

SNAP Points of Eligibility Manual

Chapter 1

Household Concept

100 Household Definition

A. General Definition

The food assistance household is composed of one of the following individuals or group of individuals, provided they are not residents of institutions except as specified in [Section 104](#), or are not boarders as specified in [Section 102](#).

1. An individual living alone.
2. An individual living with others but customarily purchasing food and preparing meals for home consumption separate and apart from others.

Non-elderly disabled individuals must have the ability to purchase and prepare their food separately from others in the household in order to be given separate household status. This may be accomplished by a live-in attendant, someone outside the household or by the disabled individual himself. It can be accomplished by others in the household.

3. A group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

Exception: An elderly impaired household member and his/her spouse who purchase and prepare meals with other household members can be a separate food assistance household if both the following conditions are met.

- a) He/she is unable to purchase and prepare meals because of a disability considered permanent under the Social Security Act, or a non-disease related, severe permanent disability.
- b) The income of the others with whom the individual resides (excluding the income of the spouse of the elderly and disabled individual) does not exceed 165% of the poverty level.

See Basis of Issuance for the 165% poverty level table.

Note: The intent to purchase food and prepare meals separately may also establish separate household status, even if the intent is contingent upon the receipt of food assistance.

Persons Residing in More Than One Household

When an individual resides in more than one household for a portion of the same month, he/she can be included in only one of the households with the exception of residents of shelters for battered women and children as noted in [Section 1106](#).

Generally the determining factor for which household the above individual is to be included shall be the household in which the individual eats a majority of meals.

Members Temporarily Out of the Home

Household members who are away from home for part of a month shall continue to be a part of the food unit in determining eligibility level. Such include but are not limited to:

1. Those members who due to the traveling nature of their job are out of town part of the month and do not establish a separate residence; e.g., an interstate truck driver who eats meals part of the month at home with his family cannot be a separate household from his family.
2. Those members who are temporarily hospitalized if it is anticipated that the hospitalization will be less than a month.
3. Those members who are incarcerated if it can be anticipated that the incarceration will be less than 30 days.

B. Special Definition

The following individuals who live together shall be included in one food assistance household regardless of their method of purchasing food and preparing meals:

1. Spouses
2. Other than foster children, any child 17 years of age or younger under the parental control of any adult household member other than a parent.
3. Children (natural, adopted or step) 21 years of age or under living with their parents even if such children are themselves parents and/or married and living with their spouse.

NOTE:

- a) Step parent and step child relationships should be considered as continuing as long as they live together, even if the natural parent leaves, gets a divorce or dies.
- b) Adoption of a child negates parent/child relationship.
- c) Children who spend the summer months away from their parent's household cannot maintain their status as food assistance household members during their absence.

101 Non-Household Members

The following persons who reside with a food assistance household must not be included as a member in the household:

1. Roomer *
2. Live-in attendant *
3. Others who do not customarily purchase food and prepare meals with the household. *

* Except for those individuals required to be included in the household as defined under the Special Definition ([Section 100B](#)).

4. Ineligible member.

- a) An individual who does not meet the eligible student criteria in [Chapter 5](#).
- b) An individual who does not meet the citizenship or eligible alien status requirements in [Section 400](#) or the eligible sponsored alien requirements in [Section 1108](#).
- c) An individual who is fleeing to avoid prosecution or custody for a crime, or an attempt to commit a crime or in violation of a condition of his or her probation/parole.
 - ♣ Before an individual can be defined as "fleeing", all four of the following criteria must be met and verified:
 1. There has to be a felony warrant for an individual by a Federal, State, or local law enforcement agency, and the underlying cause for the warrant is for committing or attempting to commit a crime that is a felony under the law of the place from which the individual is fleeing;
 2. The individual has to be aware of, or should reasonably have been able to expect that a warrant has or would have been issued;
 3. The individual has to have taken some action to avoid being arrested or jailed; and
 4. The Federal, State, or local law enforcement agency must be actively seeking the individual. Law enforcement is actively seeking the individual when: (1) A Federal, State, or local law enforcement agency informs a State agency that it intends to enforce an outstanding felony warrant or to arrest an individual for probation or parole violation within 20 days of submitting a request for information about the individual to the State agency; (2) A Federal, State, or local law enforcement agency presents an outstanding felony arrest warrant that conforms to one of the National Crime Information Center Uniform Offense Classification Codes: Escape (4901), Flight to Avoid (prosecution, confinement, etc.) (4902), or Flight-Escape (4999); OR (3) A Federal, State, or local law enforcement agency states that it intends to enforce an outstanding felony warrant or to arrest an individual for probation or parole violation within 30 days of the date of a request from a State agency about a specific outstanding felony warrant or probation or parole violation.
- d) An individual found to have made a fraudulent statement or representation with respect to identity or residence in order to receive multiple benefits simultaneously.

Such findings may be through an ADH hearing decision, ADH waiver, disqualification consent agreement or conviction in a State or Federal court. Ineligibility is for 10 years from the time above determination is made.

- e) An Able Bodied Adult without Dependents (ABAWDS) who is ineligible because he/she does not meet the work requirements of POE [Section 710 A](#).
5. Disqualified member
- a) An individual who is disqualified for failure to provide a Social Security Number as noted in [Section 602](#).
 - b) An individual who is disqualified for intentional program violation as noted in [Claims Against Household Manual](#).
 - c) An individual who is disqualified for noncompliance with work requirements as noted in [Section 704](#).

- d) An individual who is convicted of trafficking food assistance benefits of \$500 or more or using food assistance benefits to purchase firearms.

The disqualification for either of these convictions is permanent.

- e) An individual who is convicted of a misdemeanor or felony offense of trading food assistance for drugs (trafficking) in an amount less than \$500.

The disqualification is two (2) years for the first conviction. The disqualification is permanent for the second conviction.

- f) An individual who is convicted under Federal or State law of a felony offense which has an element the possession, use or distribution of a controlled substance, provided

the conduct (act) resulting in the conviction occurred after August 22, 1996. The disqualification is permanent.

- Persons who have completed his or her sentence or is satisfactorily serving a sentence period of probation including persons who satisfactorily have completed mandatory participation in a drug treatment program; may be eligible for participation.

102 Boarders

Boarders are individuals or groups of individuals residing with others and paying reasonable compensation to the others for lodging and meals.

This section does not apply to:

1. Residents of commercial boarding houses. (See the Glossary manual for the definition of commercial boarding house.) Residents of commercial boarding houses are ineligible to participate in the Food Assistance Program under any circumstances.
2. Individuals residing in exempt institutions, i.e., drug/alcohol treatment programs, group living arrangements, shelters for battered women and children and homeless shelters. These individuals are not considered boarders.

To determine if reasonable compensation is being paid for meals and lodging in making a determination of boarder status, only the amount paid for meals shall be used; provided that the amount paid for meals is distinguishable from the amount paid for lodging. A reasonable monthly payment shall be either of the following:

- ❖ Boarders whose board arrangement is for more than two meals a day shall pay an amount which equals or exceeds the Thrifty Food Plan for the appropriate size of the boarder household.
- ❖ Boarders whose board arrangement is for two meals or less per day shall pay an amount which equals or exceeds two-thirds of the Thrifty Food Plan for the appropriate size of the boarder household.

Individuals determined to be boarders are ineligible to participate in the Food Assistance Program independently of the household providing the board. Boarders may participate as members of the household providing the boarder services at such household's request. In no event can boarder

status be granted to those individuals required to be in the same food assistance household as described in [Section 100 B](#), Special Definition. The exception is that foster children or adults placed in a home by a Federal, State or local governmental foster care program are considered boarders. This is true even though foster children are under parental control. If the host household requests that foster children or adults be considered household members, they shall be included in the household budget. In this instance the entire foster care payment(s), including both the service payment and the maintenance payment, would then count as unearned income to the household.

None of the income or resources of individuals determined to be boarders and who are not members of the household providing the boarder services shall be considered available to the household. However the amount of the payment that a boarder gives to a household shall be treated as self-employment income to the household. The procedures for handling self-employment income from boarders are set forth in [Section 1101](#).

Individuals furnished both meals and lodging by a household but paying compensation of less than a reasonable amount to the household for such services shall be considered a member of the household providing the services.

103 Head of Household for Filing a Food Assistance Application

The head of the household for the purposes of applying for food assistance and assignment of case name may be designated by the applicant, or the certification worker may assist in this determination. There are no requirements for an individual household member to meet in order to be the head of the household other than that he/she is a responsible household member. If the only responsible person living with the household is an ineligible member or a disqualified member, this individual shall be designated as head of the household.

A responsible household member is any member capable of representing the household by providing the county department with not only sufficient but accurate information concerning household circumstances.

1. The county department has the final authority in the determination of whether or not an individual is a responsible household member.
2. There are no restrictions to the effect that the responsible household member be an adult. Therefore a minor can sign the food assistance application and represent the household in the certification process.

104 Residents of Institutions

Residents of institutions are not eligible for participation in the food assistance program. Individuals are considered residents of an institution when the institution provides them with the majority of their meals (over 50% of three meals daily) as part of the institution's normal services and the institution has not been authorized to accept food assistance benefits. This includes individuals age 10 or older, who are incarcerated in federal, state, county or city facilities for more than 30 consecutive days.

The following exceptions apply:

1. Residents of federally subsidized housing for the elderly, built under either Section 202 of the Housing Act of 1959 or Section 236 of the National Housing Act.
2. Narcotic addicts or alcoholics who for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program reside at a facility or treatment center as discussed in [Section 1104](#).

Residents of detoxification centers which only accept patients for three or four days at a time are not eligible to participate in the Food Assistance Program while residing at such centers. This policy does not apply to residents of those centers which offer detoxification as an initial phase to a longer term treatment and rehabilitation program, unless such residents are only accepted for the detoxification phase which lasts only three or four days.

3. Disabled individuals who are residents of group living arrangements as noted in [Section 1105](#).
4. Individuals or Individuals with their children temporarily residing in a shelter for battered persons as discussed in [Section 1106](#). Such persons temporarily residing in shelters for battered individuals and children shall be considered individual household units for the purposes of applying for and participating in the program.
5. Residents of public or private non-profit shelters for homeless persons.
6. Residents of any institution which provides more than 50% of daily needs if all of the following conditions are met:
 - a) The resident is unable to eat the meals provided.
 - b) There is a verified need for a special diet.
 - c) The institution is unable or unwilling to provide the diet.
7. Residents of public institutions who apply for SSI prior to their release from an institution under the Social Security Administration's Pre-release Program for the Institutionalized shall be permitted to apply for food assistance at the same time they apply for SSI.

105 Authorized Representatives

A. Household Authorized Representative

The head of the household, spouse or any other responsible member of the household may designate an authorized representative to act on behalf of the household in the following capacities:

1. Application processing and reporting.
If an applicant or prospective applicant household indicates they may have difficulty completing the application process, the worker must inform the household that a non-household member may be designated as an authorized representative for application processing purposes. The authorized representative may complete work registration forms for household members required to register for work. The authorized representative may also carry out the household's responsibility during the certification

period such as reporting changes according to the household's reporting requirements found in either [Chapter 12](#) or [Chapter 17](#) of POE.

The household must be informed that the household will be held liable for any over issuance that results in erroneous information given by the authorized representative.

This provision does not apply to situations in which a drug and alcohol treatment center or other group living arrangement acts as an authorized representative for its residents.

A non-household member may be designated as an authorized representative for the application process provided that person is:

- a) An adult who is sufficiently aware of relevant household circumstances.
 - b) Designated as authorized representatives in writing by the head of the household, spouse or another responsible household member using the Authorized Form for Household Representative, PSD-BFA-863 or the Food Assistance Application – Short Form, DHR-FSD-1971.
 - c) Further restrictions on who can be appointed an authorized representative can be found in [Section 105 C](#).
2. Using food assistance benefits
- A household may designate one authorized representative to use its benefits to purchase food for the household. The authorized representative designated to use food assistance benefits for the household will be issued an EBT card for this use. Refer to Chapter 8 [EBT Manual](#) for specific information about authorized representatives and EBT.

B. Drug Addict/Alcoholic Treatment Centers and Group Homes as Authorized Representatives

1. Narcotic addicts or alcoholics who regularly participate in a drug or alcoholic treatment program, as defined [Section 1104](#), shall apply and be certified for program participation through the use of an authorized representative who shall be an employee and designated by the publicly-operated community mental health center of the private non-profit organization or institution that is administering the treatment and rehabilitation program.
 - a) The center shall receive and spend the coupon allotment for food prepared by and/or served to the addict or alcoholic.
 - b) The center shall be responsible for complying with the requirements set forth in [Section 1104](#).
2. Residents of group living arrangements, as defined in [Section 1105](#), shall either apply and be certified through the use of an authorized representative employed and designated by the group living arrangement or apply and be certified on their own behalf or through an authorized representative of their own choice.
 - a) The group living arrangement shall determine if any resident may apply for food assistance on his/her own behalf, the determination should be based on the resident's physical and mental ability to handle his/her own affairs. The group living arrangement is encouraged to consult with any other agencies of the State providing other services to individual residents prior to a determination.

- b) All of the residents of the group living arrangement do not have to be certified either through an authorized representative or individually in order for one or the other method to be used.
- c) Applications shall be accepted for any individual applying as a one person household or for any grouping of residents applying as a household as defined in [Section 100\(A\)](#), unless the individual(s) must apply through the facility as authorized representatives.

If the residents are certified on their behalf, the coupon allotment may either be:

- ❖ Returned to the facility to be used to purchase food for meals served either communally or individually to be eligible residents.
 - ❖ Used by eligible residents to purchase and prepare food for their own consumption and/or
 - ❖ Used to purchase meals prepared and served by the group living arrangement.
- d) If the resident applies through the facility as the authorized representative, the group living arrangement may either receive and spend the coupon allotment for food prepared by and/or served to the eligible resident or allow the eligible resident to use all or any portion of the allotment on his/her behalf.
 - e) The group living arrangement is responsible for complying with the requirements set forth in [Section 1105](#).

The group living arrangement has its status as an authorized representative suspended by FNS (as discussed in [Section 1105](#)), residents applying on their own behalf shall still be able to participate if otherwise eligible unless the group living arrangement continues to provide meals, as the residents would then be a resident of an institution.

C. Restrictions on Authorized Representatives

The following restrictions apply to authorized representatives:

1. Department of Human Resources employees and retailers authorized to accept food assistance may not act as authorized representatives unless:
 - a) Specific written approval of the County Director is given, and
 - b) The county director determines that no one else is available to serve as an authorized representative.
2. Individuals disqualified for an Intentional Program Violation (IPV), may not Act as authorized representative during the period of disqualification, unless the county department has determined that no one else is available to serve as authorized representative. The county department shall separately determine whether these individuals are needed to:
 - a) Apply on behalf of the household.
 - b) Use the benefits for food for the household.

3. In the event employers, such as those that employ migrant or seasonal farm workers, are designated as authorized representatives or that a single authorized representative has access to a large amount of benefits, the State agency should exercise caution to assure that:
 - a) The household has freely requested the assistance of the authorized representative.
 - b) The household's circumstances are correctly represented; the household is receiving the correct amount of benefits, and
 - c) The authorized representative is properly using the benefits.
4. A county department which has obtained evidence that an authorized representative has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household, or has made improper use of benefits, may disqualify that authorized representative from participating as an authorized representative in the Food Assistance Program for up to one year. The county department shall send written notification to the affected household(s) and the authorized representative 30 days prior to the date of disqualification. The notification shall contain:
 - a) The proposed action.
 - b) The reason for the proposed action.
 - c) The household's right to request a fair hearing.
 - d) The telephone number of the office, and
 - e) The name of a person to contact for additional information.

The above provision is not applicable in the case of drug addict and alcoholic treatment centers and those group homes which act as authorized representatives for their residents.

5. Homeless meal providers, as defined in [Section 1107](#), may not act as authorized representatives for homeless food assistance recipients.

In order to prevent abuse of the program, the county department may set a limit on the number of households an authorized representative may serve.

106 Strikers

A. Eligibility

Households with striking members shall be ineligible to participate in the Food Assistance Program unless the household was eligible for benefits the day prior to the strike and is otherwise eligible at the time of application. However, such a household shall not receive an increased allotment as the result of a decrease in the income of the striking member(s) of the household.

B. Lockouts

If the union and the company disagree as to whether the work stoppage is a strike or lockout, the county department must ask the State Desk, FSD, who will obtain a determination from the Food and Nutrition Service.

The sole fact that a struck company has applied for bankruptcy under Chapter 11 does not mean that the striker provisions no longer apply.

C. Definition of a Striker

For food assistance purposes, a striker shall be anyone involved in a strike or concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement) and any concerted slowdown or other concerted interruption of operations by employees.

1. Striker provisions apply to employees who participate in sympathy and support strikes.
2. All nonworking members of the bargaining unit which is on strike are strikers even if they are not members of the union and regardless of whether they are afraid to cross a picket line.
3. If a person gets another job while on strike but he/she does not resign from the struck company then the striker provisions continue to apply.
4. If the union calls off the strike and tells the strikers to go back to work and they do not, the strike provisions apply until they return to work or are fired or quit.
5. Striker provisions do not apply to self-employed persons such as independent long-distance truckers.

The following individuals shall not be deemed to be strikers although they meet the above definition:

Any employee affected by a lockout.

Any individual who goes on strike but who is exempt from work registration, as noted in [Section 701](#), the day prior to the strike, other than those exempt solely on the grounds that they are employed.

D. Examples of Non-strikers

1. An employee whose workplace is closed by an employer in order to resist demands of employees.
2. An employee unable to work as a result of striking employees (e.g., truck drivers who are not working because striking newspaper pressmen prevent newspapers from being printed).
 - a) An employee who is not a member of the bargaining unit and who is not participating in a sympathy or support strike but claim he/she is afraid to cross the picket line.

- b) The county department should primarily rely on the household's allegations of fear.

The county department may also use general knowledge of incidence of violence in past or present strikes to determine if a risk of personal injury or death exists.

- 3. A striker who cannot return to work as the employer/company has hired replacements. The fact that a company may offer these former employees other jobs would not affect their status as non-strikers. They must be able to return to the same jobs they left when the strike began in order to continue to be considered strikers.
- 4. Striker provisions no longer apply if:
 - a) The company fires the employee while they are on strike.
 - b) An employee officially resigns from his job while he is on strike.
 - c) The company hires permanent replacements for the strikers.
 - d) The company will not allow the strikers to return to their old jobs but offers them different ones.
 - e) An employee was locked out by the company the day before the strike.
 - f) The company lays off, furloughs, or otherwise notifies employees who are not part of the bargaining unit that no jobs are available because of the strike.
 - g) A person was laid off when the strike began.

