

Department of Rehabilitation
State Hearing Statement of Position

Fair Hearing Date-Record closes:

Fair Hearing – According to ACMS August 15, 2026

Case Name: Garrett Madden
Hearing Number: SHN-105316215
DOR Case No. 577053
Filing Date: June 29, 2026
Address: 3620 Duckhorn Dr. Sacramento, CA 95834
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Date SOP Sent: October 6, 2026
Method: Phone
DOR Rep: Kamie Zapanta
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Pre-Hearing Contact:

Mr. Madden and DOR have been corresponding regarding his request for transportation assistance to support him in his job placement that he started on June 15, 2026. DOR agreed and supported him with transportation assistance for the first two months. He recently requested for assistance to extend support with a car rental into the third month of transportation assistance. DOR had requested that he submit information and documentation in the form of bills and paystubs to review if he meets the criteria for financial hardship. At this time, DOR is still waiting for Mr. Madden to submit a copy of his bills.

Issue: According to the issue listed in the DR 107, Mr. Madden is appealing DOR's denial of a car rental to attend a Pre-Apprenticeship Program at Building Strong Academy, located at 9332 Tech Center Dr. Sacramento, CA 95826 and is seeking a vehicle purchase.

Background:

Mr. Madden submitted a request for vocational rehabilitation services on March 7, 2023 in Southern California. He was then made eligible for services on March 23, 2023. His case was then transferred on August 27, 2024 to the Capitol Mall Branch Office. Due to staffing changes and administrative needs, his case has been managed by a team to include his:

- primary counselor, Gladsona Somalal
- interim counselor, Peter Han, in the extended absence of his primary counselor.
- Service Coordinator, Esther Keller
- Team Manager, Kamie Zapanta
- Supervising Team Manager, Monica MacNicholl, in the temporary absence of Kamie Zapanta
- Former District Administrator, Sharon O'Sullivan

On October 15, 2025, Mr. Madden entered into an Individualized Plan for Employment (IPE) (IPE #5) with an IPE goal as a Construction Laborer. The services listed in the plan are as follows:

- Counseling and Guidance
- Employment Services
- Clothing
- Transportation Services
- Business and Vocational Training
- School Supplies

- Books

Mr. Madden began his 2-month pre-apprenticeship training at Building Strong Academy, located at 9332 Tech Center Dr. Sacramento, CA 95826 on April 27, 2026. The classroom training was scheduled to occur Monday through Friday, from 8:00 a.m. to 5:00 p.m.; Building Strong Academy is approximately 16 miles from his home.

Pursuant to the California Code of Regulations (CCR) § 7161 “shall be provided as a supportive service when necessary to provide for those travel expenses resulting from placement services; is subject to comparable benefits; shall be the least costly mode which meets the special needs of the individual. Modes of transportation include, but are not limited to:

(1) Publicly owned or contracted transportation such as buses, dial-a-ride and rapid transit.

(2) Transportation available through community resources.

(3) Client-owned vehicles.

(4) Privately owned transportation such as taxi-cab, limousine or paratransit companies and charter buses.

(5) Car pools and payment to co-workers.

(6) Car rental agencies.”

Mr. Madden shared that he does not own a personal vehicle at the time he requested transportation support to travel to his training site and relied on family and friends for transportation. He also stated that public transportation is not a viable option as he is diagnosed with diabetes, asthma, and depression. He further shared that it is not the most convenient method of travel as using public transportation would take approximately 108 to 194 minutes to travel by bus, including two bus transfers, and include about 38 minutes of walking. For these reasons, he believed this created an undue hardship and requested that DOR provide a car rental while he attends his in-class training.

During review of his request, Mr. Madden did not report any physical disabilities that prevent him from utilizing public transportation and, walking or biking to the nearest bus stop from his home. The public transportation

option available to him included a 38-minute walk to the nearest bus-stop and two bus transfers. The estimated arrival time using public transportation was roughly 7:30 AM.

