

## SECTION 60: PERSONAL PROPERTY

### .1 DEFINITION OF PERSONAL PROPERTY

Personal property is any property, tangible or intangible, that is not real property, generally consisting of possessions which may be easily transported or stored, or present or future interests in property whether legal or equitable. Personal property may be in the nature of a property right, such as uncollected debts and claims, and includes vehicles, liquid resources, deferred compensation, accounts receivable and/or interest in a firm under receivership. Liquid resources consist of cash on hand and assets which can be readily and quickly converted to cash, such as savings, checking and other bank accounts, the cash surrender value of insurance policies, stocks, bonds, IRA's, KEOGH's. Verification of the value of personal property shall be provided before any aid is paid except GR-IN. See Section 80.2.

### .2 PERSONAL PROPERTY MAXIMUM

- .a** No aid shall be given to any EU having non-excluded secondary real property (50.6) and/or personal property with a net value in excess of \$1000.

Cash or liquid resources in excess of \$50 shall be subtracted from the monthly maximum aid payment when determining the initial month's grant.

- .b** Encumbrances of record are to be considered in determining the personal property holdings of the EU. Encumbrances on vehicles must be recorded with the DMV in order to be subtracted from the vehicle value. Verification of an encumbrance is required only when the unencumbered value would make the EU ineligible to receive GR.
- .c** If the EU does not agree with the value assigned to any personal property item, they may submit three (3) appraisals prepared by qualified appraisers. The highest of these appraisals shall be used in determining the value of the personal property item.

The value of any items of personal property not excluded under Section 60.4 is included in the maximum permissible property total.

**.3 PERSONAL PROPERTY TO BE INCLUDED**

Personal property of a sponsor and the sponsor's spouse of a resident non-citizen will be deemed to be the personal property of the non-citizen for the purposes of establishing eligibility to receive GR. However, the deeming of the sponsor and sponsor's spouse's personal property shall not apply to a resident non-citizen whose sponsor has abandoned his or her duty to support the non-citizen. Abandonment of the duty to support shall include abuse, battery, neglect or refusal to support pursuant to the W & I Code 17001.7.

- .a The amount of personal property resources of a sponsor and the sponsor's spouse that shall be deemed to be the resources of a non-citizen for any month shall be the total value of personal property resources determined as if the sponsor were applying for GR, reduced by one thousand five hundred dollars (\$1,500).

**.4 PERSONAL PROPERTY TO BE EXCLUDED**

- .a The value of household furniture and personal effects, including engagement and wedding rings and heirlooms, not to exceed \$500.
- .b The value of tools, supplies, equipment and other items which are determined by the Agency to be an essential part of a program of rehabilitation or a program to assist in the maintenance and self-support of the EU.
- .c The value of one vehicle per EU whose net value does not exceed \$4,650.
  - (1) The value of a vehicle is determined per most recent Kelly Blue Book (KBB) "private party" value at the time of the determination.
- .d Up to \$1000 placed in an irrevocable trust for funeral, cremation or interment expenses is excluded from consideration. If the totals or burial reserves exceed \$1000, only the excess over \$1000 is included in the property values.
  - (1) Money or securities must be placed in an irrevocable trust with either a banking institution or trust company legally authorized by the State of California to serve as trustee or with not less than three (3) persons, one of whom may be an employee of the funeral director who is entering into a Pre-need Funeral Arrangement as provided in the Business and Professions Code.
  - (2) Life or burial insurance purchased specifically for funeral, cremation or interment expenses, which is placed in an irrevocable trust or which has no cash or loan value to the insured, is exempt.

**.4 PERSONAL PROPERTY TO BE EXCLUDED (cont'd)**

- (3) Securities by a licensed cemetery authority which by their terms are convertible only into payment for funeral, cremation or interment are exempt.

**.5 TRANSFER OF PERSONAL PROPERTY**

No person will be eligible to receive GR if there has been an assignment, transfer or release of personal property or income producing property for the purpose of qualifying for aid within the last two (2) years unless it is verified that reasonable compensation was received and used for necessary living expenses for the applicant/recipient or his or her legal dependents. A person who uses personal property to repay any obligation within two (2) years prior to application for GR shall be required to present evidence substantiating those obligations.

**.a** The following transfers, releases or assignments of personal property result in ineligibility:

- (1) in return for life care;
- (2) to reduce holdings within GR maximums;
- (3) to avoid utilization;
- (4) relinquishment of life estate or other possessory interest for less than market value or for an interest to commence in possession or enjoyment at a later date;
- (5) inability to account for disposition of property.

**.b** A GR recipient who uses personal property to repay any obligations must present evidence substantiating those obligations.

**.c** When ineligibility results from the transfer of personal property, the period of ineligibility is the period the net market value would have supported the EU under current GR standards.

**.6 FOREIGN ASSETS**

Foreign assets will be included unless the EU provides verification of official action to block or freeze a foreign account or asset.