E. Prestrike Eligibility

Prestrike eligibility shall be determined by considering the day prior to the strike as the day of application and assuming the strike did not occur.

- 1. Eligibility at the time of application shall be determined by comparing the striking member's income before the strike (as calculated above) to the striker's current income and adding the higher of the two to the current income of non-striking members during the month of application.
- 2. To determine benefits and eligibility for households subject to the net income eligibility standard), deduction shall be calculated for the month of application as for any other household. Whether the striker's prestrike earnings are used or his current income is used, the earnings deduction shall be allowed if appropriate.
- 3. Strikers whose households are eligible to participate shall be subject to the work registration requirements in [Section 700](#) unless exempt in [Section 701](#) the day of application.

Chapter 2

Application Processing

200 General Purpose

The application process includes filing and completing an application form, being interviewed, and having certain information verified.

The county department shall act promptly on all applications and provide food assistance benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited service shall be available to households in immediate need.

Specific responsibilities of households and county departments in the application process are detailed in this chapter.

201 Food Assistance Application Form ⁽¹⁾

There are three food assistance application forms that may be used to begin the food assistance application process. They are:

1. PSD-BFA-1141, Application for Food Assistance used by households who are currently not receiving food assistance and have not received food assistance in the past three months in the project area.
2. DHR-FSD-1971, Food Assistance Application – Short form used by households who are currently certified to receive food assistance or who have received food assistance within the last three months in the project area.
3. DHR-FSP-2116, Food Assistance Application for the Internet (English & Spanish) – Application form available to households only through the internet. Households can down-load this form from the DHR Web page, complete, and submit it to the county office to begin the application process. The household must still complete either the DHR-BFA-1141 or the DHR-FSD-1971 during the application process.

202 Filing an Application

A. Household's Right to File

Households must file food assistance applications by submitting the forms to the county department either in person, through an authorized representative, by mail, by facsimile (fax) or other electronic means.

The length of time a State agency has to deliver benefits is calculated from the date the applicant returns a signed application form with his name and address on it to the food assistance office (or public assistance office) designated to accept the application, except when a resident of a public institution is jointly applying for SSI and food assistance prior to his/her release from an institution. When a resident of an institution is jointly applying for SSI and food assistance prior to leaving the institution, the filing date on the application is the date of release of the applicant from the institution.

Applications signed with an "X" should also contain a witness' signature. The day after the application is filed is counted as day one for processing standards. An adult household member must sign the perjury statement on the application form. If there is no adult a minor (under age 19) not under parental control may sign as an adult. The signed perjury statement is not required when the application is filed, but must be obtained during the application process.

Each household has the right to file an application form the same day it contacts the food assistance office during business hours. The household shall be advised that it:

1. Does not have to be interviewed before filing the application.
2. May file an incomplete application as long as the form contains the applicant's name and address, and is signed by a responsible member of the household or the household's authorized representative.

County departments shall document the date the application was filed by recording on the application the date it was received by the county department.

B. Contacting the Food Assistance Office

County departments shall encourage households to file an application form the same day the household or its representative contacts the county department in person or by telephone and expresses interest in obtaining food assistance. The household should be given the application form that is appropriate to the household's circumstances (See [Section 201](#)). The household will not be penalized in any way regardless of which application form is received. Submission of either form containing the minimum information in [Section 202A](#) begins the application process. The appropriate form can be obtained by mailing or giving the household such form prior to or at the interview.

1. If a household contacting the office by phone does not wish to come to the appropriate office to file the application that same day and instead prefers receiving an application through the mail, the county department shall mail an application form to the household on the same day the phone request is received.
2. An application shall also be mailed on the same day a written request for food assistance is received.
3. Where a project area a project area has designated certification offices to serve specific geographic areas within the project area, households may contact an office other than the one designated to service the area in which they reside. When a household contacts the wrong certification office within a project area in person or by telephone, the certification office shall, in addition to meeting the requirements in Section B, above, give the household the address and telephone number of the appropriate office. The certification office shall also offer to forward the household's application to the appropriate office that same day if the household has completed enough information on

the application to file, or forward it the next day by fax or any means that ensures the application arrives in the appropriate office the day it is forwarded.

4. The household shall be informed that its application will not be considered filed and the processing standards shall not begin until the application is received by the appropriate office.
5. If the household has mailed its application to the wrong office within a project area, the certification office shall mail the application to the appropriate office on the same day, or forward it the next day by fax or any means that ensures the application arrives in the appropriate office the day it is forwarded.

C. Availability of the Application Form

The county department shall make application forms readily accessible to anyone who requests the form.

D. Notice of Right to File

The county department shall post signs in the certification office which explain the application processing standards, and the right to file an application on the day of initial contact.

E. Withdrawing an Application

The household may voluntarily withdraw its application at any time prior to the determination of eligibility. The county department shall document in the case file the reason for withdrawal, if any was stated by the household, and that contact was made with the household to confirm the withdrawal. The household shall be advised of its right to reapply at any time subsequent to a withdrawal.

203 Household Cooperation

A. Cooperation with the County Department to Determine Eligibility

To determine eligibility:

1. The application form must be completed and signed.
2. The household or its authorized representative must be interviewed.
3. Certain information on the application must be verified.

If the household refuses to cooperate with the county department in completing the above process, the application shall be denied at time of refusal. For a determination of refusal to be made, the household must be able to cooperate, but clearly demonstrate that it will not take actions that it can take and that are required to complete the application process. For example, to be denied for refusal to cooperate, a household must refuse to be interviewed not merely failing to appear for the interview.

If there is any question as to whether the household has merely failed to cooperate, as opposed to refused to cooperate, the household shall not be denied, and the agency must assist the household in obtaining required verification provided the household is cooperating with the state agency. The household shall also be determined ineligible if it refuses to cooperate in any subsequent review of its eligibility, including reviews generated by reported changes and applications for recertification.

Once denied or terminated for refusal to cooperate, the household may reapply but shall not be determined eligible until it cooperates with the State agency.

B. Cooperation with Quality Control

In addition, the household shall be determined ineligible if it refuses to cooperate in any subsequent review of its eligibility as a part of a quality control review. If a household is terminated for refusal to cooperate with a quality control reviewer, the household may reapply, but shall not be determined eligible until it cooperates with the quality control reviewer.

1. If a household is terminated for refusal to cooperate with a State quality control reviewer reapplies after 95 days from the end of the annual review period (September 30 is the end of the annual review period), the household shall not be determined ineligible for its refusal to cooperate with a State quality control reviewer during the completed review period, but must provide verification in accordance with [Section 205](#).
2. The disqualification shall not follow any household members who leave and become members of a new household.
3. If a household is terminated for refusal to cooperate with a Federal quality control reviewer reapplies after seven months from the end of the annual review period (September 30), the household shall not be determined ineligible for its refusal to cooperate with a Federal quality control reviewer during the completed review period, but must provide verification in accordance with [Section 205](#).

204 Interviews

All applicant households are entitled to an interview as specified in A. or B. below.

A. Office Interview

Applicant households, including those submitting applications by mail, shall have face-to-face interviews in a food assistance office or other certification site with a qualified eligibility worker prior to initial certification and all re-certifications, unless such interview is waived as discussed in [Section B](#) below.

1. The individual interviewed may be the head of household, spouse, any other responsible member of the household, or an authorized representative. The applicant may bring any person he or she chooses to the interview.

2. The interviewer shall not simply review the information that appears on the application, but shall explore and resolve with the household unclear and incomplete information.
3. Households shall be advised of their rights and responsibilities during the interview, including the appropriate application processing standard and the household's responsibility to report changes.
4. The interview shall be conducted as an official and confidential discussion of household circumstances. The applicant's right to privacy shall be protected during the interview. Facilities shall be adequate to preserve the privacy and confidentiality of the interview.

B. Waiver of the Office Interview

The office interview shall be waived if requested by any household which has no earned income, all members are elderly or disabled and the household is unable to appoint an authorized representative.

The county department shall also waive the office interview on a case-by-case basis for any household which is:

1. Unable to appoint an authorized representative and which has no household members able to come to the food assistance office because of hardships, which the county department determines warrant a waiver of the office interview. These hardship conditions include, but are not limited to:
 - a) Illness
 - b) Transportation difficulties.
 - c) Care of a household member.
 - d) Hardships due to residency in a rural area.
 - e) Prolonged severe weather.
 - f) Work hours which preclude an in-office interview.
 - g) Training or school hours which preclude an in-office interview.
2. The county department shall determine if the hardship reported by a household warrants a waiver of the office interview and shall document in the case file why a request for a waiver was granted or denied.

The county department has the option of conducting a telephone interview or a home visit for those households for whom the office interview is waived. Home visits shall be used only if the time of the visit is scheduled in advance with the household.

Waiver of the face-to-face interview does not exempt the household from the verification requirements, although special procedures may be used to permit the household to provide verification and thus obtain its benefits in a timely manner, such as substituting a collateral contact in cases where documentary verification would normally be provided. Waiver of the face-to-face interview shall not affect the length of the household's certification period.

C. Scheduling Interviews for Applications with 30-Day Processing Standards

The county department shall schedule all interviews as promptly as possible to ensure eligible households receive an opportunity to participate within 30 days after the application is filed. See How do I look for appointment?

If a household fails to appear for the first interview, the county department must notify the household that it is responsible for requesting a second appointment. Form DHR-FSP-2100, Notice of Missed Appointment, shall be used. If the household does not appear for their first scheduled interview, their application cannot be denied until the 30th day even if the household does not contact the agency for a second appointment.

1. If the household contacts the county department on or before the 30th day from the date of application, the county department must schedule a second appointment.
2. If the second appointment cannot be scheduled to allow the household at least 10 days to provide all requested verifications, the application must not be denied on the 30th day. A DHR Form 660, Notice of Pending Status, must be sent to the household on the 30th day.
3. If the household keeps the second appointment and provides all required verifications on or before the 10th day from the date of the interview, benefits are prorated from the original date of application.
4. If the household misses the second scheduled appointment scheduled in the 2nd 30 days, the application must be denied and the household must reapply.
5. If the household does not provide all required verifications on or before the 10th day, the application must be denied for failure to provide verification. The household has until the 60th day from the original date of

application to provide all required verifications without a new application. A DHR Form 660, Notice of Denial, must be sent notifying the household of the denial for failure to provide required verification. The household must also be informed that it has 60 days from the original date of application to return all requested required verifications.

If the household requests a second appointment on or before the 30th day from the date of application, but the interview cannot be scheduled until after the 30th day (county office delay), the application must not be denied on the 30th day. A DHR Form 660, Notice of Pending Status, must be sent to the household. If the household attends the second interview and provides the requested verifications by the 10th day from the date of the interview, benefits must be awarded retroactive to the original date of application. If the household does not attend the second interview and makes no further contact with the county office, the application must be denied and the household must reapply.

205 Verification

Verification is the use of third party information or documentation to establish the accuracy of statements on the application. County departments shall verify the following information prior to certification for households initially applying:

A. Mandatory Verification

Gross Nonexempt Income

Gross nonexempt income shall be verified for all households prior to certification. However, where all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and the State agency, and all other sources of verification are unavailable, the eligibility worker shall determine an amount to be used for certification purposes based on the best available information.

Alien Eligibility

Eligibility workers must inform applicant non-citizen households that household members may choose not to seek benefits and that they will not be required to answer questions about citizenship/immigration information for those who choose not to seek benefits. Applicant non-citizen households must be informed that they must supply information about citizenship or immigration for household members seeking benefits; that the amount of benefits will depend on the number of people requesting benefits; that eligible household members who apply will be able to get benefits even though some members in the household are not seeking benefits; and that household members who are not seeking benefits must provide their financial information to determine the eligibility for household members who are seeking benefits. The applicant should then be allowed to

identify which household members are seeking benefits and which members are not seeking benefits (known as "opting out").^[2]

1. The eligibility worker must verify the eligible status of applicant aliens. If an alien does not wish the county to contact INS to verify immigration status, the eligibility worker must give the household the option to withdraw its application or participate without that member. One adult household member must attest under penalty of perjury to the citizenship or alien status of each household member. This is to be done at each certification and recertification.
2. If an applicant is not a citizen and wishes to apply for food assistance benefits, he must provide documentation issued by the Immigration and Naturalization Service (INS) that contains his Alien Registration Number (A-Number) or other documents that provide reasonable evidence of current immigration status. This documentation must be verified by the county department through the Systematic Alien Verification for Entitlement (SAVE) program developed by INS. Verification of alien eligibility should only be done if the applicant appears otherwise eligible for benefits.

The household's written consent to contact INS for verification is not required when the county is using the SAVE system to validate documentation (either INS documentation or other acceptable documentation) which supports the alien's eligible status for the Food Assistance Program.

Procedures for Verification of Immigration Status

Primary verification is made through the Systematic Alien Verification for Entitlement (SAVE) program by submitting information/documentation to the Food Assistance Policy Desk from documents issued by INS to the non-citizen. The county office must send an e-mail to the Food Assistance Policy Desk with the name, date of birth, country of birth (if known) and the A-number of the individual(s) for whom verification is requested. The county office must maintain copies of all immigration documents provided by the household in the food assistance case record and submit a copy of these documents (scan or fax) to the Food Assistance Policy Desk. Upon receipt of verification through the SAVE Program, an e-mail response will be sent providing the county office with the information obtained. In addition, SAVE verification is available through a manual process, known as secondary verification when primary verification reveals material discrepancies or when the user is directed to do so by SAVE.^[3]

Primary Verification Process

Documentation of immigration status presented by an applicant includes, but is not limited to the following forms. Unless indicated, each shows the A-Number of the bearer. Some forms have expiration dates which must be checked and noted during the worker's visual examination of documentation, and any supporting documents shall be placed in the case record. Documents that demonstrate lawful status include the following:

1. Alien Lawfully Admitted for Permanent Residence
 - a) I-551 (Alien Registration Receipt Card, commonly known as a "green card") or
 - b) Unexpired temporary I-551 stamp in foreign passport or on I-94.
2. Asylee
 - a) I-94 annotated with stamp showing grant of asylum under Section 208 of the Immigration and Nationality Act (the "INA").
 - b) I-688B (Employment Authorization Card) annotated "274a.12 (a) (5).

- c) I-766 (Employment Authorization Document) annotated "A5".
 - d) Grant letter from the Asylum Office of INS or
 - e) Order of an immigration judge granting asylum.
3. Refugee
 - a) I-94 annotated with stamp showing admission under Section 207 of the INA.
 - b) I-688B (Employment Authorization Card) annotated "274a.12 (a) (3).
 - c) I-766 (Employment Authorization Document) annotated "A3" or
 - d) I-571 (Refugee Travel Document)
 4. Alien paroled Into the U. S. for at least one year.
 - a) I-94 with stamp showing admission for at least one year under Section 212(d) (5) of the INS.
 5. Alien whose deportation or removal was withheld.
 - a) I-688B (Employment Authorization Card) annotated "274a.12 (a) (10)"
 - b) I-766 (Employment Authorization Document) annotated "A10" or
 - c) Order from an immigration judge showing deportation withheld under Section 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under Section 241(b) (3) of the INA.
 6. Alien granted conditional entry.
 - a) I-94 with stamp showing admission under Section 203(a) (7) of the INA
 - b) I-688B (Employment Authorization Card) annotated "274a.12 (a) (3)" or
 - c) I-766 (Employment Authorization Document) annotated "A3"
 7. Cuban/Haitian entrant.
 - a) I-551 (Alien Registration Receipt Card, commonly known as a "green card") with the code CU6, CU7, or CH6.
 - b) Unexpired temporary I-551 stamp in foreign passport or on I-94 with the code CU6 or CU7 or
 - c) I-94 with stamp showing parole as "Cuban/Haitian Entrant" under Section 212(d) (5) of the INA.

Note that some forms have been released in several editions so that valid documentation presented by different individuals may not be identical. Any questions about specific cases should be directed to Food Assistance Division.

Under most circumstances, the eligibility worker should proceed with the primary verification process. However, if alien status cannot be established through the primary verification process initiate the secondary verification process immediately.

If there are no material differences between the data obtained through SAVE and the information in the alien's immigration documentation and if the eligibility worker is not instructed by SAVE to initiate secondary verification, no further check is required. The county department must make certain, however, that biographical data given matches the alien applicant/recipient. If not, secondary verification must be initiated. Benefits will not be denied

or terminated or reduced because of the alien's immigration status without first receiving a response to the secondary verification process.^[4]

Secondary Verification Process

The secondary verification process provides a more extensive validation process, including a search of all automated and paper INS files, when problems arise during the visual verification of documentation on the primary check. Secondary verification must be completed prior to the delay, denial, reduction, or termination of benefits to any alien applicant/recipient for reasons of immigration status. Secondary verification in most cases can be accomplished through SAVE. If not, the county office must follow the instructions below.

To obtain secondary verification, the county department must forward a completed Document Verification Request, Form G-845, with full readable photocopies of original immigration documents to the following INS File Control Office (FCO) for review:

U.S. Citizenship and Immigration Services
10 Fountain Plaza, 3rd Floor
Buffalo, NY 14202
Attn: Immigration Status Verification Unit

A separate G-845 and the G-845 supplement (if required) must be completed for each applicant/recipient and should include copies of the documents for that individual only. If a family unit has applied, each member will require a separate G-845.

It is recommended that when the G-845 is completed, a copy of the completed form and all documentation is maintained in the case record. All original documentation must be returned to the alien.^[5]

Additional Information

1. Refer to [Chapter 4](#) for other factors which may be relevant to the eligibility of certain aliens and which should be verified if applicable, such as:
 - a) The date of admission or date status was granted.
 - b) Military connection.
 - c) Battered status.
 - d) If the alien was lawfully residing in the United States on August 22, 1996.
 - e) Membership in certain Indian tribes.
 - f) If the person was age 65 or older on August 22, 1996.
 - g) If a lawful permanent resident can be credited with 40 qualifying quarters of covered work and if any Federal means-tested public benefits were received in any quarter after December 31, 1996.
 - h) If the alien was a member of certain Hmong or Highland Laotian tribes during a certain period of time or is the spouse or unmarried dependent of such a person.
2. An alien is ineligible until acceptable documentation is provided unless one of the following applies:

- a) The county has submitted a copy of a document provided by the household to INS for verification.
- b) The applicant or the county department has submitted a request to Social Security Administration for information regarding the number of quarters of work. If SSA verifies that the individual has fewer than 40 quarters and that they are conducting an investigation to determine if more quarters can be credited, the county department must certify the individual pending the results of the investigation for up to 6 months from the date of the original determination of insufficient quarters.
- c) The applicant or the county has submitted a request to a Federal agency for verification of information which bears on the individual's eligible alien status. The county department must certify the individual pending the results of the investigation for up to 6 months from the date of the original request for verification.

