

**FOOD STAMP PROGRAM
COUNTY REQUEST FOR REGULATION INTERPRETATION**

INSTRUCTIONS: Complete Items 1 -10 of the form. Use a separate form for each policy interpretation request. Retain a copy of the FS 24 for your records and submit the original to the Food Stamp Policy Implementation Unit, 744 P Street, M.S. 16-32, Sacramento, CA 95814.

1. REQUESTOR NAME: Aura Lee Sanchez	5. COUNTY: ISAWS Project
2. PHONE NO.: 916-255-4456	6. SUBJECT: FS Simplification
3. REGULATIONS CITE(S): MPP 63-502.2	7. REFERENCES: ACIN I-40-06 ACIN I-96-06
4. DATE OF REQUEST: 03/05/2008	8. DATE RESPONSE NEEDED: 03/12/2008

(Include ACL/ACIN, FSQUADS, court cases, etc. in references)

9. QUESTION:

Background:

Per ACIN I-40-06:

Child Support Exclusion – This option allows the State to treat legally obligated child support payments to a non-household member as an income exclusion, rather than a deduction, for the individual making the payment.

Per ACIN I-96-06:

Question:

2. If a person has earned and unearned income and pays child support directly, which income type should the child support paid be excluded from?

Answer:

The budget worksheets will be changed to deduct the child support exclusion first from unearned income and the remainder from earned income. /

Per the Budget Worksheets included in ACIN I-96-06, all of the households unearned income is added first, then child support payments is subtracted from the household's unearned income, then the earned income is added for the household, and then any remaining amount of child support paid out is subtracted from the household's earned income.

Scenario # 1

Case has an undocumented noncitizen (ineligible FS household member) who has earned income and pays legally obligated child support payments. The case also has unearned income from another FS household member that does not pay child support.

For the above scenario, should the legally obligated child support be subtracted from the household's unearned income first, or should it be deducted from earned income belonging to the individual who paid the child support?

10. PROPOSED ANSWER:

A) The legally obligated child support payment should first be deducted from the household's unearned income, and then any remaining child support paid out should be deducted from the household's earned income.

Or

B) The legally obligated child support payment should be deducted first from the income belonging to the individual that paid the child support. Any remaining child support paid out should then be deducted from the household's unearned income.

Scenario # 2

Case consists of one parent and one child. The parent has earned income and pays legally obligated child support. The case also has CalWORKs income. All members are eligible members of the FS Household.

For the above scenario, should the legally obligated child support payment be subtracted from the CalWORKs income first as it is considered unearned income, or should it be subtracted from the parent's earned income first?

11. PROPOSED ANSWER:

C) The legally obligated child support payment should first be subtracted from the CalWORKs income before it is deducted from the earned income

Or

D) The legally obligated child support payment should be subtracted first from the parent's earned income, and then any remaining child support paid out should be subtracted from the CalWORKs income

11. STATE POLICY RESPONSE (FSPIU USE ONLY):

Scenario #1: Neither of the proposed answers is correct. Per MPP 63-503.442(b), the pro rata share of the excluded non-citizens income that is counted as income to the household is calculated by first subtracting allowable exclusions from the excluded member's income and dividing the remaining income evenly among the household members, including the excluded member. The legally obligated child support payment is first deducted from the excluded non-citizen's income, not the household's unearned or earned income.

Scenario #2: The legally obligated child support payment should be subtracted from unearned income first, which happens to be the CalWORKs grant.

ANALYST:

DATE:
