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PREPARED
by

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**RECIPIENT
ANALYSIS
OF
WELFARE
SIMPLIFICATION
&
COORDINATION
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INTRODUCTION TO NWR&RU

The National Welfare Rights & Reform Union (NWR&RU) is the only incorporated national welfare rights organization in the Country with membership from coast to coast. The organization maintains offices in California and Washington, D.C. NWR&RU is in the process of obtaining a national toll-free telephone number for its low income members.

MEMBERS OF NWR&RU

NWR&RU has two types of members:

- Current or former welfare recipients who represent local or state recipient organizations. The membership fee is \$25 a year.
- "Friends" of welfare rights are persons or organizations who support welfare rights, such as; legal aid attorneys, social workers and other persons. Membership fee is \$50 a year.

NWR&RU regularly recruits members and friends of welfare rights.

MEMBER BENEFITS

All members and friends of welfare rights will receive the quarterly "National Welfare Rights Reporter" and other mailings that NWR&RU regularly issues.

Members can also contact the NWR&RU offices to obtain help regarding assistance programs affecting welfare recipients of America.

Members can receive assistance with typesetted forms for the local organizations and other appropriate technical assistance.

NWR&RU ACTIVITIES

The NWR&RU Board of Directors meets quarterly in Washington D.C. to discuss common problems facing local and State welfare rights organizations and adopts strategies to jointly attack these problems and defeat them through legislation, litigation or direct action.

NWR&RU BOARD MEMBERS AND QUALIFICATIONS

The majority of the members of the Board of Directors are currently eligible clients of various welfare programs and legal services.

The meetings are open to the members and "friends" of welfare rights.

INTRODUCTION

This document contains the comments of welfare recipients and welfare rights organizations regarding "welfare simplification.

The group reviewed the APWA side-by-side to determine its "recipient impact." We have noted that when developing any new policy affecting AFDC and Food Stamp recipients, the views of the consumers are often, if not always, overlooked. We have not had the funds to participate in the past meetings of this Committee, but a careful review of the committee minutes were revealing.

For example the Administrator of USDA, FS stated that simplification **should be approached from the perspective of the client.** David Caprara of HUD also emphasized that coordination and simplification **should be achieved from the vantage point of the recipient.** Finally, Congressman Emerson stated that the primary purpose of federal assistance programs is to **promote economic self-sufficiency and the strength of the family.**

In reviewing the APWA recommendations, from the "vantage point of recipients" and have found that often our point of view was not reflected in their recommendations. The reason is very clear. **APWA DOES NOT REPRESENT AFDC OR FOOD STAMP RECIPIENTS.**

They represent the "welfare upper management bureaucracy." (Most welfare workers are represented by AFSME or AFL-CIO affiliated locals.)

We were pleasantly surprised with some of their positions, infuriated by others and shocked at the simplification issues that were not included in their report.

In our report, we have included some of the issues not covered in the APWA report.

In summary, welfare recipients support program simplification when it does not hurt their impoverished families.

We also discuss what types of changes are needed in the existing program to be more responsive to families in helping them toward self-sufficiency and enhancing their self-esteem.

One of the major problems the group identified was the lack of choices in welfare programs for clients.

On the next page, we briefly set forth the major problems in the AFDC program and proposed solutions to those problems.

Problems in the Current Income Assistance Programs for Poor Families

1. Families are punished for working. Their income disregards are virtually eliminated after four (4) months. There are many other laws that punish welfare recipients for working. **RESTORE THE PRE-1980 TREATMENT OF EARNED INCOME.**

2. Families are punished for getting married or for having a two-parent family unit. **REPEAL THE STEPPARENT INCOME DEEMING LIMITATION AND RESTRUCTION ON TWO PARENT FAMILIES NOT APPLICABLE TO SINGLE PARENT FAMILIES.**

3. Welfare programs are very complicated. Rules for the AFDC and Food Stamp programs are so diverse, that administering them is difficult and even more difficult for the program participants to understand.

4. There is no incentive for state agencies to administer the welfare programs in such a way that is "user friendly". **PROVIDE ENHANCED OR DECREASED FFP TO STATES DEPENDING ON HOW THE POOR RATE THE TREATMENT OF THE STATE AGENCY.**

5. The JOBS and FSET programs need to be modified to enhance participant "choice" to the extent allowable under the law to make the programs more efficient and "family friendly". **PROVIDE FOR MAXIMUM CHOICE FOR CLIENTS.**

6. Families are not paid a minimum amount to provide for their children's basic survival needs. Although families who receive less cash receive more food stamps, food stamps cannot buy clothing, housing or other non-food necessities of life. **ESTABLISH A MINIMUM BENEFIT LEVEL AT 50% OF THE POVERTY LEVEL AND MANDATE STATE MAINTENANCE OF BENEFITS LEVELS AT THE 1988 LEVEL.**

7. There are too many programs that do not reach the poor in the form of direct assistance. Rather, they are programs benefiting welfare bureaucrats for most part, such as the JOBS program, social services, etc.

