

---

two children who receive CalWORKs and food stamps contributes to the utility expenses, the household of two children receives the full \$206 SUA.

However, if a two-person household shares utility expenses with an unrelated adult who purchases and prepares food separately, the two-person household receives only half the \$206 SUA (or a \$103 utility allowance) regardless of whether the unrelated adult receives food stamps.

Note: Example 6b on page 6 of this ACL is incorrect. That example says the household is entitled to receive a \$206 SUA instead of \$103 in an example such as the one above. An errata to 02-55 dated August 13, 2002 corrects the error in example 6b.

Effective February 1, 2002, the Internal Revenue Service (IRS) began offsetting Social Security Administration payments to collect claims for unpaid federal taxes. For food stamp purposes, the income that is intercepted by the IRS is treated as income.

*California Department of Social Services - State Hearings Division  
Notes from the Training Bureau - October 30, 2002*

**Item 02-10-01A**

**ACL 02-45 June 25, 2002 (Synopsis): Modifications to the Aid to Families with Dependent Children –Foster Care (AFDC-FC) Program**

CDSS submitted an updated Title IV-E plan to the U.S. Department of Health and Human Services (DHHS) for approval. During the approval, the DHHS identified three areas that required the CDSS to provide instructions/clarifications to counties.

Per 42 United States Code 672(a), each child in foster care may have up to \$10,000 in property regardless of age or participation in the Independent Living Program (ILP). Effective December 14, 1999, a child may retain up to \$10,000 and still remain eligible for either state or federal foster care.

The \$10,000 limit applies in determining whether the child would have been eligible for AFDC in the petition month. The \$10,000 limit is in addition to the \$1500 vehicle limit.

Other modifications noted in this ACL involve Transitional Independent Living Plans (TILP) and termination of parental rights.

*California Department of Social Services - State Hearings Division  
Notes from the Training Bureau - July 3, 2002*

**Item 02-07-01J**

**ACIN I-25-02 April 4, 2002 (Synopsis): Food Stamp Questions and Answers**

This ACIN provides answers to several questions concerning a variety of issues. Some of the answers are set out below:

---

## INCOME VS. RESOURCES-REGULARLY RECEIVED PAYMENTS

MPP §63-502.142 includes Disability Insurance Benefits (DIB), Unemployment Insurance Benefits (UIB) and Workers' Compensation benefits as unearned income. Normally, those benefits are treated as income in the month received. This ACIN states that per MPP §63-501.111, if such payments are received for prior months, they are treated as a resource, instead of income.

The key factor in determining whether receipt of DIB, UIB or Workers' Compensation is treated as income or a resource is whether the payments are part of a "clearly established payment pattern". This ACIN then refers to a "regular payment pattern" that is an interchangeable term with "clearly established payment pattern". A "regular payment pattern" would be based on the established schedule of payments (e.g., payment every 14 days, payment upon receipt of doctor's statement).

In an example provided in the ACIN, a household receives three checks covering three separate payment periods. The first check covering a period from March 1 through March 15 is issued on April 29 and is received on May 3. The second check covering March 16 through April 15 is also issued on April 29 and received on May 3. The third check covers April 16 through May 10, is issued on May 20 and received on May 26.

The first and second checks received on May 3 are treated as a resource because they cover a prior period. The third check received on May 26 is counted as unearned income in May because this payment was received in accordance with "a normal payment schedule" (which is the same as "clearly established payment pattern" and "regular payment pattern").

## ADDING NEW HOUSEHOLD MEMBER-FAILURE TO PROVIDE INFORMATION

When a household reports a new household member, but fails to provide information necessary to add the new member to the household, per MPP §63-500.5(a)(2) the county is required to issue a "Request for Information" notice DFA 387. That notice requests the household to provide verification or clarification of information. The household must be given ten days to respond either by telephone or in writing.

If the household does not respond within ten days, or refuses to provide essential information to clarify circumstances, the county must send a notice of action to terminate food stamps for failure to provide information.

*California Department of Social Services - State Hearings Division  
Notes from the Training Bureau - July 3, 2002*

### **Item 02-07-01I**

**ACIN I-17-02 March 14, 2002 (Synopsis): Vehicle Valuation Questions and Answers for Food Stamps and CalWORKs**