Utility Expenses

1. The county department will accept the household's statement of expenses incurred as verification of entitlement to the appropriate utility standard.
2. If the household is not entitled to the SUA or BUA, actual expenses must be verified if the household wishes to claim these expenses and the expenses would actually result in a deduction.

Medical Expenses

1. The amount of any allowable medical expenses in excess of \$35 (including the amount of reimbursements) shall be verified prior to initial certification.

Households that incur out-of-pocket medical expenses in excess of \$35 are entitled to a standard medical deduction of \$175. These expenses must be verified before a deduction is allowed in the budget.

Households that incur out-of-pocket medical expenses in excess of the standard medical deduction (\$175) must verify the actual amount of these expenses before a deduction for the actual amount in excess of \$175 may be allowed in the budget. If the amount verified is more than \$35 and is equal to or less than \$175, the household would only be entitled to the standard medical deduction.

2. If the verification of the medical expenses and reimbursement may delay the household's certification, the county department shall advise the household that its eligibility and benefit level may be determined without providing a deduction for the claimed but unverified expense.
3. Verification of other factors such as the allowable services provided or the eligibility of the person incurring the cost shall be required if questionable.
4. For households which claim no reimbursement potential (no insurance, non-SSI recipient, etc.), the household's statement that no reimbursement will be received should be accepted, unless there is reason to question this statement, such as it is known that employer provides group medical insurance plan. If the household's statement is not questionable, the deduction would be allowed at that time.

5. Any currently existing bill for allowable medical expenses which is received by a client who has Medicaid shall be accepted by the county department as verification that Medicaid will not cover this bill, and the client is liable for the expense.

If the client has insurance in addition to Medicaid, reimbursement of the expense must be verified from the other insurance before allowing the expense.

6. The county department must verify if an individual (who is entitled to a medical deduction) is covered by Qualified Medicare Beneficiaries Program before allowing a medical deduction. This may be accomplished by:
 - a) The Medicaid card: If the client is a QMB recipient, QMB will be listed on the card in the blank entitled "Scope of Coverage".
 - b) Use of the MSEV screen
 - ❖ Sign onto DHR/CICS.
 - ❖ Clear screen.
 - ❖ Enter MSEV space enter SSN.
 - ❖ Press enter.
 - c) The PSPWB 525-A Pars Referral to Food Assistance, Social Service and ES. This printout is printed down line each day for categories A, B, and D cases.

Social Security Numbers

Verification of social security numbers reported by the household is accomplished through a monthly computer enumeration tape match with the Social Security Administration.

1. The household is not required to verify SSN's provided for each member, but may verbally state the numbers to the worker.
2. The county department shall not delay the certification or issuance of benefits to an otherwise eligible household solely for the monthly enumeration tape match.
3. The county department shall accept as proof of application for a social security number from SSA-2853, Hospital Enumeration at birth or a birth certificate or other documentary evidence which indicates the hospital has submitted the application for a social security number.

These enumerations will not be accomplished by the monthly computer enumeration tape match. Therefore, it is the household's responsibility to verify the number upon receipt. If the household fails without good cause to notify the county office by the next certification period or six months, whichever comes later after the SSA-2853 has been provided, the household member would be disqualified in accordance with procedures in [Chapter 6](#).

Residency

1. The residency requirements of [Chapter 3](#) shall be verified except in unusual cases (such as homeless households, some migrant farm worker households, or households newly arrived in a project area) where verification of residency cannot reasonably be accomplished.

2. Verification of residency should be accomplished to the extent possible in conjunction with the verification of other information such as, but not limited to, rent and mortgage payments, utility expenses, and identity.
3. If verification cannot be accomplished in conjunction with the verification of other information, then the county department shall use a collateral contact or other readily available documentary evidence. Documents used to verify other factors of eligibility should normally suffice to verify residency as well. Any documents or collateral contacts which reasonably establish the applicant's residency must be accepted and no requirement for a specific type of verification may be imposed.
4. No durational residency requirement shall be established.

Identity

1. The identity of the person making application shall be verified. Where an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of the household shall be verified.
2. Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contract. Examples of acceptable documentary evidence which the applicant may provide include, but are not limited to:
 - a) A driver's license.
 - b) A work or school ID.
 - c) An ID for health benefits or for another assistance or social services program.
 - d) A voter registration card.
 - e) Wage stubs.
 - f) Birth certificate.
3. Any documents which reasonably establish the applicant's identity must be accepted and no requirements for a specific type of document, such as a birth certificate may be imposed.

Disability

The county department shall verify disability as defined in the Glossary Manual as follows:

1. For individuals to be considered disabled due to receipt of SSI, receipt of disability or blindness payments under Titles I, II, X, or XIV, or XVI of the Social Security Act, receipt of State SUP benefits, or receipt of disability retirement benefits from a governmental agency, the household shall provide proof that the disabled individual is receiving these benefits.
2. For individuals to be considered a disabled veteran the household must present a statement from the Veteran's Administration (VA) which clearly indicates that the disabled individual is receiving VA disability benefits for a service connected or non-service connected disability and the disability is rated as total or paid at the total rate by VA.

3. For individuals to be considered a veteran determined by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the U.S. Code, or a surviving, disabled spouse or child of a veteran, proof by the household that the disabled individual is receiving VA disability benefits is sufficient verification of disability.
4. For individuals to be considered disabled due to receiving disability retirement benefits from a governmental agency because of a disability considered permanent under Section 221(i) of the Social Security Act, or who are surviving spouses or children of a veteran considered by the VA to be entitled to compensation for a service connected death under Title 38 of the United States Code and has a disability considered permanent under Section 221(i) of the Social Security Act, the county department shall use the Social Security Administration's most current list of disabilities considered permanent under the Social Security Act for verifying disability. (See Glossary Manual).
 - a) If it is obvious to the caseworker that the individual has one of the listed disabilities, the household shall be considered to have verified disability.
 - b) If the disability is not obvious to the caseworker, the household shall provide a statement from a physician or licensed or certified psychologist certifying that the individual has one of the disabilities listed.
5. For individuals to be considered disabled due to receipt of Railroad Retirement disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare, the household shall provide proof that the individual receives these benefits.
6. For disability determinations which must be made relevant to separate household status for an elderly, disabled individual unable to purchase and prepare meals separately, the county department shall use the SSA's most current list of disabilities as the initial step for verifying the disability.
 - a) Individuals who suffer from one of the disabilities mentioned in the SSA list who are unable to purchase and prepare meals because of such disability shall be considered disabled for the purpose of this provision.
 - b) If it is obvious to the worker that the individual is unable to purchase and prepare meals because he/she suffers from a severe physical or mental disability, the individual shall be considered disabled for the purpose of the provision even if the disability is not specifically mentioned on the SSA list.
 - c) If the disability is not obvious to the caseworker, he/she shall verify the disability by requiring a statement from a physician or licensed or certified psychologist certifying that the individual (in the physician's/psychologist's opinion) is unable to purchase and prepare meals because he/she suffers from some other severe, permanent physical or mental disease or non-disease related disability.
 - d) The elderly and disabled individual (or his/her authorized representative) shall be responsible for obtaining the cooperation of the individuals with whom he/she resides in providing the necessary income information about the others to the State agency for purposes of this provision.
7. Recipients of interim assistance benefits pending the receipt of supplemental security income. These are individuals that continue receiving SSI benefits pending an appeals decision by the Social Security Administration. *

8. Recipients of disability-related medical assistance benefits under Title XIX of the Social Security Act which are persons qualified for QMB. *
9. Recipients of disability-based State general assistance benefits. *

* These disability categories which are based upon disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Administration.

Verification for Households Previously Terminated Due to Refusal to Cooperate with Quality Control

1. County departments shall verify all factors of eligibility for households who have been terminated for refusal to cooperate with a state quality control reviewer, and reapply after 95 days from the end of the annual review period.
2. County departments shall verify all factors of eligibility for households who have been terminated for refusal to cooperate with a Federal quality control reviewer and reapply after seven months from the end of the annual review period.

Household Composition

1. County departments shall verify household composition, if questionable.
2. Individuals who claim to be a separate household from those with whom they reside shall be responsible for proving that they are a separate household to the satisfaction of the county department.
3. Individuals who claim to be a separate household from those with whom they reside based on the various age and disability factors for determining separateness shall be responsible for proving a claim of separateness (at the county department's request) in accordance with the verification of disability noted above in the Disability area of this section.

Child Support Deduction

The household shall be responsible for verifying the household's legal obligation to pay child support, the amount of the legal obligation, and the monthly amount the household actually pays.

1. The legal obligation and the obligated amount may be verified by a court order, administrative order, a legally enforceable separation agreement, etc.
2. The household's actual payment of child support may be verified by a canceled check, a statement from the custodial parent, wage withholding statements, verification of withholding from unemployment compensation, etc. Documents that are accepted as verification of the household's legal obligation to pay child support shall not be accepted as verification of the household's actual child support payment.

Able-Bodied Adults without Dependents (ABAWDS)

1. County departments must verify work hours for individuals who are subject to the ABAWD time limit.

Work hours must be verified for ABAWDS who are satisfying the work requirement by working, by combining work and participation in a work program, or by participating in a work or workfare program that is not operated or supervised by the State agency. This may be done in conjunction with verification of earned income.

2. County departments must verify the number of countable months an ABAWD has used in another State within normal processing standards if there is an indication that the ABAWD participated in that State.

The county department may accept another State's affirmation as to the number of countable months the ABAWD used in that state as well as the 36 month time frame used in that state.

B. Verification of Questionable Information

The county department shall verify, prior to certification of the household, all other factors of eligibility which the county department determines are questionable and affect the household's eligibility and benefit level.

Examples of possible questionable information are:

1. When information on the application is inconsistent with statements made by the applicant.
2. When information on the application is inconsistent with the other information on the application.
3. When information on the application is inconsistent with information on previous application.
4. When information received by the county department is inconsistent with information on the application.
5. When a household reports expenses exceeding its income (prior to deductions) or has managed payment of shelter costs, personal needs, and food with no reported income.
6. When a change is reported by the household that is inconsistent with previous statements by the household.

Questionable U.S. Citizenship

When a household's statement that one or more of its members are U.S. citizens is questionable, the household shall be asked to provide acceptable verification, which includes:

1. Birth certificates.
2. Religious records.
3. Voter registration cards.

4. Certificates of citizenship or naturalization provided by INS, such as identification cards for use of resident citizens in the United States (INS Form I-79 or INS Form I-197), or U.S. passports.
5. Participation in the AFDC program if verification of citizenship was obtained for that program.

If the above forms of verification cannot be obtained and the household can provide a reasonable explanation as to why verification is not available, the State agency shall accept a signed statement from someone who is a U.S. citizen which declares, under penalty of perjury, that the member in question is a U.S. citizen. The signed statement shall contain a warning of the penalties for helping someone commit fraud, such as: If you intentionally give false information to help this person get food assistance, you may be fined, imprisoned, or both.

Unless the household is entitled to expedited service, the member whose citizenship is in question shall be ineligible to participate until proof of U.S. citizenship is obtained. The member whose citizenship is in question will have his or her income, less a prorated share, and all of his or her resources considered available to any remaining household members as set forth in [Section 1102](#).

If the household is entitled to expedited service, the member whose citizenship is in question, shall be included in the household for the first month of certification only; he cannot participate in the remaining months of the certification period until proof of citizenship is provided. The member's resources shall be counted in their entirety and his or her income, less a prorated share shall be counted while the member is not in the household.

C. Verification of Shelter and Dependent Care Expenses

Shelter and dependent care expenses shall be verified prior to allowing as a deduction. If verification of shelter (rent, mortgage, and taxes and insurance separate and apart from the mortgage) and dependent care expenses may delay the household's certification, the county department shall advise the household that its eligibility and benefit level may be determined without providing a deduction for the claimed but unverified expense.

If the expense cannot be verified within the 30 days of the date of application, the county department shall determine the household's eligibility and benefit level without providing a deduction of the unverified expense. If the household subsequently provides the missing verification, the county department shall handle this as a reported change during the certification period. If the expense could not be verified within the 30 day processing day because the county department failed to allow the household sufficient time (10 days minimum) to verify the expense, the household shall be entitled to the restoration of benefits retroactive to the month of application, provided that the missing verification is supplied in accordance with [Section 207C](#).

D. Sources of Verification

Documentary Evidence

1. County departments shall use documentary evidence as the primary source of verification for all items except residency, household size and interest income, if the household states the interest income does not exceed \$10 per month or \$120 per year and this is not questionable. Residency and household size may be verified either through readily

available documentary evidence or through a collateral contact; without a requirement being imposed that documentary evidence must be the primary source of verification.

2. Documentary evidence consists of a written confirmation of a household's circumstances. Examples of documentary evidence include but are not limited to:
 - a) Wage stubs.
 - b) Rent receipts.
 - c) Utility bills.
3. Although documentary evidence shall be the primary source of verification, acceptable verification shall not be limited to any single type of document and may be obtained through the household or other source.
4. Whenever documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the eligibility worker may require collateral contacts or home visits.

For example, documentary evidence may be considered insufficient when the household presents pay stubs which do not represent an accurate picture of the household's income (such as out-dated pay stubs) or identification papers that appear to be falsified.

Collateral Contacts

1. A collateral contact is an oral confirmation (in person or by phone) of a household's circumstances by a person outside of the household.
2. The eligibility worker may select a collateral contact if the household fails to designate one or designates one which is unacceptable. Examples of acceptable collateral contacts may include employers, landlords, social services agencies, migrant service agencies, and neighbors of the household who can be expected to provide third-party verification.
3. The eligibility worker must protect the household's right to confidentiality when talking to collateral contacts. The eligibility worker should disclose to the collateral contact only enough information to obtain the information needed from them. The eligibility worker should not disclose information the household has provided, or disclose that the household is applying for or receiving food assistance benefits or may be suspected of any wrong doing.

Home Visits

Home visits may be used as verification only when documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained, and the home visit is scheduled in advance with the household.

Discrepancies

Where unverified information from a source other than the household contradicts statements made by the household, the household shall be afforded a reasonable opportunity to resolve the discrepancy prior to a determination of eligibility or benefits.

1. The county department may verify the information directly and contact the household only if such direct verification efforts are unsuccessful.

2. If the unverified information is received through IEVS, the county department may obtain verification from a third party as specified in [Section 205 I](#).

E. Responsibility for Obtaining Verification

The household has primary responsibility for providing documentary evidence to support statements on the application and resolve any questionable information. The eligibility worker must assist the household in obtaining this verification as long as the household is cooperating with the county department.

Households may supply documentary evidence in person, through the mail, by facsimile or other electronic device, or through an authorized representative. The eligibility worker must not require the household to present verification in person at the food assistance office.

The eligibility worker must accept any reasonable evidence provided by the household and must be primarily concerned with how adequately the verification proves the statements on the application.

Whenever documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained, the county department may require a collateral contact or a home visit. The county department, generally, shall rely on the household to provide the name of any collateral contact. The household may request assistance in designating a collateral contact. The county department is not required to use a collateral contact designated by the household if the collateral contact cannot be expected to provide accurate third-party verification. When the collateral contact designated by the household is unacceptable, the county department shall either designate another collateral contact, ask the household to designate another collateral contact or to provide an alternative form of verification, or substitute a home visit. The county department is responsible for obtaining verification from acceptable collateral contacts.

F. Documentation

Case files must be documented to support determinations of eligibility, ineligibility and benefit level. This includes documentation in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of determinations made at initial certification, recertification and changes during the certification period. Documentation includes any written documents that support the household statements as well as narrative recordings that chronologically outline case actions.

The case file must contain: a signed application form, validated TAD's, reports submitted during the certification period, documentation providing sufficient information about how eligibility was determined, benefit level and income computations, verification documents and written notes of verification obtained orally, copies of manually prepared notices provided to households, information/verification obtained through computer matches including follow-up actions required to complete the process, related eligibility referrals and correspondence with other units/agencies.

G. State Data Exchange (SDX) and Beneficiary Data Exchange (BENDEX)

The county department may verify SSI benefits through SDX and Social Security benefits through BENDEX, or through verification provided by the household. The county department may use SDX and BENDEX data to verify other information; however, the household shall be given an opportunity to provide verification from another source if the SDX or BENDEX information is

contradictory to the information provided by the household. Determination of the household's eligibility and benefit level shall not be delayed past the application processing time standards of this section if SDX or BENDEX data is unavailable.

H. Verification Subsequent to Initial Certification

Recertification

At recertification, the county department shall verify the following for all households:

1. Gross nonexempt earned income.
2. Unemployment Compensation Benefits
3. SSI benefits.
4. Child Support income.
5. Family Assistance (FA) grants.
6. All other gross, nonexempt unearned income for the household if from a new source or if changed by \$50 or more from previous certification.

(For quarterly reporting households, any change shall be verified with the exception of interest income which the household states does not exceed \$10 per month or \$120 per year.)

7. Dependent care expenses, if changed.
8. Child Support deduction.
A household eligible for the child support deduction must verify any changes in the legal obligation to pay child support, the obligated amount, and the amount of the legally obligated child support a household member pays to a non-household member. The worker shall verify reported unchanged child support information only if the information is incomplete, inaccurate, and inconsistent or outdated.

9. Medical expenses.
Households that are receiving the standard medical deduction (\$175) may continue to receive the standard medical deduction when a household member continues to incur out-of-pocket medical expenses in excess of \$35. Document the household's statement, unless the statement is questionable. If questionable, verification must be provided before the standard medical deduction is allowed.

Households that report incurring out-of-pocket medical expenses in excess of the standard medical deduction (\$175) must provide verification of the actual amount of medical expenses. If the actual amount verified is not in excess of \$175 but is more than \$35 and is equal to or less than \$175, the household is entitled to the standard medical deduction.

10. Alien status/citizenship, if questionable.
11. ABAWDS subject to "Time Limit"

Work hours must be verified for ABAWDS who are satisfying the work requirement by working, by combining work and participation in a work program, or by participating in a work program that is not operated or supervised by the State agency.