Although it is alleged that the government spends over \$150 billion for welfare, AFDC recipients receive about \$15 billion a year in the form of direct assistance. AFDC children need the remaining \$135 billion to fight "child poverty" in America.

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
1. Administration Waiver Authority	Demonstration waiver authority provided in statute. There is no administrative waiver authority similar to that in the Food Stamp Program.	7 CFR 272.3(c) allows waivers of regulatory provisions for extraordinary temporary situations, more effective and efficient administration of the program, or unique geographic or climatic conditions.	AFDC version	OPPOSE APWA. We support the FSP Version. The AFDC version is too broad. Demonstration programs should be targeted to improve the AFDC or Food Stamp program. States generally use the Demonstration authority to save money- which means taking money away from families and children- or to enhance federal financial participation.
2. Application Process: Alien/ Citizenship Declaration	Each adult must attest to his/her alien or citizenship status. One adult may sign for all children.	The application form must include a statement to be signed by one adult household member certifying that the information in the application is true, including information about the citizenship or alien status of household members.	FSP Version	SUPPORT APWA
3. Application Process: Application Form	The agency shall require a written application, signed under penalty of perjury, on a form prescribed by the State, from the applicant or authorized representative.	Act contains specific requirements for application content, mandates use of a simplified, uniform national form or approved substitute, and requires a combined application for PA households and GA households if state has	AFDC version, but requires that USDA and HHS develop a generic rights and responsibility form.	OPPOSE APWA. We support the FSP version, but believe that the national form should be mandatory in all States without any deviation. Under the current system, there are 50 or more application forms. The cost of main-

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<p>4. Application Process: Delay Procedures</p>	<p>No corresponding requirement.</p>	<p>statewide GA application form.</p> <p>Regulations provide detailed procedures agency must follow if household's eligibility is not determined within 30 days after application.</p>	<p>AFDC version</p>	<p>taining all of these forms should be enough to justify our recommendation.</p> <p>OPPOSE APWA. The FSP has well thought out and "client-friendly" provisions. The AFDC program is "client-unfriendly."</p>
<p>5. Application Process: Processing Standards</p>	<p>A decision must be reached within state set standards, not to exceed 45 days. States must provide benefits from the earlier of the date of authorization or 30 days from application. They may provide prorated benefits from the date of application.</p>	<p>Clients must receive benefits retroactive to the date of application within 30 days of application under normal processing and within 5 days for expedited service.</p>	<p>"Allow states to deny application if HH does not provide requested verification within 10 days. HH application would be reinstated if verification is provided."</p>	<p>OPPOSE APWA: The recommendation has nothing to do with the problem. The problem is that AFDC has a 45-day processing standard, and FSP has a 30-day processing standard. Unlike FSP, AFDC has no national expedited services process. AFDC does not have to provide aid from the date of application, whereas the FSP does. WE RECOMMEND THE FSP VERSION FOR BOTH PROGRAMS.</p>
<p>6. Application Process: Requirements to Schedule Second Interview</p>	<p>Client must be notified orally and in writing of rights and responsibilities. There is no requirement for the agency to reschedule a missed interview.</p>	<p>Regulations require agency to reschedule interview if client does not appear for the one originally scheduled.</p>	<p>AFDC version</p>	<p>OPPOSE APWA: Giving a second chance is as American as apple pie. States are always looking for a second chance</p>

<i>ISSUE</i>	<i>AFDC POLICY</i>	<i>FSP POLICY</i>	<i>APWA POSITION</i>	<i>RECIPIENT POSITION</i>
<p>7. Application Process: Verification</p>	<p>Income must be verified through IEVS, SSN through SSA, and alien documents through SAVE. States may establish other verification requirements. Decisions re eligibility or ineligibility must be supported by facts in the case record.</p>	<p>In addition to required verification through IEVS and SAVE, regulations mandate verification of income, alien status, utility and medical expenses (when actual is claimed), SSN, identity, residency, disability and household composition (if questionable).</p>	<p>AFDC version</p>	<p>when it comes to error rate sanctions. In fact, they even sponsor legislation to get "amnesty." Impoverished families and their children deserve a second chance. WE RECOMMEND THE FSP VERSION.</p> <p>OPPOSE APWA: States have used verification as a way of denying children and families assistance to which they are eligible for and need. WE RECOMMEND THAT STATES BE REQUIRED TO UTILIZE IEVS, SAVE, AND THEN ADOPT THE FSP VERSION FOR BOTH PROGRAMS.</p>
<p>8. Budgeting Process: Anticipation of Income</p>	<p>Uses best estimate of income and circumstances based on the agency's reasonable expectation and knowledge of current, past or future circumstances. Intermittent income may be prorated.</p>	<p>Income receiving during the past 30 days is used as an indication of future income, with specified exceptions. If the amount of income or date that it will be received is uncertain, it is not used. Households may elect to have income averaged.</p>	<p>AFDC version</p>	<p>OPPOSE APWA: The FSP policy is more precise and objective. It is also "client-friendly." WE RECOMMEND THE FSP VERSION FOR BOTH PROGRAMS.</p>