Mr. Madden also expressed concern about the comparable rate of transportation assistance that was initially offered -- \$50.00. His counselor at the time provided him with the SacRT discounted bus pass application and offered to provide him with \$100 to cover bus pass rate for the general public, which he declined as he still wished to receive support with a car rental. He then requested an Administrative Review, which upheld the decision of his DOR counselor at the time, Gladsona Somalal, and offered him a second option, which was to provide him with mileage reimbursement at 21-cents per mile which equated to \$134/month.

Mr. Madden completed the classroom portion of the pre-apprenticeship program and reported on June 17, 2026 that he started a job. He further reported that the site is located at 1302 Pleasant Grove Boulevard and his hours are 7:00 AM to 3:30 PM. In this same email, he stated that the job began on June 15, 2026. Because there were no available public transportation routes that can get him to his job site before his start time, DOR agreed to provide him with two months of car-rental services and mileage through August 14, 2026.

On June 24th, the former District Administrator, Sharon O'Sullivan and Mr. Madden has a phone conversation to explore his transportation request and needs for his training site. During this meeting Mr. Madden was notified that that DOR would not be able to approve a vehicle purchase. This was followed up in an email to Mr. Madden on June 24th. At the time Mr. Madden submitted the request for a vehicle purchase, Mr. Madden did not meet all criteria listed in CCR § 7164 as he was capable of utilizing alternate transportation services including SacRT, Ride-Shares, and car rental services. Additionally, Mr. Madden had reported that he had recently become employed, considered himself to be unhoused, and did not have any disposable income CCR 7164.2. Months later, Mr. Madden disclosed through a financial hardship review for a third month of car rental services, that he is-residing with his ex-wife and his two children, whom he is still financially supporting. Because he had recently become employed and just

started generating income, Mr. Madden reported that he does not have any disposable income to pay for car rental services.

On August 10, 2026, he requested for consideration to approve a third month of car rental services. He was provided with guidance that DOR would need additional information from him to evaluate if he met the financial hardship criteria, pursuant to CCR § 7161.5 – Transportation Assistance to Employed Consumers. Mr. Madden provided DOR with a list of his income, bills, and unusual/unforeseen necessary expenses for the months of June, July and August. Between August 10th through October 5th, Mr. Madden and DOR exchanged emails pertaining to this request. On October 5, 2026, DOR provided him with a final submission date of October 9, 2026 to provide copies of his bills to properly evaluate if he met the financial hardship criteria. Mr. Madden responded the same day with copies of his bills. He also provided new and additional information pertaining to his apprentice/employment status which now requires further clarification and discussion. DOR requested a meeting with Mr. Madden to obtain some clarification.

Facts of the case:

Marh 7, 2023: Mr. Madden submitted a request for services with Department of Rehabilitation in Southern California. (Exhibit 2A)

March 21, 2023: Intake was completed. (Exhibit 2B)

March 23, 2023: Eligibility was determined. (Exhibit 2C)

August 21, 2024: Mr. Madden requested for his case to be transferred to Sacramento and his case was then transferred on August 27, 2024 to the Capitol Mall Brach Office. (Exhibit 2D)

October 15, 2025: Mr. Madden entered into his 5th Individualized Plan for Employment (IPE) with an IPE goal as a Construction Laborer. (Exhibit 2E)

April 14, 2026: Mr. Madden submitted a request for transportation assistance to get to his training program at Building Strong Academy, located at 9332 Tech Center Dr. Sacramento, CA 95826, which began on April 27, 2026. (Exhibit 2F)

April 29, 2026: Based on available information and pursuant to CCR § 7161, there was an available public transportation service that met Mr.

