

INITIAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Section 63-103.2

Specific Purpose:

This section is amended to reflect current revision dates for forms updated as a result of changes to the Food Stamp Program drug felon eligibility rules and are incorporated by reference. This section is also amended to reflect the addition of a new form entitled "FS 26 (3/05) Food Stamp Program Qualifying Drug Felon Addendum" and is being incorporated by reference. The FS 26 is used to determine the food stamp eligibility of a drug felon when adding a household member and the DFA 285 A2 is not used.

Factual Basis:

These amendments are necessary to include a new form, reflect current revision dates for forms updated as a result of changes to the Food Stamp Program drug felon eligibility rules, and to comply with Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

Sections 63-300.5(e)(11)(A) through (E) and (e)(12)

Specific Purpose:

These sections are added to reflect changes to the Food Stamp Program application process and mandatory verification requirements regarding conditions of eligibility for drug felons. Furthermore, Section 63-300.5(e)(12) is added to provide users with a definition for the term "government-recognized drug treatment program."

Factual Basis:

These new sections are necessary to include the conditions of eligibility for drug felons and to comply with Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

Section 63-402.229 and Handbook

Specific Purpose:

This section is amended to specify which felony drug convictions will cause food stamp ineligibility. These amendments reflect changes to the Food Stamp Program

criteria for excluded household members. Current Handbook Section 63-402.229(a) is re-lettered to (c).

Factual Basis:

These amendments are necessary to specify which felony drug convictions will cause food stamp ineligibility and to comply with Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

Section 63-503.441

Specific Purpose:

This section is amended to reflect a language change to the Food Stamp Program rules for treatment of income and resources of excluded members and to include a cross reference.

Factual Basis:

These amendments are necessary to include language as cited in Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

Sections 63-509(b) and (c)

Specific Purpose:

This section is amended to reflect a language change to Food Stamp Program rules for Mandatory Mid-Quarter changes to benefits and recipient Mid-Quarter reports and to include a cross reference.

Factual Basis:

These amendments are necessary to include language as cited in Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

Handbook Section 63-801.737(b)(QR)

Specific Purpose:

This Handbook section is corrected to reflect changes to the Food Stamp Program rules for recoupment by allotment adjustment and to clarify that the first example applies to a Public Assistance Food Stamp (PAFS) household.

Factual Basis:

This amendment is necessary to correct handbook language to comply with Section 18901.3 of the Welfare and Institutions Code as amended by AB 1796 (Chapter 932, Statutes of 2004).

b) Identification of Documents Upon Which Department is Relying

Assembly Bill 1796 (Chapter 932, Statutes of 2004)

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not school districts. There may be “state-mandated local costs” in these regulations, which require federal and state reimbursement due to increased administrative costs under Section 17500 et seq. of the Government Code. The local agencies, State, and federal agencies share administrative costs. Increased costs in benefits are paid entirely by the federal government.

d) Statement of Alternatives Considered

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

e) Statement of Potential Cost Impact on Private Persons or Businesses

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) Statement of Significant Adverse Economic Impact On Business

The CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.