12. Questionable information.
13. Actual utility expenses if change is more than \$25.00 and the household does not qualify for the BUA or SUA.
14. Newly obtained social security numbers for current household members or social security numbers of new household members shall be verified through the monthly enumeration tape match with SSA.

Verification at recertification shall be subject to the same verification procedures as apply during initial verification.

Changes

See [Chapter 12](#).

I. Use of IEVS

1. The following information obtained through IEVS is considered verified upon receipt:
 - a) Unemployment Compensation Benefits from the Department of Industrial Relations.
 - b) FA grants (from Clearinghouse Report)
 - c) Social Security Benefits (From SSA)
 - d) SSI Benefits (From SSA)

The county department shall take action, including proper notices to households, to terminate, deny, or reduce benefits, or increase benefits based on the information from IEVS which is considered verified upon receipt. If the county department has information that the IEVS obtained information about a particular household is questionable, this information shall be considered unverified upon receipt and the county office shall independently verify with the household. When the independent verification is received, the county department shall process the information if it is different from the current case information and the appropriate notices shall be sent to the household.

2. The following information obtained through IEVS is considered unverified upon receipt:
 - a) Unearned income from the Internal Revenue Service (IRS).
 - b) Wage information from SSA and wage and employment (New Hire) information from the Department of Industrial Relations.
 - c) Questionable IEVS information (i.e. information from IEVS which is considered verified upon receipt but for which the county department has conflicting information).(See #1 above)

- d) Information from the Prisoner Verification System. (PVS) (See #3 below)
- e) National Directory of New Hire (NDNH) information (New Hire, Quarterly Wage, and Unemployment Insurance).

Prior to terminating, denying, or reducing benefits based on information obtained through IEVS which is considered unverified upon receipt, the county department shall independently verify the information.

Independent verification of the asset and/or ownership, or amount of income involved whether the household actually has or has had access to such asset or income such that it would be countable income or resources for food assistance purposes, and the period during which such access occurred. Except with respect to unearned income from the IRS, if the county department has information which indicates the independent verification is not needed, such verification is not required.

The county department shall obtain independent verification of unverified information from IEVS by contacting the household and/or the appropriate income, resource, or benefit source. If the county department contacts the household, it must do so in writing, informing the household of the information that has been received and requesting the household to respond within 10 days. If the household fails to respond in a timely manner, the county office shall issue a 10 day Notice of Adverse Action to terminate the household. The county department may contact the appropriate source by the means best suited to the situation. When the independent verification is provided by the household or appropriate source, the county department must notify the household of the action it intends to take prior to any adverse action.

3. BENDEX Death Matches and Prisoner Verification Matches

BENDEX Death Matches and Prisoner Verification System Matches received during the certification period require contact with the household when received. The county department must follow up on these matches with a Notice of Match Results. Inform the household of the information received by the county department, clearly explain what information the household must provide and the consequences of failure to respond. The county department must remove the individual from the household and adjust the household's benefits accordingly if the household does not respond to the request, or does respond but fails to provide sufficient information to clarify the household circumstances. Send the household a Notice of Adverse Action if the action to remove the individual results in a decrease or termination of the household's benefits.

If the information from death and prisoner matches are independently verified by the county department and the effect on the household's continued eligibility and/or benefit allotment can be readily determined, the county department must send a Notice of Adverse Action. A notice of match results would not be appropriate.

206 Normal Processing Standard

A. Thirty-Day Processing

The county department shall provide eligible households that complete the initial application process an opportunity to participate as soon as possible, but no later than 30 calendar days

following the date the application was filed, unless such households are entitled to expedited services.

See [Section 212](#), "Providing Benefits to Participants", for delivery of benefits.

B. Denying the Application

Households that are found to be ineligible are to be sent a notice of denial as soon as possible but not later than 30 days following the date the application was filed. If the 30th day falls on a weekend or holiday, the application should be denied on the first work day following the weekend or holiday.

If the household has failed to appear for a scheduled interview and has not made subsequent contact with the county department to express interest in pursuing the application, the household should be issued a notice of denial on the 30th day following the date of application. The household must file a new application if it wishes to participate.

In cases where the county department was able to conduct an interview and request all the necessary verification on the same day the application was filed, and no subsequent requests for verification have been made, the application shall be denied on the 30th day if the county department provided any assistance the household requested and the household failed to provide the requested verification.

207 Delays in Processing

A. Determining Cause

If the county department does not determine a household's eligibility and provide an opportunity to participate within 30 days following the date the application was filed, the county department shall determine if the cause of the delay is the fault of the household or the county department.

The delay shall be considered the **fault of the household** if the household has failed to complete the application process even though the county department has taken all the action it is required to take to assist the household; such action consists of the following:

1. For households that failed to complete the application form, the county department must have offered, or attempted to offer, assistance in its completion.
2. If one or more members who were required to register for work have failed to do so, the county department must have informed the household of the need to register for work, determined if the household members are exempt from work registration, and given the household at least 10 days from the date of notification to register these members.
3. In cases where verification is incomplete, the county department must have provided assistance as required and allowed the household sufficient time to provide the missing verification. Sufficient time shall be at least 10 days from the date of the county department's initial request for the particular verification that was missing.
4. For households that have failed to appear for an interview, the county department must notify the household that it missed the scheduled interview and that it is responsible for

rescheduling a missed appointment within 30 days from the date the application was filed.

- a) If the household fails to schedule a second appointment, or the subsequent interview is postponed at the household's request or cannot otherwise be rescheduled until after the 20th day but before the 30th day following the date the application was filed, the household must appear for the interview, bring verification, and register members for work by the 30th day; otherwise the delay shall be the fault of the household.
- b) If the household fails to appear for the first interview, fails to schedule a second interview, and/or the subsequent interview is postponed at the household's request until after the 30th day following the date the application was filed, the delay shall be the fault of the household.
- c) If the household has missed both scheduled interviews and requests another interview, any delay shall be the fault of the household.

If the household fails to comply with the above requirements, deny the application on the 30th day following the date of application. Reopen the denied food assistance application if the denial was caused by the delay of the household and the household provided all necessary information within 60 calendar days from the original application date.

Delays that are the fault of the county department include, but are not limited to, those cases where the state agency failed to take the actions described in the items above.

B. Delays Caused by the Household

If by the 30th day the county department cannot take any further action on the application due to the fault of the household, the household shall lose its entitlement to benefits for the month of application.

On the 30th day following the date the application was filed, a Notice of Denial/Pending Status shall be sent to the household explaining the reason for the denial and what actions the household must take in the second 30 days in order to reopen their case. (See Forms Manual for instructions.) As a Notice of Denial was issued on the 30th day, the application has been processed within the standard of promptness and is not delinquent.

1. If the 30th day falls on a weekend or holiday and the requested information is received on the first workday after the weekend or holiday, benefits shall be prorated from the date the information is received.

The household shall be given an additional 30 days to take the required action, such as providing requested verification or registering for work those members who were required to register, but did not.

2. If the household takes the required action within the second 30-days, the county department shall reopen the case without requiring a new application.

When the household is at fault for the delay in the first 30-day period, but is found to be eligible during the second 30-day period, the county department shall provide benefits only from the month following the month of application. Benefits must be prorated from the date the household takes the necessary action to enable the application to be

processed. The household is not entitled to benefits for the month of application when the delay was the fault of the household.

3. If the household does not take the required action within the second 30-days, no further action by the county department is required.

C. Delays Caused by the County Department

Whenever a delay in the initial 30-day period is the fault of the county department, the county department shall take immediate corrective action.

The county department shall not deny the application if it caused the delay, but shall instead notify the household by the Notice of Denial/Pending Status, on the 30th day following the date the application was filed that its application is being held pending. **Although the Notice of Denial/Pending Status is issued on the 30th day, the application is still considered delinquent as the county department has not determined the household's eligibility by the 30th day.**

If the household is found to be eligible during the second 30-day period, the household shall be entitled to benefits retroactive to the month of application. If, however, the household is found to be ineligible, the county department shall deny the application.

D. Delays beyond 60 Days

If the county department is at fault for not completing the application process by the end of the second 30-day period, and the case file is otherwise complete, the county department shall continue to process the original application until an eligibility determination is reached.

If the household is determined eligible, and the county department was at fault for the delay in the initial 30-days, the household shall receive benefits retroactive to the month of application. However, if the initial delay was the household's fault, the household shall receive benefits retroactive only to the month following the month of application.

The county department shall use the original application to determine the household's eligibility in the months following the 60-day period.

If the county department is at fault for not completing the application process by the end of the second 30-day period, but the case file is not complete enough to reach an eligibility determination, the county department may either continue to process the original application, or deny the case and notify the household to file a new application. If the case is denied, the household shall also be advised of its possible entitlement to benefits lost as a result of county department causing the delay. If the county department was at fault for the delay in the initial 30-days, the amount of benefits lost would be calculated from the month of application. If, however, the household was at fault for the initial delay, the amount of benefits lost would be calculated from the month following the month of application.

If the household continues to be at fault for not completing the application process by the end of the second 30-day period, the county department shall require the household to file a new application if it wishes to participate. The household is not entitled to any lost benefits. If the delay in the initial 30-days of the application had been the fault of the household, the household is not entitled to retroactive benefits for the first 30-days nor can their case be reopened after the

second 30-days. The county department does not send a second denial at the end of the second 30-days.

208 Expedited Service

A. Entitlement to Expedited Service

The following households are entitled to expedited service:

1. Households with less than \$150 in monthly countable gross income provided their liquid resources (i.e., cash on hand, checking or savings accounts, savings certificates, and lump sum payments) do not exceed \$100.

Note: Income that is excluded for food assistance purposes shall not be considered in determining the household's entitlement to expedited service.

2. Migrant or seasonal farm worker households who are defined as destitute in [Section 1004C](#) provided their liquid resources (i.e. cash on hand, checking or savings accounts, savings certificates, and lump sum payments) do not exceed \$100.
3. Households whose combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage and actual utilities, except that the telephone standard rate shall be substituted for actual telephone bills.

B. Identifying Households Needing Expedited Service

The Food Assistance Application (and the Joint Application for Public Assistance and Food Assistance, short form) are designed to identify households eligible for expedited service at the time the household requests assistance. (When the Joint Application is filed without the short form, the worker shall determine, based on the interview, if the household is entitled to expedited service.)

Applications shall be screened for entitlement to expedited service as they are filed or as individuals come in to apply for assistance. A receptionist, volunteer, or other employee may conduct the screening.

C. Processing Standards

The county department shall use the following procedures for expediting issuance to households entitled to expedited service and determined eligible in accordance with [Section 208](#) below.

Food assistance must be available not later than the seventh calendar day following the date the application was filed. (This provision includes all expedited service households, regardless of whether such households reside in drug addict or alcoholic treatment rehabilitation centers or group living arrangement facilities.)

There are no exceptions to the seven calendar day processing standard for weekends or holidays.

1. If the seventh calendar day falls on a Saturday, Sunday, or legal holiday, the household shall have the opportunity to pick up their food stamps on the last working day prior to the weekend or holiday.
2. If food assistance is mailed, sufficient time shall be allowed for the assistance to reach the household by the seventh calendar day after the application is filed.

Entitlement to Expedited Service and Waiver of the Office Interview

If the household is entitled to expedited service and is also entitled to a waiver of the office interview, the county department shall conduct the interview (unless the household cannot be reached) and complete the application process within the expedited service standards unless a telephone interview is conducted.

If the county department conducts a telephone interview and must mail the application to the household for signature, the mailing time involved will not be calculated in the expedited service standards. Mailing time shall only include the days the application is in the mail to and from the household and the days the application is in the household's possession pending signature and mailing.

Late Determinations/Changes in Expedited Status

If the screening of applications required in B above fails to identify a household as being entitled to expedited service and the county department subsequently discovers that the household is entitled to expedited service, the county department shall provide expedited service to households within the processing standards described in this section, except that the processing standard shall be calculated from the date the county department discovers the household is entitled to expedited service.

If a household loses its entitlement to expedited service between the date of application and the interview, the application shall be processed using normal processing standards.

If a household is not eligible for the month of application, but is eligible and qualifies for expedited service for the following month, it shall be provided an opportunity to participate within seven days from the date of application or the first day of the second month, whichever is later.

D. Special Procedures

The county department shall use the following special procedures for expediting certification to households entitled to expedited service:

1. In all cases, the applicant's identity (i.e., the identity of the person making the application) shall be verified through a collateral contact or readily available documentary evidence.
2. All reasonable efforts shall be made to verify through collateral contact or readily available documentary evidence the following items within the expedited processing standards:
 - a) Residency
 - b) Income statement (including a statement that the household has no income).
 - c) Liquid resources.

- d) All other factors for which verification is required if the application is an initial application or if it is a recertification application.

Food assistance benefits shall not be delayed beyond the 7-day processing standards in this section solely because the above eligibility factors (other than identity) have not been verified.

County departments should attempt to obtain as much verification as possible during the interview, but should not delay the certification of households entitled to expedited service for the full 7-day timeframe if it has been determined it is unlikely the other verification can be obtained within the 7 days.

Specific nonfinancial eligibility criteria shall be handled as follows for expedited cases.

Social Security numbers: Households will be requested to provide a SSN or apply for one for each person before the first full month of participation (or before the second full month of participation if the household receives a combined allotment). Household members who are unable to provide the required SSN can continue to participate only if they satisfy the good cause requirements in [Chapter 6](#). If the household is unable to provide proof of application for an SSN for a newborn, the household must provide the SSN or proof of application at its next recertification or within 6 months following the month the baby is born, whichever is later. If the household is unable to provide an SSN or proof of application for an SSN at its next recertification or within 6 months following the baby's birth, determine if the good cause provisions of [Chapter 6](#) are applicable.

Work registration: With regard to the work registration requirements, the county department shall, at a minimum, require the applicant to register (unless exempt or unless the person being interviewed is the authorized representative). The county department may attempt to register other household members but shall postpone the registration of other household members if it cannot be accomplished within the expedited service timeframes.

The county department may attempt work registration of other household members by requesting that the applicant complete the work registration forms for other members to the best of his or her ability. The county department may also attempt to accomplish work registration for other household members in a timely manner through other means, such as calling the household. The county department may attempt to verify questionable work registration exemptions, but such verification shall be postponed if the expedited service timeframes cannot be met.

Collateral Contact When Documentary Evidence Is Not Readily Available

Once an acceptable collateral contact has been designated, the county department shall promptly contact the collateral contact, in accordance with the provisions in [Section 205 D](#). Although the household has the primary responsibility for providing other types of verification, the county department shall assist the household in promptly obtaining the necessary verification.

Certification Periods

Households that are certified on an expedited basis and have provided all necessary verification required in [Section 205](#) shall be assigned normal certification periods; semi-annual reporting households shall be assigned a certification period of twelve months. If verification was postponed, the county department may certify these households for:

1. The month of application (the month of application and the subsequent month for those households applying after the 15th of the month), or

2. A normal certification period for those households whose circumstances would otherwise warrant longer certification periods than one or two months as described above.

When Verification Is Postponed

Verification of all eligibility factors other than identity may be postponed in accordance with [Section 208D](#) to meet the timely processing standard for expedited applications.

When certified only for the month of application, households must reapply and complete the verification which was postponed, unless they have been certified under normal processing standards since the last expedited certification.

All households applying between the 1st and 15th of a month, who are assigned certification periods greater than one month, shall have verification postponed for the month of application, if needed, and are entitled to receive the first month's prorated benefit within the expedited timeframe if otherwise eligible. The State agency shall notify the households in writing that no further benefits will be issued until the postponed verification is completed. The notice must also advise the household that if verification results in changes in the household's eligibility or level of benefits, the county will act on those changes without advance notice of adverse action.

Households applying after the 15th of the month, who is assigned certification periods greater than one month, shall have verification postponed for the first month and the subsequent month, if verification cannot be secured within the expedited timeframe, and shall receive the first month's benefit and the following month's benefit as a combined allotment, if they are otherwise eligible. The State agency shall notify the households in writing that no further benefits will be issued until the postponed verification is completed. The notice must also advise the household that if verification results in changes in the household's eligibility or level of benefits, the county will act on those changes without advance notice of adverse action.

Migrant households applying after the 15th of a month, who are assigned certification periods greater than one month shall:

1. Receive the first month's benefit and the following month's benefit within the expedited timeframe, if otherwise eligible.
2. Be notified in writing that they shall provide postponed verification from sources within the state before the third month's benefits are issued.
3. Be notified that they shall provide all verification from out-of-state sources before being issued benefits for the fourth month.

The notice shall also advise the household that if verification results in changes in the household's eligibility or level of benefits, the county department shall act on those changes without advance notice of adverse action.

Migrant households shall be entitled to postpone out-of-state verification only once each season. If a migrant household requesting expedited service has already received this exception during the current season, the county department shall grant a postponement of out-of-state verification only for the initial and second month's issuance and not for the third month's issuance.

When households which applied for benefits after the 15th of the month provide the required postponed verification, the county department shall issue the third month's benefits within five working days from receipt of the verification or the first day of the third calendar month, whichever is later (regardless of the household's scheduled issuance day). The actual first working day of

the calendar month issuance provision shall also apply to issuance in the fourth month for those migrant households needing out-of-state verification.

Except for migrant households needing out-of-state verification, when the postponed verification is not completed by the end of the second month, the county department shall terminate the household's participation and shall issue no further benefits.

When Verification Is Not Postponed

Households who have applied for benefits after the 15th of the month and who have been determined eligible to receive benefits for the initial month of application and the subsequent month shall receive their prorated allotment for the month of application and the first full month's allotment at the same time within the expedited timeframe.

1. If the prorated allotment is less than \$10, the second month's allotment shall be issued in accordance with the expedited service timeframe.
2. The period of intended use for the combined allotment is two months regardless of the date of issuance; therefore the household is entitled to receive both months' allotments at the same time in either the first or second month.
3. Unless the migrant or seasonal farm work household has been out of certification at least 30 days, this household is not entitled to a combined allotment even if he meets the criteria for entitlement to a combined allotment.

Recertification

There is no limit to the number of times a household can be certified under expedited procedures, as long as prior to each expedited certification, the household either completes the verification requirements that were postponed at the last expedited certification or was certified under normal processing standards since the last expedited certification.

Non-entitlement to Expedited Services

Households requesting, but not entitled to, expedited service shall have their applications processed according to normal standards.