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<p>9. Budgeting Process (Retrospective): <i>Income from a Terminated Source</i></p>	<p>Income received in the beginning months from a noncontinuous source which was counted prospectively is disregarded in the first and second months of retrospective budgeting. The disregard does not apply if income is received again from a similar source.</p>	<p>Income received in beginning months from a terminated source which was counted prospectively is disregarded for the first and second months of retrospective budgeting. The disregard applies unless income was received again from the same funding source.</p>	<p>No recommendation.</p>	<p>WE RECOMMEND THE FSP VERSION.</p>
<p>10. Budgeting Process (Retrospective): <i>Suspensions</i></p>	<p>If ineligibility will be for one month only, assistance may be suspended in the payment month based on income and circumstances in the budget month. Unit must generally be budgeted retrospectively the month after suspension.</p>	<p>Regulations give States option of suspending households prospectively if ineligibility will exist for one month only, Households must be budgeted retrospectively the month after suspension.</p>	<p>“In both programs suspend retrospectively if there is a one-time change in income which causes ineligibility. Continue retrospective budgeting cycle unless there is a change which by law or state option causes prospective budgeting.</p>	<p>SUPPORT</p>
<p>11. Budgeting Process: <i>Converting Income to Monthly Amount</i></p>	<p>No provision, but States may use conversion in calculating a best estimate for consistency with food stamps.</p>	<p>Income received weekly may be multiplied by 4.3 and biweekly income by 2.15 to arrive at a monthly figure, or the state’s public assistance conversion factor may be used.</p>	<p>No recommendation.</p>	<p>SUPPORT</p>

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12. Budgeting Process: Proration of Contract & Self-Employment Income	Allows states to average or prorate contract income over the period of the contract and self-employment income over the period the income covers.	Requires annualizing contract and self-employment income received in a period shorter than one year if it is the household's annual income. If income is not the household's annual income, it is prorated over the period it is intended to cover.	No recommendation.	SUPPORT APWA
13. Changes: Effective Date	Change that results in overpayment or underpayment is effective in the month of change.	Effective date depends on time frames for reporting and acting on changes.	AFDC version for effective date. Apply to prospective and retrospective budgeting. Adopt AFDC payment adjustment system, FSP overissuance establishment and AFDC collection policy.	OPPOSE: The recommendation exceeds the issue. WE SUPPORT THE FSP VERSION.
14. Changes: Monthly Reporting & Budgeting Requirements	Monthly reporting optional. HH not required to report must be budgeted prospectively unless waiver has been granted for consistency with the FSP.	Monthly reporting is optional, but prohibited for certain categories of households that must be budgeted prospectively. Other households not required to report monthly may be budgeted prospectively or retrospectively.	Change AFDC legislation to allow nonmonthly reporting HH to be budgeted retrospectively.	SUPPORT APWA
15. Change: Notice of Adverse Action	Advance notice not required when, among other reasons, mail is returned without a forwarding address.	Notice of adverse action required by 7 CFR 275.13 not required when, among other reasons, the house-	AFDC version for toll-free number and referral to legal aid. FSP version for mass changes and volun-	OPPOSE: WE RECOMMEND THE FSP VERSION.

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16. Changes: Reporting Requirements	Recipients must report promptly all changes in income, resources and other circumstances affecting eligibility or benefits as they become aware of them and also on monthly report if monthly reporting is required.	hold voluntarily requests in the presence of a case-worker that its participation be terminated. Monthly reporting HH need not report changes outside monthly report form. Change reports must report changes in income and medical expenses of more than \$25, HH composition, residence, liquid resources and vehicles within 10 days.	tary terminations. AFDC version for termination without notice when mail is returned. HH to be required to report only changes in source of income, rate of pay, employment status, changes of address and HH composition. Change AFDC regulations to require monthly reporters to report changes only on monthly reports.	SUPPORT APWA: We do believe that there is a more efficient and "client-friendly" way to obtain information of changes from AFDC and Food Stamp recipients. See Attachment "A"
17. Changes: Supplemental Benefits for New Members	New person is treated as an applicant and added the date he/she entered the HH or date determined eligible. Supplemental benefits are issued.	Supplemental benefits may be issued for a new member in month of reported change under prospective budgeting. Supplemental benefits may not be issued under retrospective budgeting for month of change, but allotment may be increased if not already issued.	FSP version.	SUPPORT APWA
18. Deductions: Dependent Care	For fulltime workers and JOBS participants: actual costs up to \$175 per month per child 2 and over or incapacitated adult living in same home and receiving AFDC and up to \$200 per	Actual not to exceed \$160 per child or other dependent when care is needed to accept or continue employment, or training or education that is preparatory to employment.	"Set limits at \$175 per individual (\$200 for children under 2). Allow deduction for seeking employment, or attending training or school. Subtract deduction from household or unit's	OPPOSE: WE RECOMMEND ACTUAL CHILD CARE DEDUCTIONS TO PREVENT CHILDREN BEING 'HOME ALONE' AS MANY AFDC KIDS ARE.

