

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, CA 95814



June 28, 2002

Regulation Package #0202-04

CDSS MANUAL LETTER NO. EAS-02-02

TO: HOLDERS OF THE EAS MANUAL, DIVISION 44

**Regulations Package #0202-04****Effective 5/1/02****Sections 44-302 and 44-304**

This manual letter has been posted on the Office of Regulations Development website at [http://www.dss.cahwnet.gov/ord/Eligibilit\\_617.htm](http://www.dss.cahwnet.gov/ord/Eligibilit_617.htm).

These regulations implement and make specific Assembly Bill 1542 (Chapter 270, Statutes of 1997) which established the authority for a statewide EBT system to issue food stamp benefits and, at county option, the issuance of cash benefits. An on-line EBT system is an issuance system in which benefits are stored in a central computer database and electronically accessed by cardholders at a point-of-sale (POS) terminal, automated teller machine (ATM), and other electronic fund transfer device utilizing a reusable plastic card. EBT is an extension of debit card access to benefit funds from POS terminals (or ATMs) via electronic fund transfer networks.

These regulations were adopted on an emergency basis effective May 1, 2002 and were considered at the Department's public hearings held on June 19 and 21, 2002.

**FILING INSTRUCTIONS**

**Revisions to all manuals are shown in graphic screen.** The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing EAS changes was EAS-02-01

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|-------------------|-------------------|
| 458 and 459       | 458 and 459       |
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Attachments

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**STANDARDS OF ASSISTANCE  
AID PAYMENTS**

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**CHAPTER 44-300 AID PAYMENTS****44-301 MONEY PAYMENT PRINCIPLE 44-301**

Each individual or family has the right to manage his/her own affairs; to decide what use of his/her money, including the aid payment, will best serve his/her interests; and to make his/her purchases through the normal channels of exchange, to enjoy the same rights and to discharge his/her responsibilities in the same manner as other members of the community.

Aid payments shall be made in conformity with the money payment principle except when a problem in money management exists (see Section 44-307); when authorized sanctions are applied when a person fails without good cause to cooperate in the WIN Demo or GAIN Programs (see Section 42-691 or 42-786); when protective payments are made in noncooperation child support cases (see Sections 43-106 and 43-107.1); when money management is required under GAIN (see Section 42-785); or when directed by the Services System to make payments to a protective payee or to a vendor or vendors (see Section 44-307).

Aid payments are for the benefit of the recipient only and do not constitute income to any other person.

**44-302 PAYMENT BY ELECTRONIC FUND TRANSFER 44-302****.1 Payment by Direct Deposit**

Notwithstanding Section 25-301, direct deposit of assistance payments must be made available to CalWORKs recipients in all counties that offer a program of direct payroll deposit to some or all of their employees.

- .11 The CWD shall notify recipients of the option to receive benefits by direct deposit at the time of application or redetermination.
- .12 The recipient can request at anytime to receive direct deposit.
- .13 The recipient shall be eligible for direct deposit for the duration they are on aid.

**.2 Payment by Electronic Benefit Transfer (EBT)**

Pursuant to Section 16-001.23, counties may elect to use the EBT system to issue cash benefits.

NOTE: Authority cited: Sections 10553, 10554, and 11006.2, Welfare and Institutions Code. Reference: Sections 10072 and 11006.2, Welfare and Institutions Code.

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**44-304**      **AID PAYMENT SCHEDULES (Continued)** **44-304**

If the completed CW 7 is received after the tenth day prior to the end of the report month, but on or before the first day of the payment month, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the payment month if possible, but not later than the tenth day of the payment month.

**.53**      Notwithstanding Section 44-304.52, counties opting to use the EBT system shall issue cash benefits pursuant to Section 16-215.

**.6**      Exceptions to Standard Delivery Date      The county shall deliver:

**.61**      Holiday/Weekends      On the last postal delivery day preceding a holiday or weekend when the holiday or weekend will delay delivery past the specified date of delivery.

**.611**      With respect to direct deposit electronic fund transfer, when a payment date falls on a weekend or holiday, funds shall be electronically transferred so that the funds are available on the first day of that month to recipients using direct deposit and available on the designated payment date to recipients using EBT pursuant to Section 16-215.5.

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(a)      Example:      If the payment date is on a Monday and Monday is a holiday, the direct deposit electronic fund transfer must be made in time to ensure that the funds are available on the first of the month for recipients using direct deposit and available by the designated payment date for recipients using EBT.

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**HANDBOOK ENDS HERE**

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|-----|-------------------------|---|
| .62 | Initial Payment         | Initial payments promptly but no later than 10 calendar days after authorization of aid or the beginning date of aid, whichever is later.                                     |
| .63 | Other Types of Delivery | Payment to the recipient on the last working day prior to the specified delivery date when the payment is to be delivered by means other than the mail.                       |
| .64 | Late Payments           | Payments that cannot be authorized before the date for regular aid payments as soon as administratively feasible.   |
| .65 | Out-of-County           | Payments out of the county as soon as administratively feasible.  |
| .66 | Vendor Payments         | Payments according to specified intervals to third parties or vendors when requested by the recipient or when made in accordance with Section 44-303.3.                       |
| .7  | Recipient Dies          | If a warrant is cashed or a direct deposit electronic fund transfer is made, but the recipient subsequently dies or becomes ineligible for aid there is no right to recovery. |

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 10063(a), 10072, 10553, 10554, 11006.2, 11251.3, 11453.2, 11455 and 17012.5, Welfare and Institutions Code; 45 CFR 206.10(a)(6)(D); 45 CFR 233.23; 45 CFR 233.29(a)-(d); 45 CFR 233.31(b)(4); 45 CFR 233.32; and Balderas v. Woods Court Order.

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