

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 29, 1983

ALL-COUNTY INFORMATION NOTICE I-56-83

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: GALSTER v. WOODS, Disregard of Unavailable Property

REFERENCE:

On April 6, 1983, the California Supreme Court issued an order in the case of Galster v. Woods which prohibits the Department from denying AFDC benefits to any person on the grounds that such person owns a property right with a market value over \$1,000.00 if that property right is not, as a practical matter, available for use or expenditure to meet current needs.

The Galster case arose in Humboldt County when an applicant was denied aid due to excess property. She had been refused access to her home and other property by her estranged spouse and although the applicant was unable to reside in the home, the value of her community interest in that home rendered her ineligible for aid. The case was later expanded by inclusion of additional plaintiffs who owned allegedly nonexempt real property of questionable value and in each case it was argued that the property was unsaleable at any price and therefore not available to meet current needs.

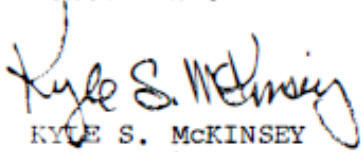
The Department prevailed in Superior Court and the plaintiffs appealed. Concurrent with the appeal, plaintiffs requested a stay. This request was denied by the Court of Appeal. Thereafter, the stay was sought from the Supreme Court and on April 6, such order was issued.

The order applies to all applications received on or after April 6, where excess property was at issue and to continuing cases on an ongoing basis. The Department intends to implement the order by All County Letter as soon as possible. The Budget Act, however, requires that such letters that add to program costs be submitted

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to Department of Finance for approval prior to release. The All County Letter will be issued as soon as such approval is obtained.

If there are any questions, please contact your AFDC Management Consultant.

A handwritten signature in dark ink, appearing to read "Kyle S. McKinsey". The signature is stylized with a large, looping initial "K" and a cursive "S" and "M".

KYLE S. McKINSEY
Deputy Director
Welfare Program Operation