Madden's needs to participate in the classroom training portion of the pre-apprenticeship program. He was initially offered \$50.00 to purchase a discounted bus pass. However, upon receiving information that he was not eligible for the discounted rate, he was provided with the SacRT discounted bus pass application and \$100 to purchase the SacRT general pass until received an eligibility/ineligibility determination from SacRT. Subsequently, Mr. Madden submitted a request for Administrative Review appealing his DOR counselor's decision. (Exhibit 2G)

May 26, 2026: The Administrative Review decision upheld counselor's decision to provide him with transportation support with the purchase of a monthly bus pass or mileage reimbursement at 21-cents per mile while participating in the classroom-based instruction. He elected to go with the mileage. (Exhibit 2H)

June 17, 2026 - Received his first employment site placement and notified DOR. (Exhibit 2I)

June 24, 2026: DOR responded with approval to support him with two months of car rental services and that he will need to think about how he is going to transport himself to work after the 2nd month. Within this same email, Mr. Madden was advised that DOR would not be able to approve his request for a vehicle purchase. (Exhibit 2J & 2O)

August 10, 2026: Mr. Madden reached out to DOR by email and requested support with third month of car rental services. (Exhibit 2K)

August 11, 2026: DOR informed him that car rental services, with DOR's support, were scheduled to end on August 14, 2026. (Exhibit 2L)

August 11, 2026: Mr. Madden and DOR have exchanged communication re: his request. He was asked to complete a table listing his income, bills, and unusual/unexpected necessary expenses during the months of June, July, and August, and provide documentation of his bills and paystubs. During this time, he was provided with CCR § 7161.5. (Exhibit 2L)

September 4, 2026: He returned the table with a copy of his paystubs, but not documentation of his bills. He asked for confirmation from DOR that his situation was under review for a financial hardship. (Exhibit 2L)

October 5, 2026: He was informed that support for his third month of car-rental services remains under review, as he has not yet submitted proof of his bills for the months in question. He was also provided with a final submission deadline of October 9, 2026. (Exhibit 2M & 2N)

He responded the same day and stated his view that DOR is inaccurately applying CCR 7161.5 to his situation. In his response, he disclosed additional information regarding the structure of his training program and his personal circumstances. Since August 11, he had been provided with the CCRs pertaining to transportation for employed clients; however, at no time prior to this date had he notified DOR that he graduated from the pre-apprenticeship program, began the apprenticeship program with ABC Norcal and was still in the process of completing his apprenticeship program. It was only in this correspondence that he provided new information about his living situation, apprenticeship status, structure of his training program and indicated that he is not actually employed, despite receiving several emails from Mr. Madden since June stating otherwise.

The DOR manager, Kamie Zapanta, offered to meet with him by phone to obtain clarification about his training program, status as an apprentice, and any additional information that would assist DOR in evaluating his situation, determining his needs. Mr. Madden declined a phone meeting and advised the DOR manager to contact the training program to request and obtain the information she is seeking. I would also like to note that DOR has offered to meet with Mr. Madden in person or by phone to discuss and efficiently address his service requests. However, Mr. Madden has declined several opportunities to do so, which impacts DOR's ability to efficiently address his service requests, as well as to provide counseling and guidance, which is a core service of DOR.

Relevant Law – California Code of Regulations (CCRs)

§ 7029. Transportation.

(a) "Transportation" means travel and related expenses that are necessary to enable an applicant or eligible individual to participate in a vocational

rehabilitation service.

(b) The following are examples of expenses that meet the definition of transportation:

(1) Actual cost of public transportation such as buses, light rail, rapid transit, or paratransit, including passes for bus, light rail, or rapid transit, and expenses for training in the use of public transportation vehicles and systems.

(2) Necessary bridge tolls, parking, gasoline or oil upon a determination that an applicant's or eligible individual's vehicle must be used.

(3) Travel and related expenses for a personal care attendant or aide if the services of that person are necessary to enable the applicant or eligible individual to travel to participate in any vocational rehabilitation service.

(4) Relocation expenses incurred by an eligible individual in connection with a job placement that is a significant distance from the eligible individual's current residence.

