DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814

January 23, 1986

ALL-COUNTY LETTER NO. 86-09

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP REGULATIONS, "DISCLOSURE AND NONCOMPLIANCE WITH OTHER PROGRAMS" (ORD# 0585-26)/AFDC "INTENTIONAL NONCOMPLIANCE"
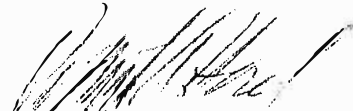
REFERENCE: ALL-COUNTY FOOD STAMP COORDINATORS LETTER (Dated October 22, 1985)

In order to comply with Federal regulations, the Food Stamp Program adopted regulations effective December 1, 1985 which provide that food stamp benefits cannot be increased when any means - tested program, e.g., AFDC, is recouping an overpayment caused by an "intentional noncompliance" with that program's requirements. The food stamp penalty is applied only upon learning that a finding of "intentional noncompliance" has been made by the other program. The purpose of this letter is to specify circumstances of intentional noncompliance in the AFDC program.

With the implementation of the Federal Omnibus Budget Reconciliation Act (OBRA) of 1981, AFDC regulations were adopted to require that all overpayments known to the counties be promptly collected. The OBRA regulations also made it necessary to repeal the previously existing standards for determining whether overpayments were due either to willful or to nonwillful noncompliance by the overpaid recipient. Consequently, AFDC has no regulatory standards for determining whether overpayments are due to willful or nonwillful causes, since there is no need for and no AFDC application for such determinations.

Therefore, intentional noncompliance in AFDC-FG/U, EA-UP, RCA/ECA, and RDP can only be found where there has been a prosecution for fraud and a guilty verdict, whether by plea or findings of a trial.

If you have any questions on Food Stamp Program issues, please contact the Food Stamp Policy Implementation Bureau at (916) 324-6584 or 322-4408. Questions regarding AFDC policy should be directed to Mr. Jim Dunehew of the AFDC Policy Implementation Bureau at (916) 324-2015.

ROBERT A. HOREL
Deputy Director