209 Special Procedures for Reopening Cases after Household Fails to Provide Verification ^[6]

Simplified Reporting households in certification that fail to respond to a request for additional information/verification which results in case closure or termination of benefits may have their benefits reinstated if the requested information/verification is submitted to the county office after the case has closed but before the end of the month following case closure/termination. The county office must have issued a written request advising the household of the additional information/verification it must provide and allowed the household 10 days to provide the requested information/verification. This policy should also be applied to expedited service households that fail to provide postponed mandatory verification which results in case closure or termination. The county office must have issued a notice of adverse action or appropriate notice of action explaining the reason for case closure.

The automated notice of action will inform the household that their case can be reopened without a new application if the household provides the missing information/verification by the end of the month. The household must fully resolve the reason for case closure and be eligible for benefits

during the reinstatement month and the remainder of the certification period. The household must have at least one month remaining in the certification period after the effective date of eligibility in order to apply these special procedures. Benefits for the month the case is reopened must be prorated. The certification period will be for the month the case is reopened and the months remaining in the current certification period. Reference Chapter 17, Section 1706-C, Special Procedures for Reopening Six-Month Reporting Cases after Household Fails to Provide Verification, for policy and instructions on reinstatement/reopening six-month reporting cases after the household fails to provide verification which includes expedited service cases with postponed verification that fail to verify.

210 Public Assistance and Categorically Eligible Households

Any household in which all members are recipients of PA and/or SSI benefits shall be considered eligible for food assistance because of their PA/SSI status.

1. Recipients include individuals authorized to receive PA and/or SSI benefits but who have not yet received payment.
2. In addition, persons are considered recipients if their PA or SSI benefits are suspended or recouped.
3. Persons entitled to PA benefits but who are not paid such benefits because the grant is less than \$10 are also considered PA recipients.
4. Persons not receiving PA or SSI benefits who are entitled to Medicaid only shall not be considered recipients.

Categorically eligible households shall be certified in accordance with the notice, procedural and timeliness requirements of the food assistance program.

A. Categorically Eligible Households

Any household (except those listed in the exceptions below) in which all members receive or are authorized to receive PA and/or SSI benefits shall be considered eligible for food assistance because of their status as PA and/or SSI recipients unless the entire household is institutionalized or any member is disqualified for any reason from receiving food assistance. (See "Exceptions to Categorical Eligibility" below)

The eligibility factors which are deemed for food assistance eligibility without the verification required in Section 205 of this chapter because of PA/SSI status are resources, gross and net income limits, social security number information, sponsored alien information and residency.

If any of the following factors are questionable, the county department shall verify that the household which is considered categorically eligible:

1. Contains only members that are PA or SSI recipients as defined in this section.
2. Meets the household definition in Section 100, Chapter 1.
3. Includes all persons who purchase and prepare food together in one food assistance household regardless of whether or not they are separate units for PA or SSI purposes.

4. Includes no persons who have been disqualified as provided in the exception to categorically eligible listed below.

Households subject to retrospective budgeting that have been suspended for PA purposes or that receive zero benefits shall continue to be considered as authorized to receive benefits from the appropriate agency. Categorical eligibility shall be assumed at recertification in the absence of a timely PA redetermination.

Categorical eligibility shall be assumed at recertification in the absence of a timely PA redetermination.

Households determined to be categorically eligible must report substantial lottery and gambling winnings of \$3500 or more.

Households that reapply and are certified after losing eligibility for benefits due to substantial lottery or gambling winnings must not be considered categorically eligible. Eligibility for these households must be determined under regular program rules.

B. Expanded Categorically Eligible Households

All households authorized to receive non-cash services funded by Temporary Assistance for Needy Families (TANF) shall be considered categorically eligible after receiving information and referral services, i.e. pamphlet series 09-3 and after Broad Based Categorical Eligibility has been conferred to the household. Conferring means that the household has been determined eligible to receive food assistance benefits. Households authorized to receive FANF non-cash services must continue to meet the remaining food assistance eligibility criteria. Categorical eligibility must not be extended to any household that is not eligible to participate in the Food Assistance Program because the entire household is institutionalized or any member is disqualified for any reason from receiving food assistance. (See "Exceptions to Categorical Eligibility" below)

To determine categorical eligibility based on receipt of TANF non-cash services, households are subject to the following income test.

1. 130% of the Federal Poverty Level (FPL), or
2. 200% of the FPL if all household members are elderly or disabled and the net income limit is at or below 100% if FPL. The county department must revert to normal program policy (use of 100% net income limit and \$3000 asset test) if the income of these households exceed the 200% gross income limit.

Households that qualify under expanded categorical eligibility rules are exempt from the asset (resource) test.

Benefit and allotment levels must be based on the net income limits after all income and deductions are verified and applied.

Exceptions to Categorical Eligibility

Households that reapply and are certified for Food Assistance after losing eligibility due to substantial lottery or gambling winnings must not be conferred Broad Based Categorical Eligibility. Eligibility for these households must be determined under regular program rules.

Under no circumstances shall any household be considered categorically eligible (even if all members are PA and/or SSI recipients) if any member(s) of that household is disqualified for:

1. An intentional program violation.
2. Failure to comply with any of the work requirements (registration, compliance with job search, etc.).
3. Drug felons who have not met the requirements found in Chapter 1, Section 101-f.
4. Lottery and gambling winnings of \$3500 or more.

The above households are subject to all food assistance eligibility and benefit provisions.

Excluded Household Members

No person shall be included as a member in any household which is otherwise categorically eligible if that person is:

1. An ineligible alien.
2. An ineligible student.
3. Institutionalized in a nonexempt facility.
4. An ineligible ABAWD

Work Registration

For the purposes of work registration, the normal requirements and exemptions shall be applied to individuals in categorically eligible households. Any household member who is not exempt from work registration is subject to all other work registration requirements.

When determining eligibility for a categorically eligible household described in "A" above (all members receive SSI and/or PA), all factors of eligibility except for those listed below shall apply.

1. Categorically eligible households do not have to meet the resource limits.
2. Categorically eligible households do not have to meet either the gross or net income eligibility standards.
3. Categorically eligible households do not have to have their eligibility determined for the month of application.
4. Categorically eligible households do not have to have their available resources determined at the time of their certification interview.
5. Categorically eligible households do not have to have their income determined or anticipated to establish eligibility for food assistance.
6. Categorically eligible households shall not be denied due to their income exceeding the net income standards.

When determining eligibility for an expanded categorically eligible household described in "B" above, all factors of eligibility except for those listed below shall apply.

1. Categorically eligible households do not have to meet the resource limits.
2. Households must meet income limits for TANF Information & Referral Service.

3. Categorically eligible households do not have to have their available resources determined at the time of their certification interview.
4. Categorically eligible households whose net income exceeds the food assistance net income limits must be denied.

211 SSI Households

Households which meet all the following conditions may apply for food assistance benefits and have their application interview at the SSA office:

1. All members are applying for SSI.
2. The household has not applied for food assistance in the 30 preceding days.
3. The household does not have an application pending at the food assistance office.

Households applying simultaneously for SSI and food assistance shall be subject to food assistance eligibility criteria, and benefit levels shall be based solely on food assistance eligibility criteria until the household is considered categorically eligible.

Households that are denied food assistance that have an SSI application pending shall be informed on the Notice of Denial of the possibility of categorical eligibility if they become SSI recipients.

All fair hearing requests for households jointly applying for SSI and food assistance regarding their food assistance eligibility or benefit level must be handled by the Department of Human Resources as is now the case. The presence of Social Security Administration employees may not be compelled at any such hearings, but any negative findings concerning the Social Security Administration should be forwarded to the Social Security Administration for corrective action.

Any civil rights complaints directed at Social Security Administration employees or other complaints about Social Security Administration employees, procedures or facilities should be directed to the Social Security Administration for review and appropriate action.

A. Initial Application and Eligibility Determination

Whenever a member of a household consisting only of SSI applicants or recipients transacts business at a SSA office, the SSA shall inform the household of:

1. It's right to apply for food assistance at the SSA office without going to the food assistance office.
2. It's right to apply at a food assistance office if it chooses to do so.

The SSA office will accept and complete food assistance applications received at the SSA office from SSI households and forward them, within one working day after receipt of a signed application to the local food assistance office for the county in which the households resides. The food assistance application shall be attached to Form SSA-4233(6-81), Social Security Administration Transmittal for Food Assistance Applications when forwarded by SSA.

County Department Action

County departments shall act on food assistance applications received from SSA in accordance with the following procedures:

1. The county department shall make an eligibility determination and issue food assistance benefits to eligible SSI households within 30 days following the date the application was received by the SSA. Applications shall be considered filed for normal processing purposes when the signed application is received by SSA.

The expedited processing time standards shall begin on the date the county department receives a food assistance application.

2. Food assistance applications and supporting documentation sent to an incorrect food assistance office shall be sent to the correct office, by the county department, within one working day of their receipt in accordance with [Section 202\(B\)](#) of this chapter.
3. Households in which all members are applying for or participating in SSI will not be required to see an eligibility worker, or otherwise be subjected to an additional county interview.
4. The food assistance application will be processed by the county department.
5. The county department shall not contact the household further in order to obtain information for certification for food assistance benefits unless one of the following applies:
 - a) The application is improperly completed.
 - b) Mandatory verification required is missing.
 - c) The county department determines that certain information on the application is questionable.
6. In no event would the applicant be required to appear at the food assistance office to finalize the eligibility determination.
7. Further contact made in accordance with the above procedures shall not constitute a second food assistance certification interview.

Households Where Not All Members Are Applying For or Receiving SSI

The SSA office is not required to accept food assistance applications or conduct food assistance interviews for SSI applicants/recipients who are members of households which contain non-SSI applicants/recipients. An applicant for or recipient of SSI shall be informed at the SSA office of the availability of benefits under the Food Assistance Program and the availability of a food assistance application at the SSA office.

Applications from such households shall be considered filed on the date the signed application is received in the appropriate food assistance office.

Expedited Service Screening

The SSA shall prescreen all applications for entitlement to expedited services on the day the application is received at the SSA office and shall mark "Expedited Processing" on the first page

of all households' applications that appear to be entitled to such processing. The SSA will inform households which appear to meet the criteria for expedited service that benefits may be issued a few days sooner if the household applies directly at the food assistance office. The household may take the application from SSA to the food assistance office for screening, an interview, and processing of the application.

The county department shall prescreen all applications received from the SSA for entitlement to expedited service on the day the application is received at the correct food assistance office. All SSI households entitled to expedited service shall be certified in accordance with expedited service procedures except that the expedited processing time standard shall begin on the date the application is received at the correct food assistance office.

SSI Applications by Phone

If SSA takes an SSI application or redetermination on the telephone from a member of a pure SSI household, a food assistance application shall also be completed during the telephone interview.

1. In these cases, the food assistance application shall be mailed to the claimant for signature for return to the SSA office or to the food assistance office.
2. SSA shall then forward any food assistance applications it receives to the food assistance office.
3. The county department may not require the household to be interviewed again in the food assistance office. The county department shall act in accordance with the above section, "County Department Action".

SSI Applications by Mail

To SSI recipients re-determined for SSI by mail, the SSA shall send a stuffer informing them of their right to file a food assistance application at the SSA office (if they are members of a pure SSI household) or at their local food assistance office, and their right to an out-of-office food assistance interview to be performed by the county department if the household is unable to appoint an authorized representative.

Food Assistance Information Distributed By SSA

The Department of Human Resources provides SSA with an information sheet, "Facts about Your Food Assistance Application", for distribution to SSI households.

Verification for Households Initially Applying for SSI and Food Assistance

Verification for households initially applying are the same as for any other household initially applying. Households entitled to expedited services shall be processed in accordance with expedited service procedures.

Certification Periods/Denial of SSI

County departments shall follow the normal guidelines for certification periods for households applying for SSI and food assistance. In these households in which the SSI determination results in denial, and the county department believes that food assistance eligibility or benefit levels may be affected, the State agency shall:

1. Send the household a Notice of Expiration advising that the certification period will expire at the end of the month following the month in which the notice is sent and that it must reapply if it wishes to continue to participate.

2. The notice shall also explain that its certification period is expiring because of changes in circumstances which may affect food assistance eligibility or benefit levels and that the household may be entitled to an out-of-office interview.

Changes in Circumstances

These households shall be subject to the same change reporting requirements as all other households based on the type of budgeting the household is subject to.

SSI Households Applying at the County Department

The county department shall allow SSI households to submit food assistance applications to local food assistance offices rather than through the SSA if the household chooses. In such cases all verification, including that pertaining to SSI program benefits, shall be provided by the household or by SDX or BENDEX, rather than being provided by the SSA.

Restoration of Lost Benefits

The county department shall restore to the household benefits which were lost whenever the loss was caused by an error by the county department or by the Social Security Administration through joint processing. Such an error shall include, but not be limited to the loss of an applicant's food assistance application after it has been filed with SSA.

B. Recertification

The county department shall complete the application process and approve or deny timely applications for recertification in accordance with [Chapter 14](#).

A face-to-face interview shall be waived if requested by a household consisting entirely of SSI participants unable to appoint an authorized representative.

The county department shall provide SSI households with a Notice of Expiration in accordance with [Chapter 14](#), except that such notification shall inform households consisting entirely of SSI recipients that they are entitled to a waiver of a face-to-face interview if the household is unable to appoint an authorized representative.

Households shall be entitled to make a timely application for food assistance recertification at an SSA office under the following conditions:

1. SSA shall accept the application of a pure SSI household and forward the completed application, transmittal form and any available verification to the designated food assistance office.
2. Where SSA accepts and refers the application in such situations, the household shall not be required to appear at a second office interview, although the county department may conduct an out-of-office interview, if necessary.

212 Households Applying for or Receiving Social Security Benefits

An applicant for or recipient of social security benefits under Title II of the Social Security Act shall be informed at the SSA office of the availability of benefits under the Food Assistance Program and the availability of a Food Assistance Program application at the SSA office. The SSA office is not required to accept applications and conduct interviews for Title II applicants/recipients.

213 Providing Benefits to Participants

A. General

Each county department is responsible for the timely and accurate issuance of benefits to certified eligible households. Those households comprised of elderly or disabled members who have difficulty reaching issuance offices, and households which do not reside in a permanent dwelling or of a fixed mailing address shall be given assistance in obtaining their regular monthly benefits. County departments shall assist these households by arranging for mail issuance of coupons to them, by assisting them in finding authorized representatives who can act on their behalf, or by using other appropriate means.

B. Newly Certified Households

All newly certified households, except those that are given expedited service, shall be given an opportunity to participate no later than 30 calendar days following the date the application was filed. An opportunity to participate consists of having an issuance facility open and available for the household to obtain its allotment. If food assistance is mailed, two days shall be allowed for delivery before determining if the household has been provided an opportunity to participate.

A unique provision for the delivery of benefits is made to households who meet all of the following conditions:

1. Apply for food assistance after the fifteenth of a month.
2. Fulfill all eligibility requirements and
3. Are determined to be eligible for both the month of application and the next subsequent month.

This provision is these households shall receive both allotments at the same time within the appropriate timeliness standards.

4. The period of intended use for an aggregate allotment is two months regardless of the date of issuance.

Therefore, a household would be entitled to both the initial and second month's allotment in either the first month or the second month.

C. Ongoing Households

All households shall be placed on an issuance schedule so that they receive their benefits on or about the same date each month.

1. The date upon which a household receives its initial allotment after certification need not be the date that the household must receive its subsequent allotments.

County departments may stagger the issuance of benefits to households throughout the entire month.

2. No more than 40 days shall be allowed to elapse between any two issuances provided to a household. However, this policy does not apply to households who receive their combined allotment during the first month of the certification period. In these cases more than 40 days may elapse between the combined allotment received during the month of application and the issuance of the third month's benefits.

214 Confidentiality and Disclosure of Information

Every household which has at any time applied or been certified for food assistance is guaranteed confidentiality of the information in their case record. Use or disclosure of information shall be handled as explained in this Section.

A. Use or Disclosure without the Household's Permission

Information in a household's case record may be shared with the following individuals without the household's permission:

1. Persons directly connected with the administration or enforcement of the provision of the Food Assistance Act or regulations, other federal assistance programs, or federally assisted state programs providing assistance on a means-tested basis to low income individuals.
2. Persons directly connected with the administration or enforcement of the programs which are required to participate in IEVS to the extent the food assistance information is useful in establishing or verifying eligibility or benefit amounts under those programs.

NOTE: Information from the food assistance case record may not be shared with the Internal Revenue Service without the client's permission.

3. Persons directly connected with the verification of immigration status of aliens applying for food assistance benefits through the Systematic Alien Verification for Entitlements (SAVE) program to the extent the information is necessary to identify the individual for verification purposes.
4. Persons directly connected with the Administration of the Child Support Program under Part D Title IV of the Social Security Act in order to assist in the administration of that program.
5. Employees of the Comptroller General's Office of the United States for Audit examination authorized by any other provision of law.
6. Local, State or Federal law enforcement officials upon their written request for the purpose of investigating an alleged violation of the Food Assistance Act or regulations. The written request shall include the identity of the individual requesting the information and his authority to do so, violation being investigated and the identity of the person on whom the information is requested.

7. Local, State or Federal law enforcement officers upon written request shall be provided the address, social security number, and (if available) photograph of food assistance recipients if the officer furnishes the recipient's name and notifies the agency that:
 - a) Locating or apprehending the individual is an official duty.
 - b) The request is being made in the proper exercise of an official duty and
 - c) The individual is fleeing to avoid prosecution, custody, or confinement for a felony, the individual is violating a condition of probation or parole, law enforcement is actively seeking the individual to enforce the conditions of the probation or parole, or the individual has information necessary for the officer to conduct an official duty related to another member who is fleeing to avoid prosecution, custody, confinement for a felony, or has violated a condition of probation/parole. The county office must follow the same procedure for verifying through law enforcement whether an applicant or participant is a probation or parole violator as those used to determine if an individual is a fleeing felon. The county department shall terminate the participation of the member if the law enforcement officer provides documentation of the offense. A written request from law enforcement without the proper documentation of the offense will not be sufficient to terminate the member's participation.

NOTE: The information may be disclosed or released only upon written request that contains: (1) the name of the requestor, (2) the requestor's position and authority, (3) crime being investigated, (4) the name of the person on whom information is requested, and (5) the information being requested.

8. Names and address only of participating households may be made available to Department of Human Resources employees assigned to public information and nutrition education efforts and to the Cooperative Extension System.
9. Employees of the Department of Human Resources in the official performance of their duties directly related to the administration or enforcement of any federal assistance program or federally assisted state program in order to aid in maintaining the integrity of the assistance programs and to prevent the abuse of government aid. This includes but is not limited to the Child Support Program, Protective Services and the Parent Locator Service.
10. The Medicaid Agency including Medicaid Quality Control.