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<p>19. Deductions: Earned Income Deductions</p>	<p>month per child under 2. State may set lesser amount for part-time.</p> <p>Disregards \$90 of individual earnings. \$30 and one-third of remainder disregarded in 4 consecutive months. Then \$30 disregarded in 8 consecutive months. Not allowed again until person off AFDC for 12 consecutive months.</p>	<p>Deduct 20% of all earnings.</p>	<p>income after other deductions have been made.”</p> <p>Deduct percent of gross earned income in any month the HH or assistance unit (AU) had earnings as earned income deduction in both programs. Also use percent of earnings as basis for any incentive payment.</p>	<p>OPPOSE APWA: Under this recommendation and under the current AFDC rules, many families who work are not able to feed their children because they have to use their children's food money to meet their work-related expenses. WE RECOMMEND THAT THE EARNED INCOME DISREGARD BE RESTORED AS THEY WERE PRIOR TO THE 1980 AFDC CHANGES FOR BOTH PROGRAMS.</p>
<p>20. Deductions: Earned Income Deduction Penalties</p>	<p>\$90, \$30 and one-third, dependent care disregards not allowed if individual voluntarily quit or failed to accept job, return monthly report timely, or requested case termination to avoid receiving \$30 and one-third disregard for 4 consecutive months.</p>	<p>When calculating overissuance, earned income deduction is not allowed on portion of earned income household member willfully failed to report.</p>	<p>AFDC version</p>	<p>OPPOSE APWA: Working people should be entitled to receive their disregards, i.e. child care disregard. This recommendation is anti-poor, anti-family, anti-child and anti-work. We would support this recommendation if APWA would include a provision stating that no welfare bureaucrat will be paid for any month that he or she di-</p>

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<p>21. Deductions: Excess Medical Deductions</p>	<p>No corresponding provision.</p>	<p>A deduction is allowed for that portion of medical expenses in excess of \$35 per month incurred by any HH member who is elderly or disabled.</p>	<p>“Authorize a two-tiered standard for each state to be calculated by each state and approved by FNS.</p>	<p>rectly or indirectly caused a late submission of a required report to any state agency, the Legislature or any entity of the state or federal government. With such a rule many of the welfare bureaucrats would be homeless. WE RECOMMEND THE FSP VERSION.</p> <p>OPPOSE APWA: This is not a problem because the AFDC program does not have a “medical deduction.”</p>
<p>22. Deductions: Standard Shelter Deduction</p>	<p>No corresponding provision.</p>	<p>A deduction is allowed for actual shelter expenses in excess of 50% of the HH’s net income up to an annually updated CAP, currently set at \$194. HH containing an elderly or disabled member are not subject to the CAP.</p>	<p>“Eliminate the requirement to report changes in shelter during the certification period. Let each state develop a standard shelter expense using FNS developed guidelines. HH would verify to get actual if higher.”</p>	<p>OPPOSE APWA : This is not a problem because the AFDC program does not have a “shelter deduction.”</p>
<p>23. Eligibility: Alien Status</p>	<p>Allows participation by aliens admitted for permanent residence or permanently residing under color of law (PRUCOL).</p>	<p>Food Stamp Act limits alien participation to those admitted under specified section of the INA.</p>	<p>AFDC version.</p>	<p>SUPPORT</p>

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24. Eligibility: Certified Unit	Assistance unit consists of dependent children under 18 (or 18 if in school and will finish before 19) deprived of parental support and living in the home of the parent or specified relatives. The needs, income and resources of all in the unit are included.	HH usually consists of persons who purchase and prepare meals together. Parents and children and siblings may not be separate HH unless the parent or sibling is over 60 or disabled or the child or sibling has a minor child.	No recommendation.	NO RECOMMENDATION.
25. Eligibility: Child Support	Assigning to the State agency any rights to child and spousal support and cooperation with the child support collection agency in establishing paternity and obtaining support payments are conditions of eligibility.	No comparable provision.	Child support cooperation should be State option. Same good cause criteria as AFDC. Disregard first \$50 of child support. Provide federal financial incentives and FFP at child support FFP level. Waive initial fee.	OPPOSE APWA: This is not a problem because the FSP is not a "child assistance" program.
26. Eligibility: Potential Source of Income	Agency must establish and carry out policies with reference to applicants' and recipients' potential sources of income that can be developed to a state of availability.	There is no requirement that applicants or recipients apply for other assistance as a condition of eligibility.	Encourage, but require applicants to apply.	OPPOSE APWA: WE SUPPORT THE FSP VERSION. It is "client friendly."
27. Eligibility: Residency Requirements	Assistance unit must reside in the state, but there is no durational requirement.	HH must reside in the project area in which it applies, but there is no durational requirement.	FSP Version.	SUPPORT APWA

