



CESAR A. PERALES
 Commissioner

[An Administrative Directive is a written communication to local Social Services Districts providing directions to be followed in the administration of public assistance and care programs.]

ADMINISTRATIVE DIRECTIVE

TRANSMITTAL NO.: 83 ADM-55
 [Income Maintenance]

TO: Commissioners of Social Services

SUBJECT: Stepparent Deeming (Kelly v. Perales)

DATE: October 27, 1983

SUGGESTED DISTRIBUTION: All Public Assistance Staff

CONTACT PERSON: Any questions concerning this release should be directed to Robin Ikler, Bureau of Income Support Programs, by calling (800) 342-3715, ext. 3-7992.

I. PURPOSE

The purpose of this directive is to advise local social services districts that a decision has been issued in the case of Kelly v. Perales ordering that stepparent deeming cases include mandatory payroll deductions.

II. BACKGROUND

Stepparent budgeting procedures in 81 ADM-55 and 83 ADM-30 did not allow for the deduction of mandatory payroll taxes from earnings.

On 7/27/83, local districts were informed by GIS (IMDC006) to take immediate steps to rebudget stepparent deeming cases to reflect the inclusion of mandatory payroll deductions. To aid in the rebudgeting effort, districts were notified by a 7/28/83 letter to track such cases for possible retroactive adjustments and on 9/15/83, were informed by GIS (IMDC011) to begin retroactive adjustments.

III. PROGRAM IMPLICATIONS

This change is expected to have minimal impact.

FILING REFERENCES

	Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Social Services Law and Other Legal References	Bulletin/Chapter Reference	Miscellaneous Reference
(REV. 8/82) P	81 ADM-55 83 ADM-30		352.14(a)		134	Source Book Section XVI-P GIS (IMDC006) GIS (IMDC011)

IV. REQUIRED ACTION

A. Public Assistance

Mandatory payroll deductions (i.e., federal, state and local taxes, FICA and disability insurance withholdings) must be subtracted from the gross income in stepparent deeming cases. Local districts must also provide retroactive adjustments for all stepparent cases that have been denied, improperly recouped or underpaid since 1/1/82.

In addition, local districts must also review any affected stepparent recoupment cases and make necessary adjustments.

For any closed case where there was stepparent deeming after 1/1/82, the local social services district must mail a notice (attached) informing those persons of the court order and provide, upon request, a corrective grant. In addition, copies of the notice must be posted in public locations in each local social services district office.

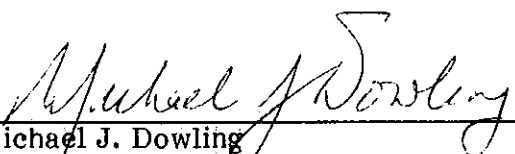
All affected cases must receive the proper amount of adjusted and retroactive benefits no later than November 28, 1983.

B. Food Stamp Implications

Instructions provided in 81 ADM-55 and 83 ADM-30 remain in effect. Any retroactive adjustments paid in accordance with the above in a single payment shall be treated as lump-sum payments for food stamps, i.e., excluded as income but counted as a resource.

V. EFFECTIVE DATE

This release shall be effective October 31, 1983 retroactive to January 1, 1982.



Michael J. Dowling
Deputy Commissioner
Division of Income Maintenance

NOTICE TO PAST CASH ASSISTANCE RECIPIENTS

A recent court decision, Kelly v. Perales, ordered social services districts to review cases where there was stepparent deeming in effect after January 1, 1982. Some former recipients who had a stepparent living in their household after January 1, 1982, may have been underpaid and may be eligible to have that underpayment reimbursed.

If you were a recipient of public assistance and there was a stepparent with income living with you after January 1, 1982, you may qualify for additional benefits. If you believe you qualify, please contact the person below, in person or in writing, and ask for a review of your case. It would be helpful if you would bring this notice with you.

Name

Address

Phone Number