B. Use or Disclosure with the Household's Permission

Information in a household's case record may be shared with the following individuals with the permission of the household:

1. Household members and currently authorized representatives shall be given access to their records or case file information when the household member or authorized representative provides in writing a request to the county department to review their record or to obtain information from their record.
2. Other individuals who may have access to a household case record with permission are non-household members (other than authorized representatives) acting on behalf of the household's request. This may be a friend, attorney, congressman, etc.

- a) The non-household member may request information concerning the household's food assistance case either orally or in writing. However, no information can be released or the food assistance record made available until this request is received in writing. This request may be accompanied by a responsible household member's written statement in which the non-household member was asked to help the household with their food assistance. (This statement need not specifically state the non-household member be allowed to review the food assistance record or have access to the information in the record, but may simply be a request for the individual to help the client with his food assistance.)
- b) Should no written statement be attached to the request, the non-household member's written request must specifically reference the household's request to him/her for assistance with their food assistance.
- c) Should the state agency or county department have any doubts concerning the household's permission to release information from their food assistance case, no information shall be released until further authorization is obtained from the household.
- d) If the request by the non-household member is made orally, the state agency or county department may begin to gather the requested information and inform the individual that upon receipt of his written request, the information will be made available as soon as possible.

C. Making Records Available

- 1. Material and information from food assistance records shall be made available to authorized persons for inspection during normal business hours. In order to avoid interfering with efforts to enforce the requirement of the Food Assistance Act and applicable regulations, the county department may withhold confidential information such as the names of individuals who have disclosed information about a household without the household's knowledge, or the nature or status of criminal prosecutions.
- 2. When questionable, the county department should request credentials before allowing access to records or case files.
 - a) USDA reviewers have been instructed to present their pictorial identification upon entering a county office.
 - b) If the identification of the visitors cannot be resolved, the Food Assistance Division should be contacted before allowing access to individual case files.

^[1] Revised 5-12-10

^[2] Revised 3-13-12

^[3] Revised 3-13-12

^[4] Revised 3-13-12

^[5] Revised 3-13-12

^[6] Revised 8-28-13

Chapter 3

300 Residency

Households must be living in the project areas in which they file applications for participation.

No individual may participate as a member of more than one household or in more than one project area in any month; unless an individual is a resident of a shelter for battered individuals and children as defined in [Section 1106](#), and was a member of a household containing the person who abused him or her.

The county department shall not impose any durational residency requirements.

1. The county department shall not require an otherwise eligible household to reside in a permanent dwelling or have a fixed mailing address as a condition of eligibility.
2. Residency does not require an intent to reside permanently in the state or project area.

Persons in a project area solely for vacation purposes shall not be considered residents.

Chapter 4

Citizens and Alien Status

400 Citizens and Aliens Who Are Qualified and Eligible

The following persons are eligible to participate in the Food Assistance Program if they reside in the United States and meet all other conditions of eligibility.

1. A citizen of the United States:
 - a) A person born in one of the states or in the District of Columbia, Puerto Rico, Guam, the U. S. Virgin Islands, or the Northern Mariana Islands.
 - b) A naturalized U. S. citizen.
 - c) A person born outside of the United States to at least one U.S. citizen parent, subject to certain exceptions and qualifications.
2. A United States non-citizen national:
 - a) A person born in an outlying possession of the United States (American Samoa or Swain's Island) on or after the date the U.S. acquired the possession; or
 - b) A person whose parents are U. S. non-citizen nationals, subject to certain residency requirements.
3. An individual who is:
 - a) An American Indian born in Canada to which Section 289 of the Immigration and Nationality Act applies.
 - b) Members of specific Indian tribes as defined in Section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) which is recognized as eligible for the special programs and services provided by the Bureau of Indian Affairs to Indians because of their status as Indians.
 - c) An individual who is lawfully residing in the United States and was a member of the Hmong or Highland Laotian tribe at the time the tribe rendered assistance to United States personnel in military or rescue operations during the Vietnam era beginning August 4, 1964 and ending May 7, 1975. This status also applies to individuals who have one of the following relationships with the member or deceased member of the Hmong or Highland Laotian tribe.
 - ❖ A spouse or surviving spouse.
 - ❖ An unmarried dependent child under the age 18 or if a full-time student under the age of 22. If the member of the Hmong or Highland Laotian tribe is deceased, the child must have been a dependent prior to the death.
 - ❖ An unmarried disabled child age 18 or older who was disabled and dependent on this person prior to the child's eighteenth birthday. (Child means the legally adopted or biological child).

The above group (3a, b, and c) of non-citizens are not qualified aliens but may be eligible. These individuals do not have to meet any other non-citizen requirement to be eligible.

- d) An individual who is an alien that has been subjected to a severe form of trafficking in persons and who is certified by the Department of Health and Human Services. An alien who has been subjected to a severe form of trafficking in persons and is under the age of 18. The spouse, child, parent or unmarried minor sibling of a victim of a severe form of trafficking in persons under 21 years of age, and who has received a derivative T visa. The spouse or child of a victim of a severe form of trafficking in persons 21 years of age or older, and who has received a derivative T visa.

Trafficking victims and their family members are eligible to the same extent as refugees.^[1]

- 4. Qualified Aliens: A qualified alien is a non-citizen who has one of the following immigration statuses. For most non-citizens, the non-citizen must be both a qualified alien and meet one of the eligibility requirements.

Those non-citizens listed below in 4a, b, c, and d must meet one of the food assistance eligibility requirements in number 5 to be eligible for food assistance benefits.

- a) An alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act. LPRs also include "**Amerasian**" immigrants as defined under Section 584 of the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1988.^[2]
- b) An alien who is paroled into the U. S. under section 212(d) (5) of the INA for a period of at least 1 year.
- c) An alien who is granted conditional entry according to section 203(a)(7) of the INA as in effect prior to April 1, 1980.
- d) An alien who has been battered or subjected to extreme cruelty in the U.S. by an individual or parent's family residing in the same household at the time of the abuse or an alien child whose parent has been battered.

Those non-citizens listed below in 4e, f, g, h, i, j and k are eligible for food assistance benefits without a 5 year waiting period and without having to meet a food assistance eligibility requirement.

- e) An alien who is granted asylum under section 208 of the INA.
- f) A refugee who is admitted to the U.S. under section 207 of the INA.
- g) An alien whose deportation or removal is withheld under section 243(h) and 241 (b) (3) of the INA as in effect prior to April 1, 1997.
- h) An alien who is a Cuban or Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act of 1980.
- i) An alien who has been subjected to a severe form of trafficking. Victims under the Trafficking Victims Protection Act of 2000.

- j) An Iraqi and Afghan who is granted special immigrant status under Section 101(a)(27) or the Immigration and Nationality Act (INA).
 - k) An "Amerasian" immigrant as defined under Section 684 of the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1988. ^[3]
5. Food Assistance Alien Eligibility Requirements:
- a) An alien with one of the following military connections:
 - ◆ A veteran who was honorably discharged for reasons other than alien status, who has fulfilled the minimum active-duty service requirements of 38 U.S.C. 5303A (d), including an individual who died in active service. This also includes an individual who served before July 1, 1946, in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the U. S.
 - ◆ An individual on active duty in the Armed Forces of the U. S other than for training.
 - ◆ Military connections described apply to the spouse and unmarried children under the age of 18, or under the age of 22 if a student or an unmarried dependent 18 or older if the child was dependent and disabled prior to the 18th birthday.
 - ◆ The status also applies to a spouse of a deceased veteran if the marriage fulfilled the requirements of 38 U. S. C. 1304 and the spouse has not remarried as well as to the dependents described above.
 - b) Aliens who on August 22, 1996 were lawfully residing in the U.S and were born on or before August 22, 1931.
 - c) Aliens lawfully residing in the U.S. and under age 18.
 - d) Aliens lawfully residing in the U.S. receiving blind or disability benefits.
 - e) Aliens who have lived in the U.S. for a period of five years from the date of entry. The five year waiting period begins on the date the alien obtains status as a qualified alien through INS.
 - f) An alien lawfully admitted for permanent residence under the Immigration and Nationality Act is eligible if s/he has worked 40 qualifying quarters of coverage under Title II of the Social Security Act, including qualifying quarters of work not covered by Title II of the Social Security Act. (See the Automation for All Staff Manual Section 1208 for instructions on how to request qualifying quarters.) A qualifying quarter includes one worked by alien, one worked by a parent of the alien who was under age 18 (including qualifying quarters worked before the alien child was born or adopted), or quarters worked by a spouse during their marriage if the alien remains married to the spouse or the spouse is deceased. If the determination of eligibility is made using the quarters of a spouse, and the couple later divorces, the alien's eligibility will continue until the next recertification. At this time the alien's eligibility must be determined without the qualifying quarters of the spouse.
Any quarter beginning on or after January 1, 1997, will not be considered a qualifying quarter worked by the alien or by another person whose qualifying quarters can be used if the alien received any federal means-tested public benefits during that quarter such as Food Assistance, Medicaid, SSI and TANF.

Each category of eligible alien status stands alone. When eligibility expires under one eligible status, it must be determined if eligibility exists under another status.

Verification Procedure for 40 Qualifying Quarters Determination

The following steps should be taken by the worker when dealing with aliens whose qualification for food assistance is dependent upon 40 quarters of wages.

1. Verify the alien's quarters of coverage.
2. Establish the necessary relationships to the alien before requesting a qualifying quarter history unless it is clear the alien meets the 40 qualifying quarter requirement because of his/her own work. Up to four quarters in each year can be credited to the alien from each individual.
3. Obtain a Consent for Release of Information (SSA-3288) signed by the parent/spouse social security number holder when requesting a qualifying quarter history for social security numbers that are not assigned to the alien. A consent form is not needed to request information on a deceased individual's social security number through the Quarters of Coverage History System (QCHS).

Important: If someone refuses to cooperate and will not complete the consent form, the Quarters of Coverage History System cannot be used to obtain the Qualifying Quarters data. For these cases, use Form SSA-513, Request for Quarters of Coverage History Based on Relationship, to request the needed information. See instructions for form, SSA-513 in Section VI of the Forms for Eligibility Manual. The consent form must be maintained in the food stamp case record. SSA will request to see these forms as part of its quality control if a question is raised.

The record received will not show current year earnings or possibly last year's earnings, depending on when the request is made. Earnings for this period are called LAG earnings. Because these quarters represent recent work history, the applicant should have acceptable evidence of the earnings available, i.e., W-2 and/or W-2c, employer prepared wage statements or an IRS copy of the individual's tax returns. Assume the earnings are covered if the proof submitted indicates FICA taxes were withheld.

401 Ineligible Aliens

Only the qualified aliens listed in [Section 400](#) are eligible to participate. All other aliens are ineligible to participate. Alien visitors, tourists, diplomats and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country are also included as ineligible aliens. Undocumented non-citizens and those who are unable or unwilling to provide documentation of their immigration status are ineligible for food assistance benefits. ^[4]

402 Income and Resources of Ineligible Aliens

The income and resources of an ineligible alien are handled in accordance with [Section 1102](#).

403 Awaiting Verification of Alien Status

If verification of eligible alien status as required in [Section 205\(B\)](#) is not provided on a timely basis by the household, determine the eligibility of the remaining household members. The income and resources of the individual whose alien status is unverified are handled as outlined in [Section 1102\(B\)](#).

If verification of eligible alien status is subsequently received from the household, act on the information as a reported change in household membership in accordance with appropriate timeliness standards.

404 Reporting Illegal Aliens

The county department may report unlawful presence only those non-citizens who have applied for food assistance benefits; not other household members, and not adults applying strictly for their children. In making this determination, guidance and clarification is stated in an Interagency Notice published in the Federal Register (65 FR 58301). It states, "**A government entity knows that a non-citizen is not lawfully present in the United States only when the entity's finding or conclusion of unlawful presence is made as part of a formal determination by the entity, is subject to administrative review and is supported by a determination of the Department of Homeland Security (DHS) or the Executive Office for Immigration Review, such as a Final Order of Deportation.**" If the county department knows as explained in the Interagency Notice that a non-citizen is not lawfully present in the United States, then the county department must report to INS only the non-citizen who is present in the United States in violation of the IN A. Suspected unlawful presence of non-citizens must not be reported if the county department does not have verification of a formal determination of unlawful presence.^[5]

405 Additional Information

Listed below is additional information regarding battered aliens.

For an alien who is a battered individual or child, a determination must be made that there is a substantial connection between the battery and the need for benefits. A substantial connection between the battery and the need for benefits may be established if it is necessary for the individual to set up a new living arrangement, the individual has never worked or is now unemployed, the battery is such that the individual is unable to work due to physical injury, heightened visibility in the community poses a continued threat, or other circumstances as evaluated/determined by the worker. Any reasonable evidence of battery offered by the individual should be sufficient, including police reports, information from medical or school personnel, social service records or photographs. In addition, the battered individual must establish that s/he no longer lives in the same household with the batterer.

406 A Guide for Determining Food Stamp Alien Eligibility

A person must be a U.S. citizen or an eligible non-citizen to qualify for food assistance. For most non-citizens, the non-citizen must be both a qualified alien as listed in the left column of the table below and meet one of the eligibility requirements to be eligible.

Qualified Aliens	Food Assistance Eligibility Criteria
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<p>Lawfully admitted for permanent residence (LPR).</p> <p>2. Paroled under Section 212(d)(5) of INA for at least one year</p> <p>3. Granted conditional entry under 203(a)(7) of INA in effect prior to 4/1/1980</p> <p>4. A battered spouse, battered child or parent or child of battered person with a petition pending under 204(a)(1)(A) or (B) or 244(a)(3) of INA</p> <p>5. Granted asylum under Section 208 of INA</p> <p>6. Refugee admitted under Section 207 of INA</p> <p>7. Deportation withheld under 243(h) or 241(b)(3) of INA</p> <p>8. Cuban or Haitian entrant as defined in 501(e) of Refugee Education Assistance Act of 1980</p> <p>9. Trafficking victims under the Trafficking Victims Protection Act of 2000 and certain family members (spouses, children & minor siblings)</p> <p>10. Iraqi and Afghan Special Immigrants (SIV - Special Immigrant Visas)</p> <p>11. Amerasian immigrants defined under Section 584 of the Foreign Operations, Export Financing & Related Programs Appropriations Act of 1988</p>	<p>Numbers 1 -4, under qualified aliens, must meet one of these requirements below:</p> <p>The following are eligible indefinitely:</p> <ul style="list-style-type: none"> • Military connection (veteran, active duty, spouse and children) • Lawfully in U.S. and under 18 • Lawfully in U.S. and receiving blind or disability benefits • Lawfully in U.S. and 65 or older on 8/22/96 • Lived in U.S. in a qualified status for 5 years • LPR who can be credited with 40 quarters of work <p>Numbers 5-11, under qualified aliens, are eligible without having to meet an additional requirement</p>
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The following aliens may be eligible even if they are not qualified aliens as specified in the left column and they may be eligible for an indefinite period of time.

- Certain Hmong or Highland Laotians and spouse and children (many are admitted as refugees);
- American Indians born in Canada to whom Section 289 of INA applies and members of Indian tribes as defined in Section 4(e) of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. 450(e). This provision was intended to cover Native Americans who are entitled to cross the U.S. border into Canada or Mexico. It includes, among others, the St. Regis Band of Mohawk in New York, the Micmac in Maine, the Abenaki in Vermont, and the Kickapoo in Texas.

- U. S. Non-citizen National. A person born in an outlying possession of the U.S. (American Samoa or Swain's Island) on or after the date the U.S. acquired the possession or a person whose parents are U.S. non-citizen nationals, subject to certain residency requirements. ^[6]

^[1] Revised 3-13-12
^[2] Revised 3-13-12
^[3] Revised 3-13-12
^[4] Revised 3-13-12
^[5] Revised 3-13-12
^[6] Revised 3-13-12

Chapter 5

Students

500 Applicability

Any person who is between the ages of 18 and 50, physically and mentally fit, and enrolled at least half time in an institution of higher education shall be ineligible to participate in the Food Assistance Program unless that person complies with the eligibility requirements of [Section 501](#) of this chapter.

1. Physically and Mentally Fit.

The criteria for determining physical and mental fitness are the same as that used for work registration. If an individual would be exempt from work registration because of a permanent disability, temporary disability or handicap, he is not physically and mentally fit and would not meet the definition of a student.

If mental or physical unfitness is claimed and the unfitness is not evident to the worker, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits issued by governmental or private sources, or of a statement from a physician or licensed or certified psychologist.

2. Half Time

The criteria for determining half time enrollment shall be whatever criteria the institution of higher education has established for half time enrollment.

3. Institution of Higher Education.

A student shall be considered enrolled in an institution of higher education if the person is enrolled in a regular curriculum at a college or university that offers degree programs regardless of whether a high school diploma is required. A college includes junior, community, two-year, or four-year college or a university. Individuals that are enrolled in special programs such as courses for English as a second language or for courses which are not part of the regular curriculum shall not be considered as enrolled in an institution of higher education.

In the case of trade schools and vocational technical schools, many persons take one or more courses at these schools to obtain practical skills that would enable them to obtain better jobs. Most of the various curricula in such schools do not require a diploma or the equivalent, to enroll. For example a secretarial school which offers courses in typing, stenography, etc. or a trade school which trains workers to obtain licenses as beauty technicians, bartenders, auto mechanics, etc. may not require a high school diploma. Therefore, persons in such courses would not be considered enrolled in an institution of higher education if a diploma or G.E.D. is not a prerequisite.

However, certain curricula offered by trade and vocational-technical schools may require a diploma or equivalent for enrollment. These can include curricula such as licensed practical nursing and aircraft mechanics. Where the curriculum in such schools requires a diploma or equivalent, the students enrolled for completion of the required courses in that curriculum would be considered as enrolled in an institution of higher education. A student enrolled in a post-secondary educational program as defined in the [Glossary Manual](#) is entitled to the same income exclusions noted in [Section 902, item 12](#).

4. Non-Students

This chapter does not apply to persons age 17 or under, persons age 50 or over, persons physically or mentally unfit, persons attending high school, persons participating in on-the-job training programs, persons not attending school at least half time, or to persons enrolled full time in schools and training programs which are not institutions of higher education.

