

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

November 16, 1995

ALL-COUNTY LETTER NO. 95-69

TO: ALL COUNTY WELFARE DIRECTORS

## REASON FOR THIS TRANSMITTAL

- State Law Change  
 Federal Law or Regulation Change  
 Court Order  
 Clarification Requested by One or More Counties  
 Initiated by CDSS

SUBJECT: Treatment of Temporary Worker's Compensation Benefits in the Aid To Families With Dependent Children (AFDC) Program

REFERENCES: ACLs 94-49, 95-58 & 95-61, MPP 44-101.5, MPP 63-502.142

The purpose of this letter is to transmit emergency regulations to County Welfare Departments regarding treatment of Temporary Worker's Compensation benefits. These regulations are to become effective on January 1, 1996. The implementing ACL 95-61, dated October 23, 1995, instructed the counties to treat Temporary Worker's Compensation as earned income. These regulations and ACL contain nothing which alters or supersedes the previously released ACL instructions.

Please note that the treatment of Temporary Worker's Compensation benefits in the Food Stamp program is not affected by this court order. These benefits are still treated as unearned income.

If you have any questions regarding these regulations, please contact Varaniece Hall at (916) 653-6161. If you have any questions about the impact of this AFDC regulatory change on the Food Stamp program, please call Maria Tarango at (916)654-1883 (CALNET 464-1883).

Sincerely,

BRUCE WAGSTAFF  
Deputy Director  
Welfare Programs Division

Attachment

Amend Section 44-101.51 to read:

44-101 INCOME DEFINITIONS (Continued)

44-101

.5 Earned Income

.51 Earned income is income received in cash or in kind as wages, salary, employer provided sick leave benefits, State Disability Insurance benefits, Temporary Worker's Compensation benefits, commissions or profit from activities such as a business enterprise, farming, etc., in which the recipient is engaged as a self-employed individual or as an employee. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553 and 10554, Welfare and Institutions Code; Federal Action Transmittal ACF-AT-94-12; 45 CFR 233.20(a)(6)(iii); and Sallis v. McMahon, Sacramento County Superior Court, case no. 364308, January 30, 1991.