

February 21, 2014

## CalWORKs Program Guide Letter No. 314

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**Subject** **CHANGES IN THE TREATMENT OF MOTOR VEHICLES**

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**Effective Date** January 1, 2014

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**Reference** All County Letters (ACL) 13-111  
CalWORKs Program Memo 14-01  
CalWORKs Program Guide (CPG) Policy Inquiry (PI) No. 2012-07

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**Purpose** To notify Family Resource Center (FRC) staff of changes regarding the treatment of vehicles in the CalWORKs Program.

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**Background** Assembly Bill 74 and Senate Bill 98 made significant changes to the evaluation and treatment of vehicles when determining resource eligibility for CalWORKs applicants and recipients.

These changes are intended to reduce the workload of staff by simplifying the vehicle evaluation and verification process.

This program letter obsoletes CalWORKs Program Memo No. 14-01 and CPG PI No. 2012-07.

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**Summary of Updates** The following CPG sections have been loaded to the online CPG:

CPG Section	Title	Program Updates
<a href="#">42-200.C.2</a>	Personal Property	Updated with the revised regulations on the treatment of motor vehicles
<a href="#">42-200.L</a>	Motor Vehicles	
<a href="#">42-200.M</a>	Steps In Evaluating Vehicles	
CalWORKs Program Memo No. 14-01	Policy Change on Treatment of Motor Vehicles in the CalWORKs Program	Obsolete and incorporated into <a href="#">42-200.C</a> , <a href="#">42-200.L</a> and <a href="#">42-200.M</a>

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CPG PI 2012-07	Usage of Online Kelley Blue Book	Obsolete and incorporated into <a href="#">42-200.L.6</a>
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Changes to the CPG are noted with highlighted text.

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## New Rules

Effective January 1, 2014:

- CalWORKs clients will be able to retain vehicles that have an equity value of \$9,500 or less.
  - Any equity value in excess of the \$9,500 vehicle asset limit will be counted toward the Assistance Unit's (AU) maximum resource limit.
  - Clients can self-certify the amount of the vehicle's Fair Market Value (FMV) and any encumbrances. **CW 80 Self-Certification Form for Motor Vehicles** has been developed for this purpose. Clients are required to complete and submit this form.
  - Vehicles for which ownership have been transferred to the client as a gift, donation, or family transfer, will not be attributable toward the AU's maximum resource limit. Clients are required to provide verification from the Department of Motor Vehicles (DMV) of the gift, donation or family transfer.
  - The changes apply to all motor vehicles, both licensed and unlicensed.
  - The \$1,500 equity exemption has been eliminated.
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**Human Services Specialist (HSS) Actions**

HSSs will have clients complete the CW 80 form. The form will be used to determine the equity value of all vehicles and how much value to count toward the AU's resource level. Unless questionable, the client's self-certification is acceptable.

For vehicles obtained as a gift, donation or family transfer, clients will be required to request a copy, via U.S. mail, of the original title transfer or bill of sale documentation from the DMV indicating that the vehicle was a gift, donation or family transfer. DMV charges a fee for this verification. If the client needs help obtaining the documentation, or is unable to pay the DMV fee, the HSS will assist the client in obtaining the verification, including paying the DMV fee in accordance with the procedures described in [CPG 40-100.J Payment of Third Party Verifications](#). Once the DMV documentation is received, exempt the vehicles meeting these criteria.

If the information provided is questionable and the discrepancy could potentially affect the AU's eligibility, the HSS will take steps to resolve the potential discrepancies with the client. The HSS will allow the client to correct/clarify any discrepancies, and will reevaluate the AU's eligibility with the corrected information.

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**CalFresh Program Impact**

No impact. All vehicles are excluded for CalFresh. Refer to [CFPG 63-203.3](#).

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**Medi-Cal Program Impact**

No impact.

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**General Relief Program Impact**

No impact.

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**Child Care Program Impact**

No impact.

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**County  
Medical  
Services  
Program  
Impact**

No impact.

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**Automation  
Impact**

CalWIN changes to reflect these new regulations are in progress and will be scheduled for a future release.

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**ACCESS  
Impact**

No impact.

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**Forms Impact**

**CW 80 - Self-Certification Form for Motor Vehicles**

This form is required and HSS will utilize this form to determine:

- The equity value of all vehicles,
- How much value to count toward the AU's resource level, and/or
- Vehicle exemption.

The form is not available in CalWIN and it is in the process of being uploaded into the CERMS Repository and Xerox. In the meantime the English version of the form is attached to this memo for immediate use, pending its availability in CalWIN, CERMS Repository and Xerox. Additional languages will be provided when available.

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**Document  
Capture  
Impact**

Due to the fact that the **CW 80** form requires a client's signature, the form shall be submitted for document capture.

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**Quality  
Control Impact**

Quality Control will cite the appropriate error when the regulations cited in the material have not been followed.

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**Manager  
Approval**



*Rick Wanne, 2-21-14*

**RICK WANNE, MA, MFT**  
Eligibility Operations Director

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**Manager  
Contact**

CaWORKs Program

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