501 Eligibility Requirements

In order to be eligible to participate in the Food Assistance Program, any student (as defined in [Section 500](#)), shall meet at least one of the following criteria:

1. Be employed for 20 hours per week and be paid for such employment. Students whose work hours fluctuate from week to week shall be determined eligible as long as the work hours average 20 hours per week or 80 hours per month. ^[1]
 - a) If self-employed, be employed 20 hours per week and receive weekly earnings at least equal to the Federal minimum wage multiplied by 20 hours. Self-employed students whose work hours fluctuate from week to week shall be determined eligible as long as the paid work hours average 20 hours per week or 80 hours per month. ^[2]
 - b) A student shall be ineligible in any month for which the anticipation of work is less than 20 hours a week or 80 hours per month.
2. Participate in a State or federally financed work study program during the school term. To qualify under this provision, the work study must be approved for the school term, and the student must anticipate actually working during this time. The student eligibility shall begin with the month in which the school term begins or the month work study is approved, whichever is later. Once begun, the student eligibility shall continue until the end of the month in which the school term ends, or it becomes known that the student has refused an assignment. The student eligibility shall not continue between terms when there is a break of a full month or longer unless the student is participating in work study during the break.
3. Participate in an on-the-job training program - a person is considered to be participating in an on-the-job training program only during the period of time the person is being trained by the employer. During the period of time the person is attending classes, he will have to meet one of the other student criteria in order to receive food assistance.
4. Participate in any work incentive program under Title IV of the Social Security Act. In Alabama this is JOBS.
5. Be responsible for the care of a dependent household member under the age of six.
6. Parents of a child above age 5 but under age 12 for whom adequate child care is not available to enable the student to attend class and satisfy the 20 hour work requirement or participate in a state or federally financed work study program during the regular school year. Adequate child care for the purpose of the student eligibility criteria shall be defined as care provided by a licensed day care center, a licensed day care home, or an individual whom the student feels is responsible for caring for the child. If such care is

being provided, the student is ineligible to participate. If such care is available, but is not currently being provided, the student is ineligible. Available shall be defined to mean vacancies in child care centers or licensed day care centers or licensed day care homes which are located within a reasonable proximity (as determined by the individual county department) of the student's residence or institution of higher education. In regard to other individuals such as neighbors or relatives, the student's statement as to whether or not such individuals are available to provide adequate care shall be accepted.

7. A single parent enrolled in an institution of higher education on a full time basis (as determined by the institution) and be responsible for the care of a dependent child under the age of 12. This provision applies in those situations where only one natural, adoptive or stepparent is in the same food stamp household as the child. For example, if one natural parent and a stepparent are living with the child, neither the natural parent nor the stepparent can qualify under this provision. If no natural, adoptive or stepparent is in the same food stamp household as the child, another full time student in the same food stamp household as the child may qualify for the eligible student status under this provision if he or she has parental control over the child and is not living with his or her spouse.
8. Assigned to or placed in a institution of higher education through or in compliance with one of the following:
 - a) A program under the W I A of 1998.
 - b) An employment and training program under the Food Stamp Act.
 - c) A program under Section 236 of the Trade Act of 1974.
 - d) A program for the purpose of employment and training (E and T) operated by a state or local government.
9. Receiving benefits from the Aid to Families with Dependent Children Program (AFDC).

502 Enrollment Status

The enrollment status of a student shall begin on the first day of the school term of the institution of higher education. Such enrollment shall be deemed to continue through normal periods of class attendance, vacation, and recess, unless the student:

1. Graduates
2. Is suspended or expelled.
3. Drops out.
4. Does not intend to register for the next normal school term (excluding summer school).

Although the enrollment status of the student continues through normal periods of vacation and recess, the student must meet student eligibility criteria during these periods in order to qualify for food assistance.

503 Income and Resources of Ineligible Students

See [Section 1103](#) for handling the income and resources of an ineligible student.

504 Eligibility of Refugees

Eligibility of Refugees Taking English as a Second Language (ESL) Courses:

Refugees enrolled in ESL courses only, at institutions of higher education, should not be required to meet one of the students' eligibility requirements in [Section 501](#) to participate in the Food Assistance Program.

When a refugee is taking an ESL course(s) as part of a total program, the refugee would then need to meet one of the student eligibility requirements, if he/she otherwise fits the definition of student.

^[1] Rev. May 2010

^[2] Rev. May 2010

Chapter 6

Social Security Numbers

600 Requirements for Participation

A household participating or applying for participation in the Food Stamp Program must do one of the following for each household member:

1. Provide the member's Social Security Number (SSN).
To provide the number the household may state the number, present a document with the number on it, or show the social security card.
2. Apply for an SSN before certification if the member does not have a number or the household is unable to provide the number.

If individuals have more than one number, all numbers are required. Explain to applicants and participants that refusal or failure without good cause to provide an SSN will result in disqualification of the individual for whom an SSN is not obtained.

601 Obtaining SSN'S for Food Stamp Household Members

For those individuals who provide SSN's prior to certification, recertification, or any office contact, the county department will record the number; verification of the number is handled as stated in [Section 205\(A\)](#).

Households who provided the SSA-2853, Hospital Enumeration at Birth form, or the certified copy of the birth certificate which indicates a Social Security Number has been applied for by the hospital, assume the responsibility for reporting the SSN to the county departments no later than the next recertification or six months, whichever comes later after the SSA-2853 has been received.

If the client has not received the SSN, the household member would have good cause. If the client received the SSN but lost the card, complete the SS-5 referral for issuance of a duplicate card and send the household to SSA. In this situation the automated system could be utilized to verify the SSN.

For those individuals who do not have a SSN, refer the household to the SSA to apply for a SSN. In order that households can promptly and with the least confusion possible, complete a SS-5 at the Social Security Administration Office, the county department shall:

1. Review the Form DHR-PAD-1542, SS-5 Referral, with the applicant or household member(s), emphasizing in particular what items of proof will need to be taken to the SSA office. These include:
 - a) Birth certificates.
 - b) Proof of citizenship/alien status (as applicable).

- c) Proof of identity such as driver's license, draft card, report card, etc.
2. Explain to the applicant that individuals 18 years or older must go in person to the SSA office with the above proofs.
3. Advise the client of the hours of operation of the SSA office, the address of the office and where applicable the hours and dates SSA representatives will be available to provide the SS-5 processing procedures.
4. Inform the client that the DHR-PAD-1542 must be taken to the SSA office when the household member goes to apply for an SSN.

See Forms Manual for what information the county department is required to complete on the DHR-PAD-1542 prior to giving it to the household.

The county department shall advise the household that proof of application from SSA will be required prior to certification. Proof of application shall consist of either the return of the DHR-PAD-1542, marked complete; the SSA-5028, Receipt of Application for a SSN; the SSA-2853, Hospital Enumeration at birth; or the copy of a birth certificate or other documentary evidence which indicates an application for a Social Security Number for the child has been submitted.

602 Failure to Comply

If the county department determines that a household member has refused or failed without good cause to provide or apply for an SSN, then that individual shall be ineligible to participate in the Food Stamp Program.

The disqualification applies to the individual for whom the SSN is not provided and not to the entire household. The earned or unearned income and resources of an individual disqualified from the household for failure to comply with this requirement shall be counted as noted in [Section 1102](#).

603 Determining Good Cause

In determining if good cause exists for failure to comply with the requirement to apply for or provide the county department with a SSN, the county department shall consider information from the household member, SSA, and the county department (especially if the county department did not complete the DHR-PAD-1542 correctly prior to providing it to the household).

Documentary evidence or collateral information that the household member has applied for a SSN or made every effort to supply SSA with the necessary information to complete an application for a SSN shall be considered good cause for not complying timely with this requirement. If the household member applying for a SSN has been unable to obtain documents required by SSA, the county department should make every effort to assist the individual in obtaining these documents.

Good cause does not include delays due to illness, lack of transportation or temporary absences, because SSA makes provisions for mail-in applications in lieu of applying in person.

Periodic Determination of Good Cause

If the household member can show good cause why an application for a SSN has not been completed in a timely manner, that person shall be allowed to participate for one month in addition to the month of application.

After the second month, good cause for failure to apply for a SSN must be determined monthly in order for the household member to continue to participate.

Once an application for a SSN has been filed (such applications are not considered by SSA to be filed unless the application is complete), the county department shall permit the member to continue to participate pending notification to the county department of the household member's SSN. The household shall be requested to provide the SSN when it is received from the SSA. If reported, the number shall be recorded and verification handled in accordance with [Section 205\(A\)](#). When the SSA-2853 is provided as proof of application for a SSN, the case shall be flagged for review six months from the month the SSA-2853 is received if the remaining months in the certification exceed six months as the client is responsible for reporting the assignment of SSN.

The county department shall, at recertification, determine if the SSN has been assigned if the household has not reported its receipt.

1. If the SSN has been received, and is provided by the household, verification of the number shall be handled in accordance with [Section 205\(A\)](#).
2. If the SSN has not been received, the county department shall determine through the SSA office or SSA representative the reason for the delay in the assignment of the number. If the SSA is at fault for failing to assign the number, the household member shall continue to participate.

604 Ending Disqualification

The household member(s) disqualified may become eligible upon providing the county department with an SSN.

605 Use of SSN'S

The State Agency, D.H.R., is authorized to use SSN's in the administration of the Food Stamp Program to access information, through IEVS, regarding individual Food Stamp Program applicants and participants who receive benefits under Title XVI of the Social Security Act to determine such a household's eligibility to receive assistance and the amount of assistance, or to verify information related to the benefit of these households. State agencies shall use the State Data Exchange (SDX) to the maximum extent possible.

SSN's shall also be used to:

1. Prevent duplicate participation.
2. Facilitate mass changes.
3. Determine the accuracy and/or reliability of information given by households.

606 Entry of SSN'S into Automated Databases

All SSN's obtained for household members shall be entered into the automated system.

Chapter 7

Work Requirements

700 Persons Required to Register

Each household member who is not exempt by Section 701 below shall be registered for employment at the time of certification and once every twelve months after initial registration by the county department as a condition of eligibility.

See Forms Manual for work registration forms for respective counties.

701 Exemptions from Work Registration

A. Exemptions

The following persons are exempt from the work registration requirement.

1. A person younger than sixteen years of age or a person sixty years of age or older.
If a child has his 16th birthday within the certification period, the child shall fulfill the work registration requirements as a part of the next scheduled recertification process, unless the child qualifies for another exemption at that time.
2. A sixteen or seventeen year old who meets any one of the following criteria:
 - a) Is not a head of household (as defined in [Section 704A](#)).
 - b) Is attending school.
 - c) Is enrolled in an employment training program on at least a half-time basis.
3. A person physically and mentally unfit for employment.
 - a) If mental or physical unfitness is claimed and the unfitness is not evident to the worker, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability issued by governmental private sources or a statement from a physician or licensed or certified psychologist.
 - b) Pregnancy is not necessarily a disabling condition. Therefore, before an exemption may be granted due to pregnancy, there must be verification from a physician to establish the claim of disability.
4. A household member subject to and complying with any work requirement under the AFDC program including JOBS.
 - a) If the exemption claimed is questionable, the worker shall be responsible for verifying the exemption.

- b) An exemption from JOBS does not automatically exempt a person from food assistance work registration. Different rules concerning age, language, medical or social characteristics may cause a person to be exempt under JOBS; but unless that person was also exempt under food assistance policies, food assistance work registration would be required.
5. A parent or other household member who is responsible for the care of a dependent child under 6 years of age or an incapacitated person.
- a) If the child has his 6th birthday within a certification period, the individual responsible for the care of the child shall fulfill the work registration requirement as part of the next scheduled recertification process, unless the individual qualifies for another exemption.
 - b) The dependent child or incapacitated person need not be a household member.
6. A person receiving Unemployment Compensation Benefits. A person who has applied but has not yet begun to receive Unemployment Compensation is also exempt from work registration if that person was required to register for work with the Employment Service agency as part of the unemployment compensation application process. If the exemption claimed is questionable, the county department shall be responsible for verifying the exemption with the appropriate Employment Service Office.
7. A regular participant in a drug addiction or alcoholic treatment and rehabilitation program. A regular participant is exempt regardless of whether or not he participates on a resident or nonresident basis.
8. A person who is employed, self-employed and is
- a) Working a minimum of 30 hours weekly or
 - b) Receiving weekly earnings at least equal to the Federal minimum wage multiplied by 30 hours.

The training wages mandated by the Fair Labor Standards Act of 1989 shall be substituted for the minimum wages for persons receiving paid training wage. This training wage is limited to a 90-day period for employees under age 20.

If the household member's hours or wages fluctuate on a weekly basis, an average figure shall be determined by converting the hours or wages into a weekly figure. The specific period of time selected for the averaging shall be done in conjunction with the household and should be tied to the number of weeks best anticipated. This averaging process is for the determination of work registration exemption only. An applicant, not otherwise exempt from the work registration requirement, may be exempt when income from employment consists, in whole or in part, of in-kind benefits which are otherwise excluded as income so long as the number of hours worked or the in-kind and/or wages are equal to the Federal minimum wage multiplied by 30 hours weekly.

9. Migrants or seasonal farm-workers who are under contract or similar agreement with an employer or crew chief to begin employment within 30 days (although this shall not prevent individuals from seeking additional services from the Employment Service Agency).

10. A student enrolled at least half-time in any recognized school (including high school), training program, or institution of higher education, provided those students who are enrolled at least half-time in an institution of higher education had met the eligibility conditions in [Chapter 5](#).
 - a) A student enrolled in any recognized school, training program, or institution shall remain exempt during normal periods of class attendance, vacation and recess, unless the student graduates, is suspended or expelled, drops out, or does not intend to register for the next normal school term (excluding summer).
 - b) Persons who are not enrolled at least half-time or who experience a break in enrollment status due to graduation, expulsion, or suspension, or who drops out or who otherwise do not intend to return to school, shall not be considered students for the purpose of qualifying for this exemption. Persons enrolled in correspondence courses are required to register for employment unless otherwise exempt under any other provisions.

B. Losing Exemption Status

Changes required to be reported

For semi-annual reporting households, persons losing exemption status due to any change in circumstances that is subject to the reporting requirements in [Chapter 17](#) shall register for employment when the change is reported.

For non-semi-annual reporting households, persons losing exemption status due to any change in circumstances that are subject to the reporting requirements in [Chapter 12](#), such as loss of employment that also results in a loss of income of more than \$25 a month, or departure from the household of the sole dependent child for whom an otherwise nonexempt household member was caring, shall register for employment when the change is reported.

The county department shall be responsible for providing the participant with a work registration form when the change is reported. The participant shall be responsible for returning the form to the county department within 10 calendar days from the date the form was handed to the household member reporting the change in person, or the date the county department mailed the form. If the participant fails to return the form, the county department shall issue a notice of adverse action stating that the participant is being terminated and why, but that termination can be avoided by returning the form prior to the effective date of the adverse action. (The return of the form thus voids the notice of adverse action).

Changes Not Required To Be Reported

Those persons who lose their exemption status due to a change in circumstances that is not required to be reported shall register for employment at their household's next recertification.

702 County Department Responsibilities

The county department shall

1. Register for work each member not exempt ([Section 701, A.](#)), using the DHR-WR-1802A. Upon determining an applicant or a member of the applicant's household is required to register, explain to the applicant:
 - a) The pertinent work requirements, which may include, but are not limited to:

- ❖ Report for an interview upon the reasonable request of the appropriate State Employment Service Office or employment and training program.
 - ❖ Respond to a request from the State Employment Service Office or Employment and Training Program for supplemental information regarding employment status or availability for work.
 - ❖ Report to an employer to whom referred by the State Employment Service Office or employment and training program, if the potential employment meets the suitability requirements (see Suitable Employment).
 - ❖ Accept a bona fide offer of suitable employment to which referred by the State Employment Service Office or the employment and training program.
- b) The rights and responsibilities of work registered household members.
 - c) The consequences of failure to comply.
2. Provide a written statement (Work Registrant Rights and Responsibilities) for each work registrant in the household.
 - a) This statement shall also be provided when a previously exempt member or new household member becomes subject to the work requirement.
 - b) This statement shall also be provided for each work registrant at recertification.
 3. Permit the applicant to complete a form for each household member required to register.

Household members are considered to have registered when:

- a) An identifiable work registration form has been completed and filed in the record. At certification, the work registration form will be submitted to the Employment Service in counties containing this program and services.
- b) The registration is otherwise annotated or recorded by the county department in counties with whom the State has no contract with Alabama Department of Industrial Relations to provide services through the local Employment Service office.

Coding the PSD-BFA-1139 with the work registration code satisfies the above requirement. The county department shall inform the household that refusal by any member required to work register or accept an offer of suitable employment may result in sanctions against the individual.

4. Take appropriate action within ten working days after learning of noncompliance.

Counties should ensure that the lines of communication between the units responsible for certification and the units responsible for the employment and training program be efficient and that noncompliance be reported within ten working days after such noncompliance is determined.

703 Work Registrant Requirements

Work registrants shall:

1. Complete the work registration process as outlined in [Section 702](#).
2. Provide sufficient information to allow the state agency to determine employment status or job availability.
3. Participate in a component of the employment and training program as assigned.
4. Accept a bona fide offer of suitable employment at a wage not less than the higher of either the applicable State or Federal minimum wage.

Such offers must be accepted whether the offer was through the Employment Service, employment and training program or the individual's own efforts.

704 Failure to Comply

A. Failure to Comply with Food Assistance Work Requirements

When the county department learns a household member has failed to comply with the work requirements outlined in [Section 703](#), the county department must take action to disqualify that individual.

The county department must issue a notice of adverse action which advises the household of the following:

1. The act of noncompliance.
2. The minimum period of disqualification.
3. The actions which may be taken to end the disqualification after serving the minimum disqualification period.

Fair Hearing

Each individual has a right to appeal a denial, reduction, or termination of benefits due to a determination of nonexempt status or failure to comply with a work registration or employment and training program requirement.

Individuals may appeal county department actions such as:

1. Non-exemption status.
2. Type of work registration requirement imposed.
3. County department's finding of "without good cause".

The county department or representative from the employment and training program or the Employment Service shall receive sufficient advance notice to either permit the attendance of a representative or ensure that a representative will be available for questioning over the phone during the hearing. A representative of the appropriate agency shall be available through one of these means.

A household shall be allowed to examine its employment component case file at a reasonable time before the date of the fair hearing, except for confidential information (which may include test

results) that the appropriate agency determines should be protected from release. Information not released to a household may not be used by either party at the hearing.

The results of the fair hearing shall be binding on the county department.

B. Failure to Comply with Unemployment Compensation Work Registration Requirement

When a household member, whose only exemption from work registration is because that individual is subject to the work registration requirements associated with the application for and receipt of Unemployment Compensation Benefits, fails without good cause to comply with a UCB work registration requirement, such failure to comply shall be treated in the same manner as noncompliance with food assistance work requirements.

