



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
450 Golden Gate Avenue, Box 38003
San Francisco, CA 94102

INFORMATION BULLETIN

SEP 04 1991 No. 746

MEMORANDUM FOR: All California Public and Indian Housing
Authorities

FROM: *[Signature]* Robert J. De Monte, Regional Administrator-Regional
Housing Commissioner, 9S

SUBJECT: Reduction in AFDC Benefits

The purpose of this bulletin is to provide information to PHAs on the procedures for an appropriate, consistent and immediate response to the 4.4% reduction in California Aid to Families with Dependent Children (AFDC) payments effective September 1, 1991. Action is necessary to mitigate any negative impact on residents and to ensure compliance with program statutes and regulations regarding maximum allowable rent based on a tenant's income.

In order to achieve the above, you should determine which tenants receive AFDC. In those instances where a tenant has no other source of income, a reduction in rent should be made effective September 1, 1991, based on the 4.4% reduction in AFDC payments effective on that date. For your information, we have attached a Notice of Action which was sent to all County Welfare Directors on the implementation of AFDC rollback regulations. Tenants affected in this manner should be notified of this change.

In those instances where tenants receive AFDC with outside income, tenants should be notified that they may be eligible for a rent reduction if their income decreased due to the AFDC reduction. These tenants should provide the Notice of Action computation from Social Services advising of the new assistance amount. For purposes of this situation, verification of other sources is not necessary at this time.

Tenants should be advised of their rights regarding rent determinations. Notices of this potential change in rents should be distributed pursuant to established policies.

Attachment

STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

July 2, 1991

ALL COUNTY LETTER NO. 91-60

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IMPLEMENTATION OF AFDC ROLLOVER REGULATIONS

REFERENCE: MPP 44-133 - TREATMENT OF INCOME - AFDC
MPP 44-315 - AMOUNT OF AID
MPP 44-352.125 - OVERPAYMENT RECOUPMENT
MS 63-504.39 - MASS CHANGES IN PUBLIC ASSISTANCE

Attached is a copy of the AFDC Rollback regulations implementing the provisions of SB 724 (Statutes of 1991) submitted on an emergency basis to the Office of Administrative Law. The effective date of these regulations is September 1, 1991.

Also attached are implementing instructions, a description of the regulation changes, and required Notices of Action for use in implementing the provisions of these regulations. Information on general mass change notices for the Food Stamp program is provided in Attachment 5.

The new regulations reduce the amount of the Maximum Aid Payment (MAP) levels by 4.4 percent. In addition, the grant computation is changed to count net nonexempt income of an applicant/recipient against the Minimum Basic Standard of Adequate Care (MBSAC) rather than the MAP. The MBSAC amounts remain unchanged.

Counties are reminded that where current State regulations base computations on MAP, the MAP rather than MBSAC is to be used. Examples of these computations are RISP payments, overpayment adjustments, and Homeless Assistance eligibility determinations.

For policy clarifications, please contact Sandra Poole-Taylor at (916) 324-2661 or ATSS 454-2661. If there are any questions about the CA 30 or CA 40, please call LeAnne Torres at (916) 324-2016 or ATSS 454-2016. For questions relating to the NOA forms and NOA messages, please call John Honeycutt at (916) 445-1131 or ATSS 485-1131.


ROBERT A. HOREL
Deputy Director

Attachments

AFDC ROLLEBACK IMPLEMENTATION

INDEX OF ATTACHMENTS

1. Copy of AFDC Rollback Regulations
2. Implementation Instructions
3. Forms
4. Notice of Action Messages
5. Food Stamp Program Information

HANDBOOK ENDS HERE

.311 Effective September 1, 1991, MBSAC and MAP levels established in Welfare and Institutions Code Sections 11450 and 11452 are:

<u>Size of AU</u>	<u>MBSAC</u>	<u>MAP</u>
1	\$ 341	\$ 326
2	560	535
3	694	663
4	824	788
5	940	899
6	1,057	1,010
7	1,160	1,109
8	1,265	1,208
9	1,371	1,306
10 or more	1,489	1,403

For MBSAC add fourteen dollars (\$14) for each additional needy person.

HANDBOOK ENDS HERE

.32 Add Special Need Payment

Add any special need payment amounts for the AU to the MBSAC.

.33 Net Nonexempt Income

Round to the next lower dollar the net nonexempt income from the budget month including in-kind income.

HANDBOOK BEGINS HERE

(See Chapter 44-100 for computing net nonexempt income.)

HANDBOOK ENDS HERE

.34 Potential Grant

Subtract the net nonexempt income amount from the MBSAC plus special need for the AU. This is the potential grant amount.

.35 MAP

Determine the Maximum Aid Payment (MAP) for the AU. The MAP and MBSAC are set forth in Welfare and Institutions Code Sections 11450 and 11452.

