

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



February 11, 2000

ALL-COUNTY INFORMATION NOTICE I-09-00

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORSREASON FOR THIS TRANSMITTAL

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

SUBJECT: LOMELI V. SAENZ

COMPROMISING ADMINISTRATIVE

OVERPAYMENTS

Background:

The purpose of this notice is to advise the counties of the status of the Lomeli v. Anderson court case and provide instructions for flagging potentially affected cases in anticipation of a settlement of this court case.

In July 2, 1998, Legal Services of Northern California sued the California Department of Social Services (CDSS) contending that it failed to inform food stamp recipients of its authority under federal law to settle or compromise a claim resulting from an administrative error overissuance. Plaintiffs further alleged CDSS was required to exercise this discretion on a case by case basis. On April 1, 1999, the Superior court ruled in favor of the plaintiffs ordering that CDSS notify all food stamp recipients that they may request a compromise of food stamp overissuances, and ordering CDSS to exercise that discretion on a case by case basis. CDSS appealed the Superior Court's decision. CDSS and Plaintiffs are currently engaged in settlement negotiations.

Case Flagging:

In anticipation of a settlement, we are advising counties to flag cases that may be impacted. Counties are to flag all cases in which a food stamp administrative error overissuance is established after February 29, 2000. This includes noticing requirements for an administrative error overissuance being met in February, and the first month of allotment reduction is March. Implementation instructions will be provided, once a settlement has been reached.

If you have any questions, please contact Varaniece Hall at (916) 657-3500.

Sincerely,

Original signed by Charr Lee Metsker on 2/11/2000CHARR LEE METSKER, Chief
Employment & Eligibility Branch