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28. Eligibility: SSN	Applicant must provide SSN or apply for one.	Applicant must provide number or apply for one, but good cause allowed for failure to apply.	No recommendation.	OPPOSE: WE SUPPORT THE FSP VERSION. It is client sensitive.
29. Eligibility: Striker Definition	Family ineligible if any caretaker relative is participating in a strike on the last day of the month. Individual's needs not included if individual is on strike last day of the month.	HH is ineligible if any member is on strike unless the HH was eligible prior to the strike or the striking member was exempt from work registration the day prior to the strike.	Eliminate striker provisions. Striker eligibility would be determined on same basis as that of other applicants and recipients.	SUPPORT
30. Eligibility: Students	No restrictions on student eligibility in addition to those for other individuals.	Students must meet specific eligibility criteria in addition to those which apply to other individuals.	Waive student eligibility determination for recipients of a State's GA program benefits and recipients financial education assistance based on need, regardless of source.	OPPOSE: WE SUPPORT THE AFDC VERSION. The APWA recommendation creates unnecessary complexities which are not needed. College education is the fastest way out of welfare dependency.
31. Income: Complementary Income	Permits States to disregard the value of assistance payments that are complementary and not duplicative.	With specified exceptions, generally counts state-funded assistance whether paid directly or vendored.	Amend FSP to allow a State that exempts funds from a complementary program in AFDC to also exempt income from that program for FSP.	OPPOSE APWA. WE RECOMMEND that all complementary income be exempt for both programs.
32. Income: Earnings of 18 Year Old High School Students	Disregards earnings of dependent child recipient who is full or part time student for needs and benefits	Counts as earned income.	Exclude income of 18 yr. old high school students until they reach 19 as long	SUPPORT

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
<p>33. Income: Earnings of Students under 18</p>	<p>determination. State option to disregard earnings of full-time student applicant or recipient for needs and eligibility for up to 6 months.</p> <p>Disregard earnings of dependent child recipient who is full or part time student for needs and benefits determination. State option to disregard earnings of full-time student applicant or recipient for needs and eligibility for up to 6 months.</p>	<p>Excludes if student is in school at least half time and is under parental control.</p>	<p>as they meet the definition of child for particular State's AFDC program.</p> <p>Exclude earnings of full or part time students under 18 for both eligibility and benefit determinations for both programs.</p>	<p>SUPPORT APWA</p>
<p>34. Income: Energy Assistance</p>	<p>Excludes assistance provided under low-income home energy assistance act. States have option to exclude assistance payments from other specified types of providers.</p>	<p>Excludes cash or in-kind energy assistance under federal law and with FNS approval from some State and local programs, including assistance combined with public or general assistance programs.</p>	<p>Exclude energy assistance payments based on need for both programs.</p>	<p>SUPPORT APWA</p>
<p>35. Income: HUD Utility Payments</p>	<p>States have option to count or disregard rent or housing subsidies as income, but may count only the amount that exceeds the shelter amount established in the payment standard for an assistance unit of the same</p>	<p>Vendor payments to landlord excluded. Direct payments to HH and vendor payments to utility provider counted. Amount HH owes landlord after HUD payments is allowed as rent expense. In 3rd Cir-</p>	<p>Exclude from income for both programs. Treat as issue separate from energy assistance.</p>	<p>SUPPORT APWA</p>

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
36. Income: In-Kind Income/ Vendor Payments	<p>size and composition.</p> <p>Earned in-kind income counted as income. State option to disregard support and maintenance in-kind assistance furnished by private non-profit agency or specified home energy providers. State option to count or disregard unearned in-kind income.</p>	<p>cuit, HUD utility payments excluded.</p> <p>Excludes in-kind income. Unless specifically excluded, third-party payments are counted as income if funds are legal obligated to be paid to the household.</p>	<p>Exclude in-kind benefits as income for both programs. Adopt FSP vendor payment policy for AFDC.</p>	No recommendation.
37. Income: Income Excluded by Other Laws	<p>Exclusions for education assistance, Indian per capita payments, JTPA, and other required by law differ from Food Stamp exclusions.</p>	<p>Exclusions for education assistance, Indian per capita payments, JTPA, and others required by law differs from the AFDC exclusions.</p>	<p>Amend Social Security Act and Food Stamp Act to make lists of excluded income identical. Amend both laws to allow the secretaries of agriculture and DHHS to issue regs at any time another law makes income from a program exempt for AFDC or FSP.</p>	No recommendation.
38. Income: Treatment of Income of Ineligible (Disqualified) members	<p>Treatment of the income of an individual living with the unit but not participating depends on the reason for non participation. Except for individuals disqualified for specified reasons, States have option to allocate income of non participating members.</p>	<p>Treatment of income of ineligible member depends on the reason for ineligibility.</p>	<p>Give this difference low priority or drop until coordination is achieved in the reasons for disqualification from program participation.</p>	SUPPORT APWA

