance for a program funded under Title IV of the Higher Education Act or the Bureau of Indian Affairs Student Assistance Programs. The excludable expense claimed by the student shall not exceed the value of the total amount of the educational assistance received.

Reimbursements [MS 63-502.2(g)(1)(C), (D) and (F) and (g)(2)(B) and (C)]

MS 63-502.2(g)(1)(C) has been revised to delete a cross-reference which no longer applies. Dependent care is now considered an excludable reimbursement.

MS 63-502.2(g)(1)(D) and MS 63-502.2(g)(1)(F) have been revised to delete reference to non-federal reimbursements and funds since there is no longer a distinction between the treatment of federal and non-federal reimbursements. MS 63-502.2(g)(1)(D) clarifies that reimbursements to students from any educational assistance for specific education expenses, such as travel or books, which are earmarked by the grantor are excludable.

MS 63-502.2(g)(2)(B) has been deleted to remove the reference to any educational assistance since there is no longer a distinction between the treatment of federal and non-federal reimbursements. All educational assistance is now considered an excludable reimbursement for tuition, mandatory fees, books, supplies, transportation, dependent care, and miscellaneous personal expenses.

MS 63-502.2(g)(2)(C) [renumbered to MS 63-502.2(g)(2)(B)] has been revised to remove the reference to non-federal educational grants, scholarship, fellowship, and veterans educational benefits; and to clarify that no portion of any educational assistance is allowed as a reimbursement for living expenses such as food, rent, or clothing.

If you have any questions concerning these revised regulations, please contact Leo Zofrea of the Food Stamp Program Bureau at (916) 654-1394.

Sincerely,

for MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

cc: CWDA