(5) The purchase and repair of vehicles, including vans, but not the modification of these vehicles, as vehicle modification is considered a rehabilitation technology service.

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: 29 USC 723(a)(8); 34 CFR Sections 361.5(b)(57) and 361.48(h); and Sections 19011 and 19150(a)(15), Welfare and Institutions Code.

§ 7029.9. Responsibilities of Individuals with Disabilities; Applicants; Eligible Individuals.

(a) Any individual with a disability who wishes to receive vocational rehabilitation services from the Department is responsible for completing the application process in accordance with the requirements of Section 7041 of these regulations.

(b) Any applicant or eligible individual, as appropriate, shall have the responsibility to:

(1) Participate and cooperate in obtaining and providing the information needed by the Department to:

(A) Determine eligibility and priority for services in accordance with Section 7062 of these regulations;

(B) Determine priority category for the purposes of an Order of Selection in accordance with Section 7062.3 of these regulations;

(C) Determine whether the individual's chosen employment outcome is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, and interests;

(D) Determine the nature and scope of vocational rehabilitation services to be included in the Individualized Plan for Employment (IPE) in accordance with Section 7130.5 of these regulations; and

(E) Make any other determinations that are required by or consistent with federal or state statutes and regulations.

(2) Be an active and full partner in the vocational rehabilitation process and exercise informed choice throughout the vocational rehabilitation process, with assistance from the Rehabilitation Counselor as appropriate, by engaging in the following activities to the extent possible:

(A) Gathering and evaluating information and participating in planning and problem solving and decisions related to the assessment process, selection of the employment outcome and settings in which employment occurs, vocational rehabilitation services, service providers, settings in which services will be provided, and methods for procuring services;

(B) Seeking or identifying needed resources;

(C) Evaluating the consequences of the various options;

(D) Making decisions in ways that reflect the individual's strengths, resources, priorities, concerns, abilities, capabilities, and interests; and

(E) Taking personal responsibility for implementing the chosen options and achievement of the employment outcome the individual selected.

(3) Report any changes in circumstances that may affect:

(A) Eligibility for vocational rehabilitation services;

(B) Priority category under an Order of Selection;

(C) The services and/or the employment outcome specified in the Individualized Plan for Employment (IPE); and

(D) The Department's ability to contact the individual.

(4) Cooperate in the assessment process and in developing and meeting the objectives identified in the IPE including, but not limited to, active participation, reasonable effort, regular attendance at scheduled appointments and training, and regular communication with the Rehabilitation Counselor regarding progress toward achievement of the employment outcome. Failure to cooperate, make reasonable effort, lack of regular attendance, or failure to maintain regular communication may result in loss of further services and closure of the record of services.

(5) Participate in the cost of services under conditions specified in Chapter 5, Article 1 of these regulations.

(6) Apply for, secure and use comparable services and benefits to the extent to which the individual is eligible for such benefits in accordance with Chapter 5, Article 3 of these regulations.

NOTE: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: 29 USC Sections 701(c), 720, 721(a)(5) and (8) and 722; 34 CFR Sections 361.13, 361.36, 361.38, 361.41(b), 361.42, 361.45, 361.46, 361.48, 361.53, and 361.54; Section 1798.15, Civil Code; and Sections 19011, 19018, 19102, and 19150(b), Welfare and Institutions Code.

§ 7161. Transportation Services -- General.

(a) Transportation as defined in section 7029:

(1) Shall be provided as a supportive service when necessary to provide for those travel expenses resulting from:

(A) A determination of rehabilitation potential.

(B) The provision of counseling and placement services.

(C) The individual's participation in a completion of an approved program of vocational rehabilitation services.

(D) The provision of post-employment services.

(2) Shall not be provided as a sole service because a supportive service is one which only contributes to the individual's ability to receive the benefit of other vocational rehabilitation services. Alone, it is not a vocational rehabilitation service.

