

## DEPARTMENT OF SOCIAL SERVICES

744 P Street  
Sacramento, California 95814  
Telephone: (916) 445-0633



December 3, 1980

ALL-COUNTY LETTER NO. 80-73

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: ANGUS V. WOODS

## REFERENCE:

On August 25, 1980, the United States District Court for the Northern District of California in the case of Angus v. Woods issued a classwide Preliminary Injunction enjoining the Department of Social Services (DSS) and all county welfare departments (CWD) to cease all collection of willfully caused overpayments of Aid to Families with Dependent Children (AFDC) benefits from current assistance grants from AFDC recipients.

The court found that the Department's present regulations regarding recoupment for the recovery of willfully caused AFDC overpayments, insofar as they do not provide a process for consideration of the individual facts of each recipient family's financial circumstances in determining undue hardship in connection with a grant adjustment, are invalid in light of the provisions of 45 CFR § 233.20(a)(12)(f).

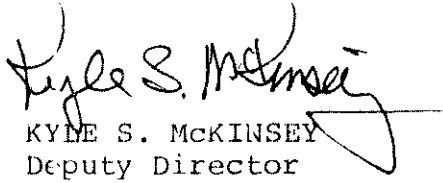
The court stayed the Preliminary Injunction for seventy (70) days from the date of the order to provide the Department time to issue and implement regulations which will correct the invalidity of present regulations as indicated by the court.

To comply with the preliminary injunction, the Department filed emergency regulations with the Office of Administrative Law (OAL) on October 31, 1980. Under legislation enacted in 1979 (AB 1111), all regulations of state agencies must now be reviewed by OAL. On November 10, 1980, OAL repealed the emergency regulations. Under the requirements of the preliminary injunction, without such regulations all collection of willfully caused overpayments of AFDC benefits from AFDC recipients' current assistance grants must cease.

ALL COUNTY WELFARE DIRECTORS  
Page Two

Therefore, as soon as possible, you are to cease all collection of willfully caused overpayments of AFDC benefits from AFDC recipients' current assistance grants until revised regulations are implemented by the Department. We will keep you informed of the expected implementation date of such regulations.

Sincerely,

  
KYLE S. MCKINSEY  
Deputy Director

cc: CWDA