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
39. Income: Irregular Income	State option to disregard small nonrecurring gifts not to exceed \$30 per individual in a quarter.	For prospective budgeting, irregular income not to exceed \$30 in a quarter disregarded. Irregular income counted in retrospective budgeting.	Revise FSP to disregard up to \$30 per person per quarter of gifts and inconsequential income in either prospective or retrospective budgeting.	SUPPORT APWA
40. Income: JTPA Earnings from State Training Programs	At State option, may disregard unearned income indefinitely and earned income for 6 months of a dependent child participating in JTPA.	Excludes all JTPA income except that from on-the-job training programs under section 204(5) of Title 11, JTPA. All OJT income of individuals under 19 under parental control excluded.	FSP version and exclude JTPA payments for HH members under 19.	SUPPORT APWA
41. Income: Lump Sum Income Payments	If unit's income after disregards exceed needs standard because of receipt of nonrecurring earned or unearned lump sum income, unit is ineligible for period determined by dividing lump sum amount plus other household income by needs standard.	Act excludes from income nonrecurring lump-sum payments including but not limited to income tax refunds, rebates or credits, retroactive lump-sum social security or railroad retirement pension payments and insurance settlements.	FSP version, but allow states to verify how the lump sum income was spend.	SUPPORT APWA, BUT REQUIRE THAT STATES USE THE FOOD STAMP RULES FOR VERIFICATION.
42. Income: Treatment of Boarder Income	Allows use of a flat percentage for expenses in calculating income from boarders.	The cost of producing self-employment boarder income (other than commercial boarding houses) is the greater of the maximum allotment amount for the boarder's HH size or the	FSP Version.	SUPPORT

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
<p>43. Income: Self-Employment Deductions</p>	<p>Expenses limited to those without which goods or services could not be produced. Depreciation, purchases of capital equipment, payments on principal of loans for capital assets or durable goods, personal business, trans., entertainment not allowed.</p>	<p>actual cost of providing room and board.</p> <p>Expense not allowed are: net losses from prior periods, depreciation, retirement money, purchase price or payments on principal of loans for equipment, personal income taxes and other work related expenses covered by earned income deductions.</p>	<p>No specific recommendation except that the expenses shall be the same for both programs.</p>	<p>OPPOSE APWA: We recommend that all deductions allowable as a business deduction for tax purposes also be allowed for AFDC and Food Stamp programs.</p>
<p>44. Income: Student Assistance</p>	<p>Excludes loans and grants obtained and used under conditions that preclude use for current living costs. Excludes aid to undergraduates from education dept. Excludes costs of attendance from Title IV, BIA. State option to disregard all student aid.</p>	<p>Excludes amounts earmarked or used for costs of attendance, but counts as income amounts made available for normal living costs.</p>	<p>FSP version, but allow states to obtain information from schools asking what portion of assistance is made available for room and board.</p>	<p>OPPOSE APWA: WE RECOMMEND THE AFDC VERSION. This recommendation is not "recipient-friendly". It maintains the the program complexity.</p>
<p>45. Income: Treatment of the \$50 Disregard</p>	<p>Disregards the \$50 pass through payments.</p>	<p>Counts payments as income. States have option to disregard, but must pay FNS the resulting additional benefits issued.</p>	<p>AFDC Version.</p>	<p>SUPPORT APWA</p>

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<p>46. Recertification: Certification Periods</p>	<p>Redetermines eligibility when necessary but at least once every 6 months unless unit reports monthly or is covered by approved error-prone profiling system. Must have a face-to-face redetermination once in 12 months.</p>	<p>Certification periods from 1 to 12 months are assigned to non monthly reporting HH, depending on HH characteristics. Monthly reporting HH must be certified for 6 or 12 months.</p>	<p>Allow open-ended authorization of benefits for all households. At a minimum, all cases must be reviewed every 24 months.</p>	<p>SUPPORT APWA</p>
<p>47. Recertification: Process</p>	<p>States may prescribe forms and procedures.</p>	<p>Law and regulations contain specific procedural requirements for notice of expiration and reapplication.</p>	<p>Allow state agencies to set own review schedules. FSP Version.</p>	<p>SUPPORT APWA</p>
<p>48. Resources: Accessibility</p>	<p>Resources are considered available when actually available and when the client has a legal interest in a liquidated sum and has the legal ability to make it available.</p>	<p>Regs exclude inaccessible resources such as those in irrevocable trusts, probate, security deposits, real property being sold, jointly held resources that cannot practically be subdivided and the other owner refuses to sell.</p>	<p>Exclude for both programs.</p>	<p>SUPPORT APWA</p>
<p>49. Resources: Burial Plans</p>	<p>Excludes one bona fide funeral agreement per individual up to \$1,500 in equity value or lower amount at state option and excludes one burial plot per individual.</p>	<p>Inaccessible funds in burial agreements and one burial plot per member are excluded. Accessible funds are counted.</p>	<p>FSP Version.</p>	<p>SUPPORT APWA</p>