.36 Add Special Need Payments

Add any special need payments for the family to the MAP.

.37 Actual Grant Amount

The actual grant amount is the lesser of the potential grant amount or the sum of the MAP plus special needs.

ATTACHMENT 4

Notice of Action Messages and Instructions

Two new temporary NOA Messages and related instructions are included in this attachment.

The two new NOA Messages are used to notify all AFDC and RCA recipients of the change in the way their aid is figured as the result of the MAP reduction. Message M44-315Bt is used for recipients whose aid changes in September and Message M44-315Ct is for recipients whose aid remains the same in September.

AFDC Notice of Action Handbook Update

All AFDC Notice of Action Handbooks are to be updated with the enclosed NOA Forms and Messages. Insert copies of all of the attached NOA Forms and Messages into the Handbook and remove the NOA Message and the NOA Forms that are obsoleted by this letter.

State of California
Department of Social Services

Manual Mag. No.: M44-315Bt
Action : Change
Reason: Aid Payments
Title: 1991 MAP Rollback

Auto ID No. :
Flow Chart No. :
Source : Turner
Regulation Cite: 44-315
State Law : W&I Code, Section 11450

Form No. : NA200
Effective Date : 09/01/91
Revision Date :

MESSAGE: As of _____, the County is changing your cash aid
from \$ _____ to \$ _____.

Here's why:

On September 1, 1991, a change in State law will lower the Maximum Aid
amount that you can get.

Your new cash aid amount is figured on this notice.

INSTRUCTIONS: Use to change the grant when the MAP amount is rolled
back effective 9/1/91. Fill in the effective date of action along with
the old grant amount and the new grant amount. Calculate the new grant
amount in the right hand column.

This is a temporary notice to be used to notify clients of the change in
grant amount in September 1991.

State of California
Department of Social Services

Manual Msg. No.: M44-315Ct
Action : Other
Reason: Aid Payments
Title: 1991 MAP Rollback

Auto ID No. :
Flow Chart No. :
Source : Turner
Regulation Cite: 44-315
State Law : W & I Code, Section 11450

Form No. : NA 200
Effective Date : 9-1-91
Revision Date :

MESSAGE: On September 1, 1991, a change in State law will change the way we figure your cash aid, but this does not change how much you get. You will still get \$ _____.

The new way your cash aid is figured is shown on this notice.

INSTRUCTIONS: Use to notify clients of the change in the way the grant is computed when the MAP amount is rolled back effective 9/1/91. This notice is to be used only for those cases that will not have a change in grant amount as a result of the change in State law. Calculate the grant amount in the right hand column.

This is a temporary notice to be used to notify clients of the change in grant computation in September 1991.

NOTICE OF ACTION

COUNTY OF _____

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
DEPARTMENT OF SOCIAL SERVICES

Name _____
 Case _____
 Title _____
 Employer _____
 Address _____

(ADDRESS)

Questions? Ask your Worker.

State Hearing: If you think this action is wrong, you can ask for a hearing. The back of this page tells how. Your benefits may not be changed if you ask for a hearing before this action takes place.

Monthly Cash Aid Amount

Section A	Your Countable Income in	MONTHLY
Total Earned Income	\$	_____
Work Expense Disregard	-	_____
\$30 Disregard	-	_____
\$30 and 1/3 Disregard	-	_____
Dependent Care Disregard	-	_____
Other Countable Income (list sources)		_____
	+	_____
	+	_____
	+	_____
Court Ordered Support Paid	-	_____
Net Countable Income	=	_____

Section B	Your Cash Aid in	MONTHLY
1. Basic Need for _____ Persons	\$	_____
2. Special Needs	+	_____
3. Subtotal	=	_____
4. Net Countable Income	-	_____
5. Subtotal A	=	_____
6. Maximum Aid for _____ Persons	\$	_____
7. Special Needs	+	_____
8. Subtotal B	\$	_____
9. Cash Aid Amount (Lesser of Subtotal A or B)	\$	_____
10. Overpayment adjustment (separate page)	-	_____
11. Monthly Cash aid Amount	\$	_____

Rules: These rules apply; you may review them at your welfare office.