(3) Shall not be provided for travel expenses caused by or required solely for personal, social, recreational or other non-vocational reasons.

(4) Shall be provided only to a individual who is engaged in suitable employment as defined in section 7011 under either of the following circumstances:

(A) Until the individual is financially capable of assuming the cost as determined in accordance with section 7161.5 or until the case is closed in accordance with section 7179.2, whichever occurs first.

(B) In accordance with (e).

(b) Prior to provision of any transportation services the Counselor shall determine both of the following:

(1) Whether the individual is eligible for similar benefits in accordance with Sections 7196 through 7198. If eligibility exists, the Counselor shall follow the procedures specified in those regulations.

(2) The ability of the individual to financially participate in accordance with sections 7190 through 7194. If the client is able to financially participate, the procedures for payment specified in those regulations shall be followed.

(c) The mode of transportation provided shall be the least costly mode which meets the special needs of the individual. Modes of transportation include, but are not limited to:

(1) Publicly owned or contracted transportation such as buses, dial-a-ride and rapid transit.

(2) Transportation available through community resources.

(3) Client-owned vehicles.

(4) Privately owned transportation such as taxi cab, limousine or paratransit companies and charter buses.

(5) Car pools and payment to co-workers.

(6) Car rental agencies.

(d) Additional authorization criteria and rates of payment for specific modes of transportation shall be set by the Department pursuant to sections 7162 through 7163.5.

(e) Once a case is closed because the individual is rehabilitated, transportation services shall be provided only upon written approval of the Rehabilitation Supervisor. The Rehabilitation Supervisor's approval shall be based upon such criteria as verification that:

(1) The services are necessary to support an over-all program of post-employment services as defined in section 7176.

(2) The services are requested within 12 months of the individual's case closure.

(3) The requirements of (b) have been met.

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: Sections 19018 and 19150, Welfare and Institutions Code; and 34 CFR Sections 361.5 and 36148.

§ 7161.5. Transportation Services--Employed Clients.

(a) For the purposes of section 7161(a)(4)(A), a client shall be deemed to be financially capable of assuming the cost of transportation after the client has received one full month of salary or wages unless there is evidence that undue financial hardship exists.

(b) Undue financial hardship means that the client's income, minus mandatory payroll deductions, and liquid assets for the month are insufficient to meet the current costs of transportation to and from employment in addition to all of the following:

(1) The average monthly costs, established in accordance with (c), of:

(A) Housing.

(B) Utilities, including basic rate for phone.

(C) Clothing required for employment.

(D) Food.

(E) Monthly medical and dental services.

(F) Child care necessary for employment.

(G) Court ordered child or spousal support.

(2) Unusual or unforeseen necessary expenses including such occurrences as:

(A) Deposits required for a client to move into more suitable housing.

(B) Repair or replacement of personal belongings damaged due to fire, earthquake or other natural disaster.

(C) Other similar occurrences.

(c) For the purposes of (b)(1), the average monthly costs shall be established by averaging the prior two months actual costs unless the Counselor and client agree upon a different methodology for a particular item; for example, the client has paid for child care for only one month.

(d) Except as specified in section 7161(e), transportation services shall not be authorized after the client has received one full month of wages or salary, without the approval of the District Administrator. The District Administrator's decision shall be based upon such criteria as verification that:

(1) The conditions specified in section 7161(b) and (c) have been met.

(2) Undue financial hardship pursuant to subsection (b) of this section exists.

(e) In no instance shall a case, which would otherwise be closed in accordance with section 7184, remain open solely because a client is not financially capable of assuming the cost of transportation.

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: Section 19150, Welfare and Institutions Code; and 34 CFR Sections 361.5, 361.42 and 361.48.

§ 7164. Vehicle Purchase.

(a) A motor vehicle shall be purchased for an individual only when all of the following conditions exist:

(1) The individual for whom the vehicle will be purchased meets all of the following conditions:

(A) Is physically unable to use non-adapted or alternate forms of transportation.

