

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



November 30, 1990

ALL COUNTY INFORMATION NOTICE NO. I-88-90

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: EARLY FRAUD PREVENTION AND DETECTION PROGRAM

The Legislature passed, and the Governor signed SB 2454 (Royce, Chapter 465, Statutes of 1990) as part of the negotiated settlement on the budget. It provided 100 percent State and Federal funding for Early Fraud Detection/Prevention (EFD/P) programs in all Counties where such programs are determined to be cost effective by the Department of Social Services (DSS). It passed as urgency legislation and was effective immediately upon the Governor's signature (July 31, 1990).

However, the constitutionality of the law has been challenged successfully in Sacramento Superior Court (Caballo vs McMahon). The basis was that it is not a single subject bill, a California Constitutional requirement. A preliminary injunction has been issued enjoining the Department from implementing the provisions of this statute.

As a part of the injunction, the Department has been ordered to issue this letter informing the Counties that:

- o The provisions of SB 2454 will not be implemented.
- o There is no authority to provide 100 percent State and Federal funding for Counties' EFD/P programs at this time.

Please contact Rick Tibbetts at (916) 445-0031 if you have any questions. We will promptly notify you as new developments occur.

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ROBERT A. HOREL
Deputy Director

cc: CWDA