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AFDC BUDGET WORKSHEET

CASE NUMBER _____

WORKER NUMBER _____

Payment Month	Recipients		Payment Month	Recipients		Payment Month	Recipients	
	Federal	State		Federal	State		Federal	State
ASSISTANCE UNIT			ASSISTANCE UNIT			ASSISTANCE UNIT		
ADULTS			ADULTS			ADULTS		
CHILDREN			CHILDREN			CHILDREN		
TOTAL			TOTAL			TOTAL		
A. Minimum Basic Standard of Adequate Care (MBSAC) Rate for Persons			A. Minimum Basic Standard of Adequate Care (MBSAC) Rate for Persons			A. Minimum Basic Standard of Adequate Care (MBSAC) Rate for Persons		
1. Special Needs (Other than Homeless Assistance)			1. Special Needs (Other than Homeless Assistance)			1. Special Needs (Other than Homeless Assistance)		
2. Net Nonexempt Income (Enter Item 14 from Reverse)			2. Net Nonexempt Income (Enter Item 14 from Reverse)			2. Net Nonexempt Income (Enter Item 14 from Reverse)		
Potential Grant			3. Potential Grant			3. Potential Grant		
B. Maximum Aid Payment (MAP) Rate for Persons			B. Maximum Aid Payment (MAP) Rate for Persons			B. Maximum Aid Payment (MAP) Rate for Persons		
Special Needs (Other than Homeless Assistance)			1. Special Needs (Other than Homeless Assistance)			1. Special Needs (Other than Homeless Assistance)		
2. MAP plus Special Needs			2. MAP plus Special Needs			2. MAP plus Special Needs		
C. Aid Payment (Larger of A3 or B2, if less than \$10, enter 0)			C. Aid Payment (Larger of A3 or B2, if less than \$10, enter 0)			C. Aid Payment (Larger of A3 or B2, if less than \$10, enter 0)		
Proration figure Date:			Proration figure Date:			Proration figure Date:		
D. Prorated Aid Payment			D. Prorated Aid Payment			D. Prorated Aid Payment		
E. Homeless Assistance			E. Homeless Assistance			E. Homeless Assistance		
F. Overpayment Adjustment			F. Overpayment Adjustment			F. Overpayment Adjustment		
G. Adjusted Aid Payment			G. Adjusted Aid Payment			G. Adjusted Aid Payment		

BUDGET RECOMPUTATION

H. Aid Payment Previously Authorized		H. Aid Payment Previously Authorized		H. Aid Payment Previously Authorized	
L. Correct Aid Payment		L. Correct Aid Payment		L. Correct Aid Payment	
J. Overpayment (If H larger than L)		J. Overpayment (If H larger than L)		J. Overpayment (If H larger than L)	
K. Underpayment (If L larger than H)		K. Underpayment (If L larger than H)		K. Underpayment (If L larger than H)	
M. Aid Payment		M. Aid Payment		M. Aid Payment	
N. Correct Aid Payment		N. Correct Aid Payment		N. Correct Aid Payment	
O. Overpayment (If M larger than N)		O. Overpayment (If M larger than N)		O. Overpayment (If M larger than N)	
P. Underpayment (If N larger than M)		P. Underpayment (If N larger than M)		P. Underpayment (If N larger than M)	
BY INITIAL AND DATE		BY INITIAL AND DATE		BY INITIAL AND DATE	
AUTHORIZATION DATE		AUTHORIZATION DATE		AUTHORIZATION DATE	

INCOME COMPUTATION

A) 185% INCOME TEST

	Budget Month _____ for _____ Payment Month _____	Budget Month _____ for _____ Payment Month _____	Budget Month _____ for _____ Payment Month _____
185% of MBSAC plus Special Needs for _____ Persons	=		
2. Gross Income (B3 plus B11 plus excluded persons gross income. Include child support collected by the county.)	=		
3. Gross Income Eligible (A1 minus B2)	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO

B) NET INCOME COMPUTATION

	Budget Month _____ for _____ Payment Month _____	Budget Month _____ for _____ Payment Month _____	Budget Month _____ for _____ Payment Month _____
	Person 1	Person 2	Person 3
1. Gross Earned Income	\$		
2. Net Income from Self-Employment Earnings (If applicable, calculate below)	•		
3. Total Earned Income	=		
4. Standard Work Expense Disregard	-		
5. Disregard \$30 (if applicable)	-		
6. Subtotal	=		
7. Disregard 1/3 of Subtotal in 6 above (if applicable)	-		
8. Subtotal	=		
9. Dependent Care Expense Disregard	-		
a) Full Time - Child(ren) over 2 years _____	-		
b) Full Time - Child(ren) under 2 years _____	-		
c) Part Time - Child(ren) over 2 years _____	-		
d) Part Time - Child(ren) under 2 years _____	-		
e) Incapacitated Individual _____	-		
10. Subtotal	=		
11. Other Countable Income: (Specify)	•		
12. Court Ordered Child/Spousal Support Paid	-		
13. Net Nonesempt Income	\$	\$	\$
14. Total Net Nonesempt Income (Enter in A 2 on Side 1)	\$	\$	\$

C) EARNINGS FROM SELF-EMPLOYMENT

1. Gross Earnings from Self-Employment	\$
2. Business Expenses: (Specify)	-
	-
	-
3. Net Business Income (C1 minus C2. Enter in B2 above)	\$

3