NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States* v. *Detroit Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

ANDERSON, DIRECTOR, CALIFORNIA DEPARTMENT OF SOCIAL SERVICES, ET AL. *v.* EDWARDS, GUARDIAN AD LITEM FOR EDWARDS, ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

No. 93–1883. Argued January 18, 1995—Decided March 22, 1995

The federal ``family filing unit rule,'' 42 U. S. C. §602(a)(38), requires that all cohabiting nuclear family members be grouped into a single ``assistance unit'' (AU) for purposes of eligibility and benefits determinations under the Aid to Families with Dependent Children (AFDC) program. California's ``non-sibling filing unit rule'' (California Rule) additionally groups into a single AU all needy children who live in the same household, whether or not they are siblings, if there is only one adult caring for them. When application of the California Rule resulted in decreases in the maximum per capita AFDC benefits due respondents, who include Verna Edwards and her cohabiting dependent minor granddaughter and two grandnieces, they brought this action for declaratory and injunctive relief against petitioners, the state officials charged with administering California's AFDC program, claiming that the California Rule violates federal law. The District Court granted summary judgment for respondents, and the Court of Appeals affirmed.

Held: Federal law does not prohibit California from grouping into a single AU all needy children living in the same household under the care of one relative. Pp. 5–13.

(a) The California Rule does not violate 45 CFR §233.20(a)(2)(viii), an AFDC regulation prohibiting States from reducing the amount of assistance ``solely because of the presence in the household of a non-legally responsible individual.'' Respondents are simply wrong when they contend that, *e.g.,* it was *solely* the arrival in Mrs. Edwards' home of her grandnieces that triggered a decline in the per capita benefits that

previously were paid to her granddaughter; rather, it was the grandnieces' presence *plus* their application for AFDC assistance through Mrs. Edwards. Had the grandnieces, after coming to live with Mrs. Edwards, either not applied for assistance or applied through a different caretaker relative living in the home, the California Rule would not have affected the granddaughter's benefits at all. Pp. 6–7.

Syllabus

(b) Nor does the California Rule violate 45 CFR §§233.20(a)(2)(viii), 233.20(a)(3)(ii)(D), and 233.90(a)(1), which prohibit States from assuming that a cohabitant's income is available to a needy child absent a case-specific determination that it is actually or legally available. First, the California Rule does not necessarily reduce the benefits of all needy children when one of them receives outside income, for California may rationally assume that the caretaker will observe her duties to all of the AU's members and will take into account the receipt of any such income by one child when expending funds on behalf of the AU. Second, the California Rule simply authorizes the combination of incomes of all AU members in order to determine the amount of the AU's assistance payment. This accords with the very definition of an AU as the group of individuals whose income and resources are considered ``as a unit'' in determining the amount of benefits, 45 CFR §206.10(b)(5), and is authorized by the AFDC statute itself, 42 U. S. C. §602(a)(7)(A), which provides that a state agency ``shall, in determining need, take into consideration any . . . income and resources of any child or relative claiming [AFDC assistance].'' In light of the great latitude that States have in administering their AFDC programs, see, *e.g., Dandridge* v. *Williams,* 397 U. S. 471, 478, that statute is reasonably construed to allow States, in determining a child's need (and therefore the amount of her assistance), to consider the income and resources of all cohabiting children and relatives also claiming assistance. The availability regulations are addressed to an entirely different problem: Attempts by States to count income and resources controlled by persons outside the AU for the purpose of determining the amount of the AU's assistance. See 42 Fed. Reg. 6583–6584, and, *e.g., King* v. *Smith,* 392 U. S. 309. The California Rule has no such effect. Pp. 7–11.

(c) Respondents' alternative arguments—(1) that the federal family filing unit rule occupies the field and thereby pre-empts California from adopting its Rule, and (2) that the California Rule violates 45 CFR §233.10(a)(1) and §233.20(a)(1)(i), which require equitable treatment among AFDC recipients—lack merit. Pp. 11–13. 12 F. 3d 154, reversed and remanded.

THOMAS, J., delivered the opinion for a unanimous Court.