

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

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ALL-COUNTY INFORMATION NOTICE I-146-81

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: LOWRY v. OBLEDO

REFERENCE:

The purpose of this letter is to inform you of recent developments in the case of Lowry v. Obledo.

As you are aware, plaintiffs in this case challenged MPP Section 44-113.241(b) contending it was invalid insofar as it fails to provide for individualized determinations of whether an incurred cost of child care is reasonable and necessary where such child care is provided by a nonworking member of the AFDC recipient's household.

On June 3, 1980, the Court of Appeal ruled in favor of plaintiffs. The Supreme Court denied the Department's request for a hearing.

On October 28, 1981, the Sacramento County Superior Court issued the final judgment in the case. A copy of the judgment and of the pertinent portion of the opinion of the Court of Appeal are attached.

The class of people entitled to benefits under the judgment is defined as follows:

"All persons who during any month or months subsequent to February 1, 1977, came within each of the following criteria:

"a. Who were recipients of AFDC;

"b. Who were concurrently employed;

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- "c. Who were not allowed as a deduction from earnings countable in computation of their AFDC benefits, costs which they actually incurred by paying non-working members of their respective households for child care during working hours; and
- "d. For whom such disallowance was based solely upon the provisions of MPP Section 44-113.241(b)."

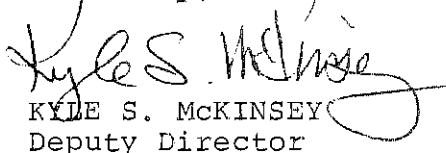
The Department is in the process of developing regulations to implement the order of the court. Public hearing on proposed regulations were held on October 23, 1981. Final regulations are subject to approval of the court before implementation.

In order to inform class members of their right to retroactive relief and of their prospective rights under this decision, the Department and the county welfare departments will be required to do the following:

- (1) Mailing of notice to all current AFDC recipients advising them of their right to a retroactive redetermination of benefits if they are class members, and of their prospective rights under this decision;
- (2) Review of current recipients' records during the next annual redetermination of eligibility to identify and contact possible retroactive class members; and
- (3) Posting of notices in County Welfare Department and State Department of Social Services offices, and mailing of notice posters to county hospitals, Employment Development Department offices and junior colleges with the request they be posted.

We will keep you informed of the actions required on your part to implement the judgment. In the meantime, it is suggested that to the extent possible you begin to identify those cases which may be eligible for benefits under the judgment upon implementation of the regulations and the process for determining retroactive benefits.

Sincerely,

  
KYLE S. MCKINSEY  
Deputy Director

cc: CWDA

Attachments