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
50. Resources: Income Producing Real Property	Counts as a resource except under provisions governing real property for sale.	Excludes as a resource if producing income consistent with its fair market value or essential to self-employment, but counts income produced.	FSP Version.	SUPPORT APWA
51. Resources: Life Insurance	Counts as a resource.	Excludes as a resource.	FSP Version.	SUPPORT APWA
52. Resources: Real Property for Sale	Resource after 6 months (or 9 at the state option) if not sold. Client must agree to make good faith effort to dispose of property and repay AFDC received during sale period. If not sold during period, AFDC ends. Overpayment calculated when property sold.	Excludes for unspecified time if HH making good faith effort to sell.	FSP Version.	SUPPORT APWA
53. Resources: Resource Limit	\$1,000 per assistance unit using equity value of resources.	\$2,000 per HH or \$3,000 if one member is 60 or over, using equity value except for vehicles. Limit does not apply to categorically eligible HH or to HH members who receive AFDC.	FSP Version.	SUPPORT APWA

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
54. Resources: Transfer of Property	AFDC regulations contain no provision regarding ineligibility because of transfer of resources. But regulations allow states to impose additional conditions of eligibility. 35 states prohibit transfers or other disposition of property prior to application.	Prohibits participation in the program for up to one year of resource is transferred within 3 months prior to application or during certification period in order to meet FSP resource limits.	State may conform AFDC policy to FSP policy.	OPPOSE APWA. This rule is anti-child, anti-family and inhumane. We would RECOMMEND the abolition of this rule. To deny aid to needy children for months because their parents allegedly gave away property to qualify for AFDC is "child abuse" and has no place in a civilized society.
55. Resources: Vehicles	Excludes vehicles used as household home or needed to produce income. Excludes first \$1,500 of equity value of one vehicle and counts remainder as available resource.	Excludes vehicles used as home, needed to produce income or to transport disabled member. Counts market value over \$4,500 of 1 vehicle per HH and education and work related vehicles. Counts greater of fair market value over \$4,500 or equity for others.	Exclude one vehicle per household regardless of value. Count for both programs the excess equity (fair market value less encumbrances) value of other licensed vehicles.	SUPPORT APWA
56. Underpayments: Policy	Underpayments resulting from client or agency errors are corrected to current recipients as long as the reporting requirements for changes is satisfied. States may correct underpayments to all former recipients.	Lost benefits are restored only when the agency makes a mistake.	FSP Version.	OPPOSE APWA: APWA is not using an equitable policy. For overpayments and overissuances State agencies are allowed to go back for years and years, whereas for underpayments or underissuances APWA wants to

ISSUE	AFDC POLICY	FSP POLICY	APWA POSITION	RECIPIENT POSITION
<p>57. Underpayments: Time Limit</p>	<p>No time limit for correction of underpayments. Benefits are restored to current recipients beginning with the month that changes must be reported to the State agency. Corrective payments to underpaid recipients are permitted but not required.</p>	<p>Lost benefits cannot be restored for more than 12 months unless there is a special exception.</p>	<p>FSP Version.</p>	<p>limitations. WE RECOMMEND THE AFDC VERSION. It is "client sensitive." OPPOSE APWA: Same reasons as #56. WE RECOMMEND THE AFDC VERSION.</p>

ISSUE**AFDC POLICY****FSP POLICY****RECIPIENT POSITION****Head of HH**

Generally, the mother of the child is the head of HH. There is also the principal wage earner for the purposes of AFDC-UP.

The HH designates the head of HH.

SUPPORT FSP VERSION FOR BOTH PROGRAMS. Poor families should be able to decide who the head of their household should be rather than allowing the welfare bureaucrats to make that decision. You can't promote self-sufficiency if welfare bureaucrats are always trying to make decisions for poor families that the families should make themselves.

HH Right to file an application

Regs allow clients to file an application without delay. States can impose such requirements as both parents have to: 1) be present to file an application; 2) application must be complete before it would be accepted by the welfare agency; and, 3) the applicant must be in the right office, otherwise the application will not be accepted by the welfare agency. These rules vary from State to State, county to county, bureau to bureau within the county and intake unit to intake unit in the same bureau.