(B) Has competitive integrated employment as a vocational goal and one of the following conditions exist. The individual:

1. Is ready for or participating in vocational training.

2. Is job ready.

3. Has been offered a job.

4. Is already employed in suitable employment.

(C) Has the financial ability to operate, maintain and replace the vehicle as determined pursuant to section 7164.2.

(2) All other modes of transportation, as well as permanent relocation, have been explored and documented and a determination has been made that vehicle purchase is the cost effective means of obtaining transportation necessary to meet the individual's specialized vocational needs.

(3) The individual has been evaluated by the Department or by a Department-approved mobility evaluation program in accordance with section 7164.4, or has obtained a waiver of the mobility evaluation in accordance with section 7164.6 and one of the following conditions exist:

(A) The individual has a driver's license and has obtained a waiver of the mobility evaluation.

(B) The mobility evaluation program has determined that the individual has a driver's license or has the potential for obtaining a driver's license and agrees that:

1. All driving instruction recommended by a mobility evaluation program shall be mandatory even if the individual has a current driver's license.

2. Until the unlicensed individual receives a driver's license, a licensed driver who has been approved by the Counselor and who has been provided instructions regarding any modifications added to the vehicle shall be utilized at all times.

(C) The individual does not have the potential to obtain a driver's license, but both of the following conditions exist:

1. A determination has been made through the mobility evaluation program or waiver process that the individual meets the passenger criteria.

2. The individual agrees that a licensed driver who has been approved by the Counselor and who has obtained instructions regarding any modifications added to the vehicle shall be utilized at all times.

(4) The individual has signed the Issuance of Vehicle form (DR 290A dated February, 1991) promising to abide by the following conditions while his or her case remains open:

(A) If the individual does not possess a driver's license, only the person(s) specified in (a)(3)(B)2. or (C)2. shall operate the vehicle.

(B) Manufacturers guidelines or General Service Administration's instructions contained in STD 271 (revised 8-78), which is incorporated by reference herein, regarding vehicle maintenance shall be followed.

(C) A record of both vehicle and modification maintenance shall be maintained in STD 271 and shall be reviewed annually by the Rehabilitation Counselor.

(D) The individual shall provide proof of insurance in an amount at least equal to the State's legally prescribed minimum level for the vehicle being purchased.

(E) Until the case is closed, the Department shall be the legal owner of the vehicle. If the case is closed for a reason other than "rehabilitated", the vehicle shall be returned to the Department, unless the individual purchases the vehicle from the Department at fair market value as determined in accordance with section 7194(c). In no instance shall any individual financial participation obligation paid by the individual be refunded.

(F) The individual shall make no alterations to the vehicle or its adaptive equipment without the prior written approval of the Rehabilitation Counselor.

(G) The individual shall obtain any recommended driver instruction and not drive the vehicle independently until all instructions recommended by the Mobility Evaluation program are completed.

(H) If the individual is the driver, the individual shall maintain a valid California driver's license and shall notify the Rehabilitation Counselor if his or her license is no longer valid.

(I) The individual shall notify the Rehabilitation Counselor if the vehicle is involved in an accident.

- (J) The individual shall notify the Rehabilitation Counselor of any reason which prevents him or her from carrying out his or her IPE.
- (b) The least expensive vehicle which meets the individual's specialized vocational needs shall be purchased.
- (c) The vehicle shall be inspected and approved by the Fleet Administration Division of the Department of General Services.

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: Section 19150(a)(12), Welfare and Institutions Code; and 34 CFR Sections 361.48.

§ 7164.2. Vehicle Purchase--Financial Ability.

