

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

ITEM # 1 CalWORKs Senior Parent/Minor Parent Cases – Income Availability Change

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 May 21, 2003, as follows:

May 21, 2003
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 May 21, 2003.

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 available from the office listed below. 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: Anthony J. Velasquez, Chief
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CHAPTERS

Manual of Policies and Procedures, Division 44 (Standards of Assistance), Chapter 44-300 (Aid Payments), Section 44-315 (Amount of Aid), and Division 89 (Demonstration Projects), Chapter 89-200 (Minor Parent), Section 89-201 (Minor Parent Requirement).

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This proposed regulation implements and makes specific changes to the CalWORKs program and the treatment of senior parent's(s) income in senior parent/minor parent cases. The new rule eliminates the special provision wherein a senior parent's(s) income is not available to their minor parent's(s) child(ren). Under the new rule, the senior parent's(s) income will be considered available to meet the needs of the minor parent's child(ren) in accordance with regular CalWORKs budgeting and income rules.

Under the authority provided in Assembly Bill (AB) 444, the California Department of Social Services (CDSS) issued an All County Letter (ACL 02-94), effective October 1, 2002 implementing this new rule. Counties were directed to take the following steps to implement the change:

1. Identify all cases affected by this change,
2. Recalculate the grant amount, and
3. Send notices of action to reduce or discontinue the grants of the affected families.
 - a. The families will have 10 days prior to the effective date of the grant reduction or discontinuance to request a hearing. If the family appeals timely, the grant will continue at the same level pending the hearing decision, unless the family opts not to receive a grant in order to avoid a potential overpayment.

The current senior parent deeming rules were changed as a result of the enactment of AB 908 in 1995, also known as the Teen Pregnancy Disincentive policy. Under that law and policy, effective March 1, 1997, CDSS began to require minor parents, with some exceptions, to live with a parent or adult relative (or in an adult-supervised group setting) as a condition of aid. Under that law, the CalWORKs program allowed an exception to "guarantee" at least a grant for one person (the minor parent's(s) child) if the family's income would otherwise make the case ineligible for aid. This has been known as the senior parent deeming rule.

AB 444 (Ch. 1022, Stats. 2002) requires that treatment of income in senior parent/minor parent cases be consistent with other CalWORKs budgeting and income considerations by eliminating the requirement that a senior parent's(s) income cannot be deemed to the minor parent's(s) child(ren).

COST ESTIMATE

1. Costs or Savings to State Agencies: Savings of approximately \$0 in the current State Fiscal Year.
2. Costs to Local Agencies or School Districts: None.
3. Nondiscretionary Costs or Savings to Local Agencies: Savings of approximately \$159,000 in the current State Fiscal Year.
4. Federal Funding to State Agencies: Savings of approximately \$7,026,000 (TANF) in the current State Fiscal Year.

LOCAL MANDATE STATEMENT

These regulations do not impose a mandate on local agencies or school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Section 17500, et seq. of the Government Code.

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 Sections 10553 and 10554, Welfare and Institutions Code. Subject regulations implement and make specific Section 11254, Welfare and Institutions Code, as amended by AB 444, Ch. 1022, Stats. 2002.

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED REGULATION

Contact Person: Anthony J. Velasquez (916) 657-2586
Backup: Jaimie Porter (916) 657-2586

CDSS REPRESENTATIVE REGARDING SUBSTANCE OF THE PROPOSED REGULATION

Program Contact: Terry Mallin (916) 653-8395
Backup: Maria Hernandez (916) 654-1322

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 - May 21, 2003

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| ITEM # 1 | ORD #1202-31 | CalWORKs Senior Parent/Minor Parent Cases - Income Availability Change |
| ITEM # 2 | ORD #1202-26 | Food Stamp Reauthorization Act of 2002 |
| ITEM # 3 | ORD #0103-02 | Minor Parent Regulations |