

County of San Diego, Health and Human Services Agency (HHS) (HHSA)
CalWORKs Program Guide

Motor Vehicles

Number

42-200.I

Page

1 of 4

Revision Date:

January 1, 2023

Background:

All non-exempt vehicles must be evaluated at application, when the Assistance Unit (AU) reports on the periodic report (SAR 7) that they have acquired a vehicle, and at redetermination (RRR).

Purpose:

This material revision is to renumber this section from CalWORKs Program Guide (CPG) 42-200.L to 42-200.I. There is no policy change. CPG 42-200.L becomes obsolete with the issuance of this material.

Policy:

Motor Vehicles

Motor vehicles include, but are not limited to the following:

- Cars
- Trucks
- Sports Utility Vehicles (SUVs)
- Vans
- Boats
- Trailers
- Campers
- Recreational Vehicles (RVs)
- Motorcycles
- Houseboats
- Jet Skis
- Snowmobiles

Exemptions

A vehicle's value is exempt as a countable resource, if any of the following criteria is met:

- Used over 50% of the time to produce income (taxi, truck, fishing boat, etc.)
- Used 50% or less of the time to annually produce income that is consistent with its Fair Market Value (FMV)
- Necessary for long distance travel, other than daily commuting, that is essential to the employment of the household member (traveling salesperson, a migrant farm worker following the work stream, etc.)
- Would be exempted under any of the above, but the vehicle is not in use because of temporary unemployment (taxi driver is ill and cannot work; fishing boat is frozen in and cannot be used; etc.)
- Used as the family's home
- Necessary to transport a physically disabled household member, including an excluded disabled family member, regardless of the purpose of the transportation and all of the following apply:
 - Limited to one vehicle per physically disabled household member
 - The vehicle does not need to have special equipment, or be primarily used by the physically disabled household member

If the person's physical disability is not evident, verification from a physician certifying that the person is physically disabled must be provided

- Used to carry fuel for heating or water for home use, when the transported fuel or water is the primary source of fuel or water for the family
- If leased, it is not a resource until a transfer of ownership to the customer has occurred
- Ownership of the vehicle was transferred through a gift, donation, or family transfer; verification from the Department of Motor Vehicles (DMV) is required:

County of San Diego, Health and Human Services Agency (HHS) CalWORKs Program Guide

Motor Vehicles

Number

42-200.I

Page

2 of 4

- DMV charges a fee for the transfer verification; refer to CPG 22-000.B if the customer needs help obtaining the documentation, or is unable to pay the DMV fee
- Allow adequate time for the customer to apply for and receive verification from the DMV as follows:
 - 30 days from the date the customer requested the verification for the DMV to mail the verification to the customer and provide the documentation
 - An additional 30 days to submit the DMV verification if, at no fault of the customer, the DMV has failed to provide the transfer verification to the customer
 - If the DMV verification has not been provided by the customer by the 60th day, the process to discontinue the case will begin if the value of the vehicle puts the AU over the maximum allowable resource limit

The above vehicle's value exclusions also apply to:

- Vehicles used by ineligible noncitizens or disqualified persons whose resources are considered available to the family
- Unlicensed vehicles on Indian reservations that do not require vehicles driven by tribal members to be licensed

Inaccessible Vehicles

If a vehicle is registered to the AU but the vehicle is inaccessible because it is in the possession of a person who is not in the AU (for example, separated spouse), that vehicle **cannot be** automatically excluded as inaccessible. The AU must provide evidence (a statement from the individual refusing access, or from a collateral contact, or from the AU) that the vehicle is inaccessible before it can be excluded.

Examples:

- The whereabouts of the person with the vehicle are unknown
- The vehicle is in a locked storage facility, to which the AU has no access
- The person with the vehicle has left the AU's residence and refused the AU access to the vehicle
- The AU does not have the ability to sell the vehicle without the agreement of the joint owner who refuses to comply

Determining the Vehicle's Value

The customer is required to self-certify, under penalty of perjury, the vehicle's FMV, encumbrances, and identify any possible vehicle exemptions.

