

Legal Aid Series Nine: Overpayments

The welfare bureaucracy is large, its rules can be confusing and sometimes mistakes are made. Even by welfare. If you get more welfare assistance than you deserve, you have to pay it back. You should know your rights and options before welfare comes after you.

Getting public assistance, such as Aid to Families with Dependent Children, to which you are not entitled is called an overpayment. Getting food stamps you don't have coming is called overissuance. These are both considered a debt you owe to the State of Oregon. An overpayment is figured by subtracting the amount of benefits you should get from the amount you actually receive. Overpayments happen because either people on welfare fail to report income or circumstances they should have, or the welfare worker simply makes a mistake. Whatever the reason, anyone on the grant at the time of overpayment is responsible for paying back the extra.

If you're on ADC, and you get too much, it doesn't matter whose fault it was. It's still considered an overpayment and you have to give it back. All of it. If you're owed backpayments, they'll be used to pay off the debt. You won't have to pay it back at once and there are

several ways to do it.

The amount of your welfare check could be reduced until the debt is paid off. If your only income comes from welfare, your check will be cut by 10 percent. But if you have other income as well, more than 10 percent will be taken. Note, however, if your overpayment happened before Oct. 1, 1981, your ADC check cannot be cut by 10 percent.

Other ways of repaying ADC is by cutting day care payments 10 percent, taking any state income tax refunds you have coming, or, if you're working, reducing any earned income deductions. This last method could result in getting a smaller welfare check or no check at all.

The welfare people can also sue you in court or ask you to sign a "confession of judgement." If this happens, get legal help immediately. It's also time for a lawyer's help when they threaten to garnish your wages or take your personal property. Talk to someone about your rights, and don't sign anything you don't understand or disagree with.

Collecting on excess food stamps, overissuance, works differently. If the overissuance was not your fault, welfare cannot cut back

on your food stamps unless you agree to let them do it. If the bureaucracy made the error, you may agree to pay off the debt in monthly installments or let them cut back on your food stamps until the debt is cleared. But they cannot force a reduction in food stamps, or slap you with penalties for not paying back the overissuance.

If, however, it was your fault, welfare may cut your monthly food stamps by 10 percent or \$10, whichever is more, or in the case of fraud, by 20 percent or \$10, whichever is more. Any back food stamps owed you can also be used to pay the debt, along with your state tax refunds. Welfare may let you use cash or food coupons to pay off debt in three years. If that's not long enough to pay it back, ask welfare to reduce your debt. And if you can't afford the payments, ask for a new payment plan. Remember, unless you ask for a payment plan, welfare will automatically cut your food stamps by 10 to 20 percent. But they cannot use food stamps to pay back ADC overpayment, or use you ADC to pay back food stamp overissuance. Throughout this whole ordeal, welfare may accuse you of fraud, and you should know what it means. Fraud is purposely giving false in-

formation to get benefits you shouldn't be getting. If you knowingly give false information or withhold information to get ANY type of public benefits, you are committing fraud. Welfare calls this "Intentional Program Violation" (IPV). If your case-worker thinks you lied or withheld information, a welfare investigator will look into your case. Welfare cannot prosecute or jail you for fraud. But it can cut off your benefits six months for the first violation, one year for the second and permanently for the third. Your ADC cannot be cut off for overpayments that happened before Nov. 1, 1988. But welfare can also refer your case to the District Attorney for criminal prosecution. Welfare fraud is a Class C felony in Oregon. If convicted, you could face fines, restitution, and in rare cases, jail. So if you are accused of fraud, get legal help and learn your rights.

In any overpayment case, whether or not you're accused of fraud, you must get a 10-day written notice before welfare is cut off or benefits are reduced. The notice must explain how the overpayment was figured. Your welfare worker must explain the situation, and how the debt will be collected. You can refuse to talk to welfare workers or inves-

tigators about the overpayment. It's your right. If you do talk, anything you say can be used against you. You must also be given a hearing, if you ask for it. If you don't think there is an overpayment, or that welfare is charging too much, or disagree with collection methods, then ask for a hearing. You have 45 days to ask if ADC, General Assistance or medicare is involved, 90 days for food stamps. If you ask for a hearing within 10 days of getting your notice, your benefits won't be stopped or cut, in most cases, until a decision comes out of the hearing. If you're being investigated, you can have the hearing postponed until you know whether you face criminal prosecution or Intentional Program Violation. In any case, don't go through this alone.

