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for households of one to four persons. The standard deduction for five persons is increased to \$147. The standard deduction for a household of six or more persons is increased to \$168 monthly. The homeless household shelter allowance remains at \$143 monthly.

The shelter deduction is increased to \$367 monthly. The standard utility allowance remains at \$206 monthly.

Also attached are charts for net and gross monthly income standards and maximum food stamp allotments for household sizes one to eight. The maximum food stamp allotment is increased by \$105 for each household member above eight persons. A table of allotments based on household income is also attached.

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

**Item 02-10-01C**

**ACL 02-56 July 25, 2002 (Synopsis): *Yarbrough v. Saenz***

A settlement was reached in *Yarbrough v. Saenz* (Ventura County Superior Court, Case No. CIV 196979). Per the terms of the settlement, counties must cease considering Supplemental Security Income (SSI) as unearned income for children receiving Title IV-E Adoption Assistance Program benefits.

The CDSS and counties were also required to advise AAP families that they must report to the Social Security Administration any AAP benefits they receive on behalf of an adopted child. The adoption agency should advise adoptive parents that the Social Security Administration might deduct AAP from the SSI grant.

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 02-10-01B**

**ACL 02-55 July 22, 2002 (Synopsis): Food Stamp Budgeting Policy Changes**

**Reference:** 7 Code of Federal Regulations (CFR) 273.9(b)(2), (d)(6)

There are two policy changes in the food stamp program discussed in this ACL.

Effective October 1, 2002, counties are not required to prorate the standard utility allowance (SUA) if a person who is an excluded household member shares utility expenses. The full SUA is allowed. For example, if an ineligible noncitizen mother with

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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: