

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 322-5330



February 1, 1985

ALL-COUNTY LETTER NO. 85-19

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: DARCES v. WOODS

REFERENCE: ACIN I-50-84; ACL 84-124

All-County Letter (ACL) 84-124 dated December 4, 1984 advised counties of the judgment issued in the case of Darces v. Woods. Under the Darces order counties are required to (1) allow for the needs of an undocumented minor in the home when determining the income of the minor's parent that is available to the assistance unit and (2) cease assuming income to be available to the assistance unit when it is actually being used to meet the needs of the parent's unaided, undocumented minor children. This judgment was effective November 1, 1984.

Counties are now instructed to comply with this order by applying the policies set forth below to all actions taken on or after November 1, 1984. In addition, for cases that counties flagged per ACL 84-124, counties must now go back and redetermine eligibility and grant amounts following the policies below.

To implement this order, you must now do the following:

I. Gross Income

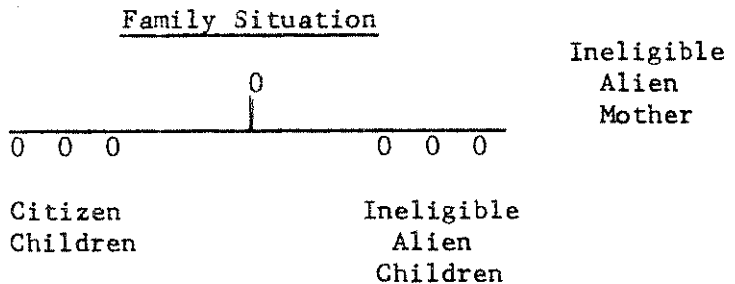
When applying the gross income limit test in cases that have undocumented minor children in the home:

- A. Apply the 185% test to the total reported or anticipated gross income of the otherwise eligible members of the assistance unit. When the gross income includes the income of a parent living in the home but not included in the assistance unit, the MBSAC shall be increased by one for such individual. See Section 44-207.2. If the gross income is at or below the 185% limit, determine the assistance unit's financial eligibility and grant amount in accordance with II below. These cases are to be claimed as federal cases.

B. When the gross income is above the 185% limit (in A above), the county must do a Darces 185% gross income test as follows:

1. Compare the gross income of all members of the family (parent(s) plus children) to 185% of MBSAC for the entire family plus the value of any special needs. If the gross income is less than 185% of MBSAC plus any special needs, the family has met this test. These cases will be claimed as State-only cases. The earned income of the undocumented minor children who are full-time students shall be disregarded for up to six months in a calendar year for the 185% gross income test.

Example:



The family's gross income is \$1,690 and the family has no special needs. 185% MBSAC for seven is \$1,719. The family has met the gross income test.

2. When the applicant/recipient has met this test, continue with the financial eligibility test in II below.

II. Financial Eligibility/Grant Computation

When applying the net income test (financial eligibility) and computing the grant amount in cases that have ineligible undocumented children, determine if the income of the ineligible children is less than the MAP differential* plus recurring special needs for all excluded family members. If so, deduct it from the MAP differential plus recurring special needs. Deduct the remainder from the excluded parent's income, and that remainder is income available to the assistance unit. If the excluded children's income equals or exceeds the excluded members' needs, all of the excluded parent's income is available to the assistance unit. In such instances, the balance of the excluded children's income is not considered available to the assistance unit. The net nonexempt income of the undocumented children shall be determined in accordance with Chapter 44-100. The disregards in Section 44-113 except the \$30 and 1/3 and the \$30 disregard shall be allowed. The student exemption of earned income shall be allowed to the undocumented children in accordance with Section 44-111.22.

*MAP differential is the difference between the maximum aid payment (MAP) for the number of persons in the assistance unit excluding the ineligible persons, and the maximum aid payment for the persons in the assistance unit including the ineligible persons.

Example 1: Same family situation as in the example above.

The excluded mother has earnings of \$200/month, and 3 ineligible children receive \$125/month each as child support. The needs of the excluded members are \$374 (MAP differential between 7 and 3 members with no special needs). Since the children's income (\$375) exceeds all of the excluded members' needs (\$374), all of the mother's income would be available to the assistance unit (less the earnings disregards specified in 44-133.3).

Example 2:

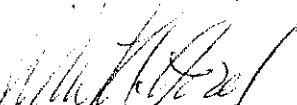
The mother has gross earnings of \$500/month and one of the ineligible children receives \$100/month child support. After deducting the excluded child's income from MAP differential for four (\$374), the excluded members' remaining needs are \$274. After deducting the earnings disregards specified in 44-133.3 from the excluded parent's income, the remaining needs (\$274) would also be deducted from the excluded parent's income. The remainder would be income available to the assistance unit.

With the implementation of the Deficit Reduction Act (DEFRA)(Phase II), you must identify ongoing Darces cases which were not previously flagged and which may be entitled to additional benefits from November 1 forward. All-County Letter 85-02 dated January 8, 1985 provided you with a return form for recipients. This form, which will identify potential Darces cases, was to be sent to the entire caseload by February 1, 1985. If the return form is not received, the county must contact those recipients where the case file indicates that they might be eligible (any listing that shows children not in the assistance unit but in the home who are undocumented aliens, and parent has income whether or not the parent is in the assistance unit). For all identified Darces cases, counties must apply the policies described in I and II above.

The Department intends to promulgate regulations to reflect the above policies through regular processing. In the meantime, this letter shall serve as the basis for compliance with the Darces judgment. Notice of Action language is under development and will be made available to counties as soon as possible.

In order to ascertain county compliance, we request that you complete and return the attached certification form no later than two weeks following receipt of this letter.

If you have any questions regarding the Darces implementation, please contact the AFDC Policy Implementation Bureau at (916) 322-5330.


ROBERT A. HOREL
Deputy Director

Attachment

cc: CWDA