Multnomah County Legal Aid Service provides legal advice and representation to low-income people living in Multnomah County facing welfare problems. Appointments may be made by calling our North/Northeast Community Law Office (In the Portland Community College Cascade Campus) at 295-9494. For telephone advice, call the Welfare Rights Hotline at 241-4111.

News From The Oregon Department Of Veterans' Affairs

Oregon Department of Veterans' Affairs Director Jon Mangis announced that effective 6-29-93, the loan limit was raised from \$80,000 to \$135,000 on State GI loans. Governor Roberts signed House Bill 2156 late yesterday approving the Director's authority to set a maximum loan amount using a reasonable formula. For 40 some years, the Legislature has specifically adjusted the loan limit upward. "It is helpful to have the flexibility to adapt for real estate costs as they occur; waiting 2 years to respond to changes in housing costs was not responsive to Oregon's veterans," stated Mangis.

ODVA Rate as June 30, 1993:
6.7% fixed for a 15-year term, APR=7.06%
7% fixed for a 30-year term, APR=7.23%

Those eligible for home loans are primarily the Vietnam era veterans. Mangis is seeking changes to federal laws which restrict the criteria. Those interested in learning more about the loan program should call:
1-800-828-8801, ext. 2070
in Salem, 373-2070

Prostitution Arrests NE MLK And N. Interstate Avenue

North Precinct Officers arrested 11 women and 1 man on prostitution related charges during an undercover mission where, male plainclothes officers posed as johns, to make the arrest. The mission was conducted from Thursday evening, July 1 till the early morning hours of Friday, July 2, 1993. The one man arrested, was posing as a female prostitute. The arrests were made along NE Martin Luther King Jr. Blvd (MLK) and N. Interstate Avenue.

Similar missions are expected to be conducted in the future.

The Oregon Thunderbolts Are Looking For Players

The Oregon Thunderbolts are gearing up for their fifth consecutive championship season and are currently looking for Offensive Linemen and Linebackers (preferably with college experience).

If you are interested in trying out, contact the Thunderbolts at 579-3151.

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NAACP And Flagstar Reach \$1 Billion Historic Accord To Expand Opportunities For Minorities

Flagstar Companies, Inc. and the National Association for the Advancement of Colored People (NAACP) signed a far-reaching and comprehensive Fair Share Agreement to provide greater opportunities for minorities at the company's restaurant and food service operations.

The agreement, which covers 120,000 Flagstar employees at Denny's Hardee's, Quincy's Family Steakhouse, El Pollo Loco restaurants and the Canteen contract food, vending and recreation services company, includes:

- * A minority recruitment and training program designed to increase minority representation in management to 12 percent and in on-management to 20 percent.
- * Greater franchise opportunities for minorities.

- * A Minority Procurement Program with goal of purchasing 12 percent of total goods and services, including food, manufactured goods, office supplies and services, construction and contracting from minority-owned firms.

- * A pledge to increase the use of minority firms for professional service such as banking, insurance, accounting, advertising and legal counsel.

- * An ongoing random testing program, coordinated by the NAACP, or nearly 2,000 Flagstar company restaurants designed to ensure that all customers are treated fairly and to quickly identify any discrimination and take corrective action.

In addition, Flagstar will appoint at least one minority member to its board of directors.

HUD/FHA New Apartment Construction Provides \$66 Million Economic Boost, Eases Credit Crunch

HUD officials said that recent HUD/FHA financing approval for the construction of 738 apartments in the Portland metro area will create 479 jobs and \$12.5 million in wages, spur \$66 million in economic impact, and produce \$5.7 million in tax revenues.