- (a) A client shall demonstrate that he/she has the financial ability to operate, maintain and replace a vehicle by having actual or projected remaining disposable monthly income for basic living expenses at least equal to the current SSI/SSP monthly payment level for a disabled individual in an independent living situation. The client's remaining disposable monthly income shall be computed as follows:
 - (1) Subtract the client's monthly involuntary payroll deductions, such as federal and state income tax withholding and state disability insurance, from the client's total monthly gross earned income. If the client is employed, actual gross earnings and involuntary deductions shall be used. If the client is not employed, projected gross earnings, based upon the type of employment being sought and the client's marketable skills, shall be used. Involuntary deductions shall be projected as 20 percent of the projected gross earnings. These calculations determine the client's total monthly net earned income.
 - (2) Combine the client's total monthly net earned income with the client's total monthly unearned income and, for client's who are SSI/SSP recipients, the SSI adjusted amount determined in accordance with (b). This is the client's total monthly income. Unearned income includes such payments as SSDI, Veterans benefits and pensions.
 - (3) From the total monthly income determined in (2), subtract the projected monthly vehicle operation and maintenance costs determined in accordance with (c) and the projected driver's costs, if any, determined in accordance with (d). This is the client's remaining disposable monthly income.
- (b) The SSI adjusted amount shall be calculated as follows:

(1) Subtract the client's actual or projected monthly impairment-related work expenses, if any, from the client's actual or projected total gross earned income determined in accordance with (a)(1). Impairment-related work expenses shall be limited to those items specified in 20 CFR 416.976(c), April 1988 edition, which is incorporated by reference herein. If the client is employed, the actual cost of impairment-related work expenses shall be used. If the client is not employed, the Counselor, together with the client, shall estimate the cost of impairment-related work expenses based upon the special needs of the individual client.

(2) If the client has:

(A) Both earned and unearned income:

1. Subtract \$20 from the client's unearned income. This is the client's total unearned income used to determine the SSI adjusted amount.

2. Subtract \$65 from the amount determined in (1). Divide the remainder by two. This is the client's total earned income used to determine the SSI adjusted amount.

3. Add the amount determined in 1., even if the amount is less than zero, to the amount determined in 2. This is the client's total combined monthly income used to determine the SSI adjusted amount.

(B) Only earned income:

1. Subtract \$85 from the amount determined in (1).

2. Divide the amount determined in 1. by two. This is the client's total monthly income used to determine the SSI adjusted amount.

(3) Subtract the amount determined in (2)(A) or (B), as appropriate, from the current SSI/SSP payment level. This is the SSI adjusted amount to be used in (a)(2).

(c) The costs of operating, maintaining and replacing a vehicle shall be projected on a monthly basis in accordance with this subsection. Based upon the special needs of the individual client, the Counselor, together with the client, shall estimate the type of vehicle and modifications/assistive devices that will be required. The applicable of the following amounts shall then be applied:

(1) Monthly vehicle costs:

(A) Compact or subcompact car

\$330.00

(B) Intermediate-sized car

\$370.00

(C) Pickup truck

\$392.00

(D) Station wagon

\$392.00

(E) Van

\$410.00

(2) Monthly modification costs:

(A) Single, such as hand controls or left foot accelerator

\$1.66

(B) Moderately complex, such as passenger equipment lift or power doors

\$12.50

(C) Complex, such as lift, transfer seat, power tiedown or sensitized steering

\$22.91

(d) If the vehicle will be purchased for the client as a passenger and the client anticipates driver costs, the Counselor together with the client shall estimate the number of hours a month that the client will need a driver for employment-related purposes. This amount shall be multiplied by the minimum wage of \$4.25 per hour to determine the projected driver costs.

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: Section 19150(a)(11), Welfare and Institutions Code; 34 CFR Section 361.42.

§ 7196. General Requirements.

(a) Clients eligible for similar benefits shall apply for and fully utilize those similar benefits to the extent required by these regulations.

(b) The utilization of similar benefits shall not apply to the following services, including when those services are received as post-employment services:

(1) Evaluation of rehabilitation potential.

(2) Counseling, guidance and referral.

