

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



May 30, 1989

ALL COUNTY LETTER NO. 89- 47

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: Implementation of the Order and Stipulated Judgement in the Louis v. McMahon Court Case

REFERENCE:

The purpose of this letter is to inform you that on April 7, 1989, the Order and Stipulated Judgement in the Louis v. McMahon court case was signed and filed with the San Francisco County Superior Court. A copy of the Order is attached.

In accordance with the Order, Counties are instructed that pursuant to 42 U.S.C. Sections 407(a) and 1383(d)(1), Social Security and/or SSI (including SSP), benefits are exempt from collection against Aid to Families With Dependent Children (AFDC) overpayments. 42 U.S.C. Section 407(a) reads, in part, that:

"The right of any person to any future payment under this title shall not be transferable or assignable, at law or in equity, and none of the moneys paid or payable or rights existing under this title shall be subject to execution, levy, attachment, garnishment, or other legal process . . ."

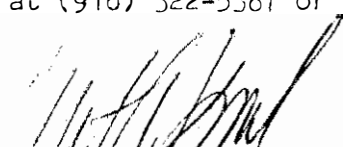
This means that Social Security and/or SSI funds are not subject to collection and that these funds cannot be used to repay AFDC overpayments without the express permission of the client. In order to ensure that individuals are informed of the exempt nature of Social Security and SSI benefits, and to avoid the appearance of legal process with respect to these funds, effective October 1, 1989, all overpayment and/or collection letters to clients must include the following: "You do not have to use any Social Security or SSI benefits you get to repay this overpayment."

The attached ten Notice of Action (NOA) messages with instructions are included to notify recipients of the impact of Louis v. McMahon on overpayments. These NOA messages supersede current messages and are effective October 1, 1989. They are:

M44-350A	M44-350F	M44-350H	M44-352C	M44-352H
M44-350E	M44-350G	M44-352A	M44-352G	M44-352J

These ten NOA messages will not be provided in camera ready format, therefore, Counties are to reproduce them as appropriate. Translated versions will follow as soon as possible in the five standard languages.

Should you have any questions, please contact an Overpayment Recovery Consultant at (916) 322-5387 or ATSS 492-5387.



ROBERT A. HOREL  
Deputy Director

Attachments