Requires that the Food Stamp office to encourage HH to file the application and shall be accepted as long as it contain the name and address and it is signed by a responsible person of the HH. If the applicant appears at the wrong office, the application will be accepted by that office, the application will be transferred to the appropriate office for processing.

SUPPORT FSP VERSION FOR BOTH PROGRAMS. Filing an application is a major undertaking for a family in the U.S.A. This especially true in the AFDC program. The FSP is more "client friendly".

Filing an application by mail.

No provision for requesting by phone that an application be mailed to HH.

Allows HH to file an application by calling the food stamp office and having an application mailed to the HH.

SUPPORT FSP VERSION. Public assistance programs should also be "energy efficient". Often, families do not have child care or transportation funds to spend days trying to get their welfare application processed.

ISSUE	AFDC POLICY	FSP POLICY	RECIPIENT POSITION
Poster Stating Rights of FS Applicants.	There is no poster requirements to inform AFDC applicants of their rights and benefits as applicants.	The food stamp office is required to post signs in certification offices which explain the application processing standards and the right to file an application on the day of initial contact.	SUPPORT FSP VERSION. Poor families have a right to be informed as to what they are entitled to given the widespread blatant violations of the rights of AFDC and Food Stamp recipients by welfare bureaucrats.
Waiver of Face-to-Face Interview	There is no provision for a waiver of a face-to-face interview.	The food stamp regulations provide for waiver of face-to-face interviews at the food stamp office in certain situations.	SUPPORT FSP VERSION. The Food Stamp Program is more "recipient sensitive" than the AFDC program, which gives "maximum flexibility" to the welfare bureaucrats and "zero flexibility" to recipients. We believe that "maximum flexibility" should be given to recipients. State welfare bureaucrats should be given the ability to respond to the "flexibility" of recipients.
Expedited Service	States have the option to operate an "emergency assistance" program. These programs are generally used by states to get increased federal financial participation for certain categories of families with children.	The food stamp office must determine if the applicant needs expedited service, which is the food stamp version of emergency assistance. If the HH is eligible for expedited service, food stamp benefits must be provided within 5 days.	SUPPORT FSP VERSION. Poor children in dire need should receive relief right away. The AFDC program does not do that. The FSP does.

ISSUE	AFDC POLICY	FSP POLICY	RECIPIENT POSITION
Replacement of lost or stolen benefits	Provides for replacement of lost or stolen checks.	Provides for a specified process for replacement of lost or stolen benefits.	SUPPORT FSP VERSION. Many families end up homeless because they don't get their welfare check on time. The state takes weeks, if not months to replace the lost or stolen welfare check.
Overpayments Adjustment Rate	Up to 10% at the states option. If the HH has earned income, then the overpayments is adjusted from the disregard amount. States are required to recoup agency caused overpayments by reducing regular benefits payments	States are allowed to establish various types of claims and are allowed to reduced Food Stamp benefits by 10% to recoup client caused overis-suances.	SUPPORT FSP VERSION. Often AFDC recipients with overpayments are forced to quit their job due to the excess amount collected from their monthly grant. In addition AFDC reduces benefits for overpayments caused by the incompetence of the welfare bureaucrats through grant adjustment, whereas the FSP does not.

These are the major issues we were able to identify for this report, however, there are many more issues that need to be addressed.

ATTACHMENT “A”

1. The state or local agency shall mail a report form (RF) to each household (HH) at the beginning of the month. The form shall be accompanied with a stamped envelop.

***REASON:* This would assure that the HH would have a mechanism to report any change to the State or local agency.**

2. *The RF should inform clients that they need to only complete and return the form if they have a change to report.*

***REASON:* There is no reasons to flood the welfare system with reports that have no change to report. The facts show that more than 85% of the RF received by the State or local agency in mandatory reporting States have no changes to report.**

3. If the HH does have a change to report, they shall complete the form and return it to the State or local agency. The State or local agency upon receipt of a completed RF shall mail the HH a “thank you” letter within 5 working days. If the client does not receive his or her “thank you letter” he or she shall contact the toll-free line and report the fact that they did not receive the thank you letter, what information they reported and a report number similar to a airline or car rental reservation number to verify that the client did indeed meet his or her reporting responsibility.

***REASON:* This system would allow clients to limit reports to situations of changes. It would also treat the clients with respect and dignity in that they would be “thanked” for reporting the changes to the state agency.**

It also sets up a system of assuring that the state agency gets the report by requiring the client to call the state agency and report orally if they do not receive their “thank you” letter.

"Empowerment of Choices"- George Bush
 October, 1988
 Does it apply to poor people on welfare?

RECIPIENT IMPACT STATEMENT



A Section by-Section
 Analysis of
 The Family Support
 Act of 1988
 P.L. 100-485

Prepared by
 National Welfare Rights & Reform Union
 EVINA M. ASLANIJA

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Effective: 3/87

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