(3) Vocational and other training services including, personal and vocational adjustment training, books, tools and other training materials provided by a resource other than an institution of higher education.

(4) Placement.

(5) Rehabilitation engineering services.

(6) Job Coaching Services.

(c) Unless the conditions specified in Section 7198 exist, the completion of a similar benefit review shall be required prior to the authorization of any service not specified in (b). Upon a determination by the Counselor that a similar benefit is available, the Counselor shall advise the client that he or she is required to apply for and use such benefit. If the client refuses to apply for or use the similar benefit, the Counselor shall:

(1) Deny provision of the service(s) for which the similar benefit is available.

(2) Continue the provision of other services for which there is no similar benefit, providing the IPE remains viable and will most likely succeed without the provision of the service(s) that was denied.

(d) When a client:

(1) Is denied eligibility to a similar benefit, the Counselor shall:

(A) Verify the ineligibility through telephone contacts with the appropriate agency representatives or by viewing a copy of the denial notice.

(B) Document the verification in the case record.

(C) Authorize the service.

(2) Has a similar benefit reduced or terminated, the Counselor shall:

(A) Verify the reduction or termination by one of the methods specified in (1)(A).

(B) Document the verification in the case record.

(C) Assess the circumstances with the client and take one of the following actions, as appropriate:

1. Authorize a supplement to the reduced benefit.

2. Authorize the service that has been terminated by the other source.

3. Amend the IPE in accordance with the provisions in Chapter 2, Article 5 (commencing with Section 7130).

Note: Authority cited: Sections 19006 and 19016, Welfare and Institutions Code. Reference: Section 19150(b), Welfare and Institutions Code; and 34 CFR Section 361.47(b).

Conclusion:

Based on the evidence and applicable regulations, the Department of Rehabilitation (DOR) acted in full compliance with the California Code of Regulations (CCR) Title 9. DOR provided Mr. Madden with appropriate transportation services using the least costly method that met his needs at the time of his training, pursuant to CCR § 7161. Upon receiving notice of his employment status, DOR acted promptly to offer guidance regarding available transportation options to support him during the first two months of his employment.

In accordance with CCR § 7161.5, consumers are generally deemed financially capable of assuming responsibility for transportation costs after one month of pay. Nevertheless, DOR approved two months of transportation support at the start of Mr. Madden's employment. He was given ample notice that he would assume responsibility for his transportation needs after the second month and was provided with a reminder during the final week of support. With the advance notice, he should have planned accordingly for travel to his worksite thereafter.

Recognizing the importance of Mr. Madden's employment, DOR agreed to consider his request for a third month of transportation assistance. His request for continued car rental services remains under review as Mr. Madden provided new and additional information that warrants additional discussion.

Additionally, Mr. Madden has requested, and presently requests, that DOR purchase a vehicle for him. That request is denied as, pursuant to CCR § 7164, DOR consumers must meet all criteria listed in the regulation. Additionally, pursuant to CCR § 7164.2, consumers must be considered financially able to operate, maintain and replace the vehicle based on their actual or projected disposable income. Mr. Madden does not meet the criteria because Mr. Madden recently reported that he is not employed and doesn't consistently earn a paycheck while in the apprenticeship program.

It is important to note that there have been occasions when Mr. Madden was not transparent, forthcoming, and providing complete and accurate information. Pursuant to § 7029.9, individuals must be active partners in the

vocational rehabilitation process by providing necessary information, participating in decisions regarding employment goals and services, identifying needed resources, and reporting any changes that may affect services or the employment outcome in the Individualized Plan for Employment (IPE).

Mr. Madden provided inaccurate or incomplete information regarding his training and employment status and, was not fully transparent about his living and financial circumstances. As a result, the DOR lacked the complete information needed to properly and promptly evaluate his request. His request for a third month of car-rental support was submitted on August 10th, but complete information was not received until October 5th. On that same date, Mr. Madden disclosed new information about his training/employment status, which now requires further review and clarification.

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