[Note: The Federal Housing Administration (FHA) is part of the U.S. Department of Housing and Urban Development (HUD)].

The 738 new apartments, in six recently approved rental projects in the Portland metro area, will be financed using the FHA Multifamily Mortgage Insurance program, similar to the FHA Single Family Mortgage Insurance program used by more than 15,000 Oregon homebuyers to purchase homes in the last two years.

According to Portland Manager Dick Brinck, the FHA apartment financing approvals illustrate FHA's role in improving the flow of credit to the housing sector and in helping local economies to grow.

Brinck said, "Over the last 60 years, FHA loan guarantees have played a key role in encouraging lenders to make money available for both rental housing and for homeownership. In this case, FHA guarantees help build apartments and create jobs during a severe credit

crunch' for rental housing development; but other FHA loan guarantees also are being used to encourage lenders to promote homeownership in our inner cities."

Because construction spending circulates throughout the economy, HUD officials say there will be \$66 million in total first year economic impact from the construction of these 738 apartment units, as wages get spent and construction materials and supplies get purchased.

According to Brinck, four of the six projects are already under construction, and the other two should be underway within 60 days.

In addition to the already approved 738 apartments, Brinck said that the credit crunch had created a backlog of project applications for nearly 1,500 additional Oregon new construction apartments which could generate 960 jobs, another \$130 million in first year economic impact, and nearly \$11.2 million in additional tax revenues. HUD officials acknowledge that processing times to get FHA apartment financing can now take as long as a year, double or triple previous processing times. They say that, because of the credit crunch, they have been swamped with financing applications for nearly 5,000

apartment units, new and existing, in Oregon, Idaho, and southwest Washington.

Also contributing to the delays, HUD staff say, are a loss of staff and a wave of 150 mandated existing apartment refinancing of 20-year old subsidized projects, designed to keep these projects in low-income use for the next 40 years.

HUD Manager Brinck, commenting on the job creation and economic stimulus, said, "The President and HUD Secretary Henry Cisneros are committed to economic recovery, and we're trying to do our part to help. We would like to do more, and do it faster, but we have to deal with the realities of the staff size and workload that we have."

Brinck added that national FHA multifamily problems recently reported had, so far, been avoided locally. He said that less than 1/10 of 1 percent of the more than \$350 million of FHA multifamily insurance outstanding in the Portland Office had resulted in a claim. He also said the sales price of the one project that resulted in an insurance claim would be more than enough to recover the amount of the claim.

FHA apartment loans are made by private lenders.

Communities To "Map" Out Transit Options

What transportation options will be available to residents of the four-county Portland/Vancouver metropolitan area by the turn of the century? Is an extension of the MAX light rail system in the future—both south of Clackamas County and north to Clark County?

As part of the South/North Transit Corridor Study, policy makers, transportation planners, engineers, and citizens throughout a 45-mile corridor, are working together to identify the broad range of possibilities. To help the general public visualize the portions, Metro, in conjunction with C-TRAN, the City of Vancouver, the City of Portland, and eleven other local agencies and

jurisdiction are mapping out possible light rail alignments and other high capacity transit options, such as a busway, as the first step in considering other feasibility and community support.

Members of the press are invited to preview some of the hundreds of feet of mapping developed for a series of regional workshops which have been taking place throughout the South/North Corridor. The two map segments being reviewed will cover the area from the Columbia River Crossing (Jantzen Beach' Downtown Vancouver), north to 179th Street and SR 500 to Vancouver Mall. Eighteen maps will be displayed and transportation planners, engineers and community involvement specialists will be on hand to explain and answer questions about the Study and the various alignment possibilities. Please join us.

Date: July 8, 1993
Time: 1:30 to 3:pm
Place: Fort Vancouver High School cafeteria/auditorium, 5700 East 18th Street, Vancouver, WA

Washington Lottery Results

Wednesday, June 30, 1993 • 02-05-13-17-25-45
Saturday, June 30, 1993 • 07-08-19-27-28-40



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