The customer must complete one of the following required forms:

- SAWS 2 PLUS Appendix E - use only at application and at RRR
- CW 80 Self-Certification Form for Motor Vehicles - use only for mid-period report/SAR 7 changes

Fair Market Value (FMV)

The customer's entry of the FMV amount on the self-certification form will be accepted. If the information provided is questionable and any discrepancies could potentially affect the AU's eligibility, the potential discrepancies will be resolved by, allowing the customer to correct/clarify the discrepancies, and reevaluate the AU's eligibility with the corrected information.

County of San Diego, Health and Human Services Agency (HHS) CalWORKs Program Guide

Motor Vehicles

Number

42-200.I

Page

3 of 4

If the customer requests assistance or is unable to determine the vehicle's FMV on their own, the customer will be assisted by using the Kelly Blue Book (KBB) or other reputable resources.

If the customer determines that they overestimated or underestimated the value of the vehicle, or disagrees with the KBB value, the customer will be allowed an opportunity to acquire a written estimate of the value from a dealer, broker, repair facility, personal property appraiser, financial institution or other legitimate source. The written estimate will be accepted as the FMV.

Vehicle Encumbrances

For purposes of determining the EV of the vehicle, the encumbrance is the amount that the customer is obligated to pay for the vehicle or the amount owed on the vehicle.

If the customer determines that they overestimated or underestimated the amount of the encumbrances, allow the customer an opportunity to acquire verification or other legitimate documentation. The written verification will be accepted as the amount of the encumbrances.

Fees that must be paid to have the vehicle's ownership transferred, overdue registration, or other charges, are not considered encumbrances when determining the EV.

Equity Value (EV)

The EV is the FMV minus encumbrances. Any EV that exceeds the EV threshold must be counted toward the AU's maximum resource limit. Each vehicle value determination must be documented in the case.

The denial/discontinuance Notice of Action, due to excess resources resulting from the final vehicle's value used for the asset test, must inform the customer of their right to rebut that vehicle's value.

The EV threshold will be allowed as follows:

- **\$4,650** from January 1, 1998 to December 31, 2013 (Refer to ACL No. 97-66 for prior evaluation regulations)
- **\$9,500** from January 1, 2014 to May 31, 2020 (ACL No. 13-111)
- **\$25,000** from June 1, 2020 to June 30, 2021 (ACL No. 19-67)

Effective January 1, 2021, the EV threshold will be adjusted upward annually on July 1 by the increase, if any, in the United States (U.S.) Transportation Consumer Price Index (CPI) for All Urban Consumers published by the U.S. Department of Labor, Bureau of Labor Statistics.

- Effective July 1, 2021, allow **\$25,483** (ACL No. 21-38)

Procedure:

Processing Guide 42-200.I1 Steps in Evaluating Vehicle

Impacts:

Refugee Cash Assistance (RCA)/Trafficking and Crime Victims Assistance Program (TCVAP) CalWORKs

Regulations relating to financial eligibility and payments apply to RCA/TCVAP CalWORKs unless specifically superseded by RCA/TCVAP CalWORKs regulations, which exempt specific income and

**County of San Diego, Health and Human Services Agency (HHS) (HSA)
CalWORKs Program Guide**

Motor Vehicles

Number

42-200.I

Page

4 of 4

resources from the income eligibility determination. These implementation instructions for the vehicle maximum allowed non-exempt value increase also apply to RCA/TCVAP CalWORKs customers.

CalFresh Program

Refer to CalFresh Program Guide (CFPG) 63-200 for CalFresh regulations related to resource evaluation.


References:

- Eligibility and Assistance Standards (EAS) 42-215.4
- All County Letters (ACLs) No. 13-111, 15-27, 18-76, 19-67, 21-38

Sunset Date:

This policy will be reviewed for continuance by January 31, 2026.

Approval for Release:

 , 1-9-23

Rick Wanne, Director
Self-Sufficiency Services