

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM # 1 Motor Vehicle Regulations: CalWORKs and Food Stamp Programs

CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held March 17, 2004 as follows:

March 17, 2004
Office Building # 9
744 P St. Auditorium
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on March 17, 2004.

CDSS, upon its own motion or at the instance of any interested party, may adopt the proposals substantially as described or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are attached. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below.

CONTACT: Office of Regulations Development
California Department of Social Services
744 P Street, MS 7-192
Sacramento, California 95814

TELEPHONE: (916) 657-2586 FACSIMILE: (916) 654-3286

E-MAIL: ord@dss.ca.gov

CHAPTERS

California Department of Social Services Manual of Policies and Procedures (MPP), Eligibility and Assistance Standards Manual, Division 42 (Nonlinking Factors of Public Assistance Eligibility), Sections 42-207 (Property Which May Be Retained By An Applicant) and 42-215 (Determining Value Of Property); and Food Stamp Program Manual, Division 63, Sections 63-501 (Resource Determinations) and 63-1101 (Tables of Coupon Issuance).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Assembly Bill (AB) 231 (Chapter 743, Statutes of 2003) becomes effective January 1, 2004. AB 231 adopts Welfare and Institutions Code Section 18901.9 which allows the California Department of Social Services to align its vehicle resource rules governing the Food Stamp Program with those of an alternative program. Under the authority of this statute, the food stamp regulations will be aligned with those of the CalWORKs Child Care Program, and, consequently, vehicles are exempt from being counted as resources when determining food stamp eligibility as allowed in Public Law 106-387, Section 847(a) and proposed 7 CFR 273.8(f)(4) as published in Federal Register Volume 68, No. 168, Page 51933 on August 29, 2003. Existing law requires CalWORKs to use the Food Stamp Program vehicle evaluation rules when determining eligibility for the CalWORKs Program. AB 231 eliminates this requirement and amends Welfare and Institutions Code Section 11155 to establish treatment of motor vehicles when determining CalWORKs eligibility. It is the intent of the Legislature that the current Food Stamp Program rules governing treatment of motor vehicles continue to apply in the CalWORKs Program. Therefore, the current Food Stamp Program regulations, located in the California Department of Social Services Manual of Policies and Procedures, governing treatment of motor vehicles, are being moved from Division 63 (Food Stamp Program Manual) to Division 42 (Eligibility and Assistance Standards Manual).

COST ESTIMATE

1. Costs or Savings to State Agencies: Additional expenditures of approximately \$145,000 in the current State Fiscal Year.
2. Costs to Local Agencies or School Districts: N/A
3. Nondiscretionary Costs or Savings to Local Agencies: No county fiscal impact exists because the costs (\$48,000) are countable towards the County Maintenance of Effort for the CalWORKs Program. However, the SGF MOE dollars must be increased to backfill this \$48,000.
4. Federal Funding to State Agencies: Additional expenditures of approximately \$159,000 in the current State Fiscal Year.

LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are "state-mandated local costs" in these regulations, which require federal and state reimbursement due to the increased administrative costs under Section 17500 et seq. of the Government Code. These regulations are mandated by the passage of AB 231, and will make more applicants eligible for the Food Stamp Program. There will be increased costs for the remaining CFAP population; however, the majority of the increased costs of benefits are paid entirely by the federal government.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

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.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

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.

AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Welfare and Institutions Code Sections 10553, 10554 and 18904. Subject regulations implement and make specific Welfare and Institutions Code Section 18901.9 and 11155.

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED REGULATION

Contact Person: Everardo Vaca (916) 657-2586
Backup: Maureen Miyamura (916) 657-2586

EMERGENCY STATEMENT

These regulations are to be adopted on an emergency basis. In order to allow interested persons an opportunity to submit statements or arguments concerning these regulations, they will be considered at public hearing in accordance with Government Code Section 11346.4.

AGENDA ITEM(S) FOR THIS PUBLIC HEARING - March 17, 2004

ITEM #1 ORD #1003-27 – Motor Vehicle Regulations: CalWORKs and Food Stamp Programs