STATE OF CALIFORNIA-HEALTH AND WELFARE AGENCY

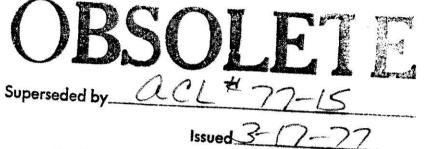
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DEPARTMENT OF BENEFIT PAYMENTS 44 P Street, Sacramento, CA 95814 (916) 322-5387

December 6, 1976

ALL-COUNTY LETTER NO. 76-134

TO: ALL COUNTY WELFARE DIRECTORS



SUBJECT: IMPLEMENTATION OF NEW FEDERAL ELIGIBILITY REQUIREMENTS FOR AFDC-U FATHERS

Public Law 94-566 became effective November 1, 1976, and provides, in part, that AFDC-U families in which the father receives Unemployment Insurance Benefits (UIB) are eligible for Federal Financial Participation (FFP) and that the amount of UIB received shall be deducted from the family's AFDC grant. In practical effect, this law requires as a condition of eligibility that a U-father who is entitled to receive UIB must apply for and collect such UIB. The attached revised EAS regulations are to implement these new provisions of the federal law.

Although PL 94-566 became effective November 1, 1976, there are no retroactive provisions in these regulations for the following reasons:

- 1. The new requirement to apply for and accept UIB is a condition of eligibility which cannot be accomplished retroactively.
- Neither WIN registration nor WIN certification can be accomplished retroactively.
- 3. A U-father who had refused UIB and was federally eligible would be rendered ineligible for AFDC during the period from the effective date of the new regulations until he applied for UIB.

Procedures for establishing federal eligibility for current AFDC-U cases must necessarily include the following:

Income Maintenance Unit

 Identify cases which have currently ineligible U-fathers who are receiving UIB and refer them to register for WIN where applicable. Change FBU's and grants accordingly. 2. Identify currently federally eligible U-fathers and instruct them that as a condition of continuing eligibility, they must apply for and accept any UIB to which they are entitled.

Separate Administrative Unit

1. Appraise and certify such U-fathers, where applicable, within 30 days of their receipt of federal AFDC.

Statewide, the fiscal effect of these new requirements is estimated to be as follows:

A. Administrative Costs to Implement (Transition period, only)

IMU	\$200,800
IMU SAU	442,100
Total	\$642,900

B. Aid Costs Shifted from Nonfederal to Federal (Average monthly amounts, continuing)

Federal	\$1,121,550
State	(862,300)
County	(249,200)

Recognizing that lead time is necessary to implement these regulations, all AFDC-U cases authorized after the effective date of these regulations must conform to the new requirements by the authorization date. All current AFDC-U cases must conform to the new requirements by January 1, 1977.

If you have any further questions regarding these regulations, please contact your AFDC management consultant at (916) 445-4458.

Sincerely, KYVE S. MCKINSEY

Deputy Director

Attachment

cc: CWDA