Within 10 days of learning of such a noncompliance, the policies in [Section 704\(D\)](#) shall be followed to disqualify the individual.

C. Failure to Comply with a Jobs Program Requirement

When a household member, whose only exemption from work registration is because that individual is subject to and complying with the requirements of the JOBS Program, fails without good cause to comply with a JOBS requirement, such failure to comply shall be treated in the same manner as noncompliance with food assistance work requirements.

Within 10 days of learning of such noncompliance, the policies in [Section 704\(D\)](#) shall be followed to disqualify the individual.

If the noncompliant household member loses the ability to comply with the requirements of the JOBS Program, the individual may again be determined eligible to participate in the Food Assistance Program at the point that it is determined that the ability to comply no longer exists, or at the end of the appropriate minimum disqualification period, whichever is later.

If the inability to comply is for reasons other than ineligibility for Family Assistance, it is the JOBS worker who makes the determination that the individual no longer has the ability to comply.

D. Disqualification

Disqualification periods for failure to comply with the provisions of this chapter will be imposed as follows:

For the first violation or failure without good cause, the noncompliant individual shall be disqualified for one month or until compliance, whichever is later, unless the individual becomes exempt from work registration during the disqualification period.

The second violation or failure without good cause, the noncompliant individual shall be disqualified for three months or until compliance, whichever is later, unless the individual becomes exempt from work registration during the disqualification period.

For the third or subsequent violation or failure without good cause, the noncompliant individual shall be disqualified for six months or until compliance, whichever is later, unless the individual becomes exempt from work registration during the disqualification period.

If an individual has failed to comply at the end of the minimum disqualification period, the disqualification shall continue until the individual complies, unless the individual becomes exempt from work registration or loses the ability to comply.

Compliance with Food Assistance E&T, Employment Service, JOBS or UCB requirements is determined by the appropriate worker in that area.

The food assistance worker must determine compliance as follows:

For refusal to accept a bona fide offer of suitable employment, the household member must accept the employment if still available to him/her or secure other employment which either yields earnings equivalent to the earnings offered on the refused job or is for at least 30 hours per week. Refer to [Section 708](#) for good cause determination to be made by the eligibility/certification worker.

1. Imposing the Disqualification Period:

An individual will be disqualified effective the month following the expiration of the notice of adverse action or, effective the month following the date the hearing decision can be placed into effect if the household appeals and elects to have benefits continued and subsequently loses the appeal.

An individual, who complies after the notice of adverse action, is issued but before the effective date of the disqualification period, will not be disqualified. The household will be notified that the proposed action was cured by the compliance. This noncompliance is not counted in determining the number of occurrences of noncompliance for the purpose of establishing the appropriate disqualification period based on the number of violations.

Applicant households containing a member who failed to comply shall have the appropriate disqualification period applied to that individual at the time of application disposition.

- a) The disqualification period shall be imposed and the household notified even if the application is denied for another reason.
- b) A notice of adverse action is not required before disqualifying an individual at recertification if the disqualification period will begin the first month of the new certification period.
- c) If the noncompliance occurs during the application processing timeframe, but the worker does not receive notification until after approval, the household shall be considered a participating household when imposing the disqualification.

The disqualification period is imposed on an individual even if the household is not certified at the time the notice of noncompliance is received, if the noncompliance occurred during a time the individual was certified. In this situation, the household will be notified that a disqualification is being imposed.

The disqualification follows the household member if he moves from one household to another within the county or from one E&T county to another. If the disqualified member moves from an E&T county to a non E&T county and loses the ability to comply, the individual may again be determined eligible to participate at the point it is determined that the ability to comply no longer exists, or at the end of the minimum disqualification period, whichever is later. The income and resources of a disqualified household member are treated in accordance with the policy found in [Section 1102](#).

2. Delays in Imposing the Disqualification Period:

If the worker does not take timely action to impose the disqualification penalty, the following procedures shall be followed.

- a) If it had been previously determined that the failure to comply was without good cause, but no notice of adverse action had been sent, the worker shall send the notice of adverse action within 10 calendar days of discovering this error.
- b) If a good cause determination has never been made, the county shall determine whether good cause for the noncompliance exists. The worker shall send the notice of adverse action within 10 days of determining the noncompliance was without good cause.

The disqualification period shall begin with the first month following the expiration of the notice period, unless a fair hearing is requested, and shall continue for the appropriate period, or until compliance, whichever is later. The disqualification, although delayed, shall continue to be imposed whether or not the disqualified individual is certified during the disqualification period.

3. Re-establishing Eligibility:

The county department shall add a disqualified household member back into the food assistance budget the month following notification of compliance, the month following the determination of work registration exemption, or the month following the end of the minimum disqualification period. The household does not have to be contacted prior to adding the member back into the food assistance household as an eligible member, unless there are questions about the disqualified member's continuing eligibility requiring a contact with the household to clear up questionable information.

If the disqualified individual was the only household member and the case was denied or terminated at disqualification, reapplication is required. A disqualified member shall be removed from the household when it is determined that he/she is no longer residing with the household.

705 Suitable Employment

An individual who refused to accept a bona fide offer of suitable employment to which referred shall be disqualified as noted above.

Any employment shall be considered unsuitable if:

1. The wage offered is less than the highest of:

The applicable federal minimum wage.

The training wage shall be substituted for persons receiving the training wage mandated by the Fair Labor Standard Act of 1989.

(Limited to 90 day period and under age 20.)

The applicable state minimum wage or

The training wage shall be substituted for persons receiving the training wage mandated by the Fair Labor Standard Act of 1989.

(Limited to a 90 day period and under age 20.)

Eighty percent (80%) of the federal minimum wage, if neither the federal nor the state minimum wage is applicable.

2. The employment offered is on a piece-rate basis, and the average hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified above.

3. The household member, as a condition of employment or continuing employment, is required to join, resign from, or refrain from joining any legitimate labor organization.
4. The work offered is at a site subject to a strike or lockout at the time of the offer, unless the strike has been enjoined under Section 208 of the Labor-Management Relations Act (29 U.S.C. 78) which is known as the Taft-Hartley Act, or unless an injunction has been issued under Section 10 of the Railway Labor Act (45 U.S.C. 160).
5. In addition, employment shall be considered suitable unless the household member involved can demonstrate or the county department otherwise becomes aware that:
 - a) The degree of risk to health and safety is unreasonable.
 - b) The member is physically or mentally unfit to perform the employment, as documented by medical evidence or by reliable information from other sources.
 - c) The employment offered within the first 30 days of registration is not in the member's major field of experience.
 - d) The distance from the member's home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting.

Employment shall not be considered suitable if daily commuting time exceeds two hours per day not including the transporting of a child to and from a child care facility. Nor shall employment be considered suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available to transport the member to the job site.

- e) The working hours or nature of the employment interferes with the member's religious observances, convictions, or beliefs.

For example, a Sabbatarian could refuse to work the Sabbath and not affect the household eligibility.

706 Participation of Strikers

Strikers whose households are eligible under the criteria in [Section 106](#) shall be subject to the work registration requirements unless exempt under [Section 701](#) at the time of application.

707 SSI Households

Households whose members are applying for SSI and food assistance in accordance with [Section 210](#) shall have the work registration requirement waived until they are determined eligible for SSI and thereby become exempt from work registration or they are determined ineligible for SSI and, where applicable, a determination of their work registration status is then made through recertification procedures or through other means.

708 Determining Good Cause

In those county departments which administer an employment and training program, such as JOBS, the employment and training worker will make the determination of whether or not an individual who failed to comply with the requirements of the employment and training program did so with good cause.

In counties in which Job Search programs are administered by the Employment Service, the Employment Service worker will make the determination of whether or not an individual who failed to comply with the requirements of Job Search did so with good cause.

In all counties, the determination of good cause for a household member who fails to be registered for work (whether JOBS, Job Search, or other) will be done by the eligibility/certification worker.

Good Cause

Good cause shall include circumstances beyond the individual's control, such as, but not limited to:

1. Illness
2. Illness of another household member requiring the presence of the individual.
3. A household emergency.
4. The unavailability of transportation.

In determining whether or not good cause exists, the county department shall consider the facts and circumstances, including information submitted by the household member involved and, if appropriate, the employer.

709 Disqualification for Voluntary Quit or Voluntary Reduction of Work Effort

Household members determined to be mandatory work registrants, will be disqualified if they voluntarily quit a job of at least 30 hours per week, or voluntarily reduce their work hours to less than 30 hours per week without good cause.

If a household member voluntarily quits a job involving less than 30 hours of work per week, the disqualification applies if the weekly earnings were at least equivalent to the federal minimum wage multiplied by 30 hours. The penalties for voluntary quit or reducing work hours should be explained to households at application and recertification.

The provisions of this section do not apply in the following circumstances:

1. For applicant households, a voluntary quit or voluntary reduction which occurred more than 30 days prior to the date of application, unless the household was receiving benefits at the time of the quit or reduction, but the county department did not learn about it until reapplication.

2. Temporary leave from a paid position of employment pursuant to the provisions of the Family Medical Leave Act of 1993. The provisions may apply if the individual does not return to work at the end of the leave period.
3. Involuntary reduction of work hours.
4. Termination of a self-employment enterprise.
5. Resignation from a job at the demand of the employer.
6. If a household member quits a job to take new employment at comparable wages or hours and is then laid off, or through no fault of his own loses the new job, the earlier quit will not form the basis of a disqualification. "Comparable" does not require that the new job pay equal wages or provide equal hours of work; consideration must be given to new employment which might entail fewer hours or a lower salary, but which offers greater chances to improve job skills or achieve future advancements.

Good Cause Determination

Upon determination that a household member voluntarily quit employment or voluntarily reduced work hours, the county department must determine if good cause exists. In determining whether or not good cause exists, the county department must consider the facts and circumstances, including information submitted by the household member involved as well as information obtained from the employer concerning the circumstances of the quit or reduction of work hours.

Good cause includes, but is not limited to:

1. Leaving a job that does not meet the criteria for suitable employment listed in [Section 705](#).
2. Circumstances beyond the member's control, such as illness, illness of another household member requiring the presence of the member, a household emergency, the unavailability of transportation.
3. Discrimination by an employer based on age, sex, race, color, handicap, religious beliefs, national origin or political beliefs.
4. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule.
5. Enrollment of at least half-time in any recognized school, training program or institution of higher education that requires the household member to leave employment or reduce work hours.
6. Acceptance by any other household member of employment or enrollment at least half-time in any recognized school, training program or institution of higher education in another county or similar political subdivision which requires the household to move and thereby requires the household member to leave employment.
7. Lack of adequate child care for children who have reached age six but are under age 12; adequate child care shall be defined as care provided by a licensed daycare center/home, or an individual who is responsible for caring for the child.
8. Resignation by persons under the age of 60 which are recognized by the employer as retirement.

9. Acceptance of a bona fide offer of employment of more than 30 hours a week or in which the weekly earnings are equivalent to the Federal minimum wage multiplied by 30 hours which, because of circumstances beyond the control of the head of household, either does not materialize or results in employment of less than 30 hours a week or weekly earnings of less than the Federal minimum wage multiplied by 30 hours.
10. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work.

There may be some circumstances where households will apply for food assistance benefits between jobs particularly in cases where work may not yet be available at the new job site. Even though employment at the new site has not actually begun, the quitting of the previous employment shall be considered as with good cause if part of the pattern of that type of employment.

An employee of the Federal Government, or of a State or local government who participates in a strike against such government, and is dismissed from his or her job because of participation in the strike, shall be considered to have voluntarily quit his or her job without good cause.

Verification of Good Cause

To the extent that the information given by the household is questionable, county departments shall require verification of the household's statements.

The primary responsibility for providing verification rests with the household. If it is difficult or impossible for the household to obtain documentary evidence in a timely manner the county department shall offer assistance to the household to obtain the needed verification. Acceptable sources of verification include but are not limited to:

1. The previous or current employer.
2. Employee associations.
3. Union representatives.
4. Grievance committees and organizations.

Whenever documentary evidence cannot be obtained, the county department shall substitute a collateral contact. The county department is responsible for obtaining verification from acceptable collateral contacts provided by the household.

Imposing the Disqualification Period

When the county department determines that good cause did not exist for the voluntary quit or reduction, the household shall be sent a notice of adverse action to disqualify the individual. Disqualification periods will be imposed as follows:

For the first violation or failure without good cause, the individual shall be disqualified for one month unless the individual becomes exempt from work registration which ends the disqualification.

The second violation or failure without good cause, the individual shall be disqualified for three months unless the individual becomes exempt from work registration which ends the disqualification.

For the third and subsequent violation or failure without good cause, the individual shall be disqualified for six months unless the individual becomes exempt for work registration which ends the disqualification.

Applicant households containing a member who voluntarily quit or reduced work hours without good cause shall have the appropriate disqualification period applied at the time of application disposition. For participating households, the disqualification action is effective the month following the expiration of the notice of adverse action.

The notice of adverse action should advise the household of the following:

1. The reason for the disqualification.
2. The minimum period of disqualification.
3. If the individual cures the disqualification prior to the effective date of the disqualification, no disqualification is imposed and the occurrence is not counted as a violation.

Reestablishing Eligibility

The county department shall add a disqualified household member back into the food assistance budget the month following the determination that the disqualification is no longer appropriate or the month following the end of the stated penalty period. The household does not have to be contacted prior to adding the member back into the food assistance household as an eligible member, unless there are questions about that member's continuing eligibility requiring a contact with the household to clear up questionable information.

If the disqualified individual was the only household member and the case was denied or terminated at disqualification, reapplication is required. A disqualified member shall be removed from the household when it is determined that he is no longer residing with the household.

710 Work Requirements for Able-Bodied Adults without Dependents (ABAWDS)

A. General

Unless exempt from this provision, any household member is ineligible to continue to receive food assistance for more than 3 months (consecutive or otherwise) out of 36 months during which the household member did not either (a) work at least 20 hours a week (averaged monthly), (b) for at least 20 hours a week, participate in and comply with a Workforce Innovation and Opportunity Act (WIOA) program, Trade Adjustment Assistance Act (TAA) program or an employment and training program (other than Job Search or Job Search training), or (c) a combination of the two activities above for a total of at least 20 hours a week.

To qualify as work under this provision, an individual must be doing one or a combination of two or more of the following for a total of at least 20 hours a week, averaged monthly (for the purposes of this provision, 20 hrs. per week averaged monthly means 80 hours a month).

1. Performing work for which payment is received.
2. Performing work in exchange for in-kind benefits which represents a gain or benefit to the individual, such as free or reduced housing and/or utilities, clothing, or other tangible non-monetary benefits.
3. Performing beneficial and verifiable unpaid volunteer work for a program or project which serves a useful public purpose; such volunteer work may include but is not limited to

providing improvements to public facilities or performing work in fields such as health, social service, environmental protection, education, urban or rural development, welfare, recreation, public safety or daycare.

The first full month during which an individual receives benefits while not exempt or working at least 20 hours shall be considered the first month of the 36-month period, as determined by the appropriate work registration code "J". Any month in which benefits are prorated must not be counted toward the time limits.

A notice of adverse action must be provided to all households prior to termination or removal of a household member after three months of eligibility in which the work/training requirements are not met. The resources, income and deductions of the ineligible household member are treated in accordance with the provisions of Section 1102, Treatment of Resources, Income and Deductions of Other Non-household Members.

For households containing a member subject to this provision, the household is required to report if the member's work hours drop below 20 hours per week (averaged monthly). However, if it is determined that the member would have worked an average of 20 hours per week but missed some work for a good cause, s/he will be considered to have met the work requirements if the work absence was temporary and s/he retains the job. Good cause for missing work includes circumstances beyond the member's control such as illness, illness of another household member requiring the presence of the member, a household emergency or unavailability of transportation. (If good cause is determined, the month shall not be counted toward the time limits for receipt of benefits under this provision and the case record should be documented accordingly).

B. Exemptions

Individuals are exempt from this provision during the time they are:

Under age 18 or at least age 50.

- a) An individual who becomes 18 after the first day of the month remains age exempt through that month.
- b) An individual becomes exempt the month of the individual's 50th birthday.

Medically certified as physically or mentally unfit for employment as determined by the certification worker.

- a) Receipt of any type of disability payment qualifies a household member for this exemption; the expected date of recovery is needed if the disability payments are short-term.
- b) If the physical or mental unfitness is evident to the worker, no further verification is required; documentation in the case record is sufficient.
- c) If the unfitness is not apparent to the worker, medical evidence or a statement from a physician or other health professional is required which includes the reason for the unfitness and the date of expected recovery if the unfitness is not considered permanent.

Parents (natural, adopted or step) and other adult household members (regardless of the relationship) living in the household with a member under the age of 18. This exemption

applies if the member under age 18 is not himself eligible for food assistance because s/he is disqualified/ ineligible or resides in the household only part-time.

Pregnant

Meets one of the exemptions from the work registration requirements as stated in [Section 701](#).

C. Regaining Food Assistance Eligibility

After an individual, subject to this provision, has received food assistance for 3 months during which he was not working, participating in a qualifying work program or exempt, and has become ineligible, he may regain eligibility if during a 30 day period he works either 80 hours or more, or participates in and complies with a WIA, TAA program, or allowable employment and training program for at least 80 hours (as determined by that program). This 80-hour requirement becomes a condition of eligibility for food assistance.

1. The 80 hours of work or participation must occur in a consecutive 30-day period, to be determined on a case-by-case basis. If the individual has just begun working or participating, the 30-day period may extend into but not beyond the application processing timeframe.
2. This employment or participation does not have to occur during the time the individual is receiving food assistance, nor does the individual have to be working or participating at the time of reapplication or request to add the household member.

Once an individual has regained eligibility by working or participating the required 80 hours as stated above, he remains eligible under these provisions for any period of time during which he works 20 hours a week (averaged monthly) or for at least 20 hours a week, participates in and complies with WIA, TAA or allowable employment and training program.

D. Subsequent Loss of Eligibility Regained in C above

If eligibility is regained by working or participating the required 80 hours, the individual is entitled to eligibility for one additional 3 consecutive month period, after losing employment or ceasing to participate in a required work program, beginning the first full month following the date the county office receives notification that work or work program participation has ended. If the individual failed to report timely, or the county failed to act timely, any benefits received while not meeting the requirements of this provision are considered an overpayment and subject to the policy for claims determination and repayment.

Once this additional three-month period of eligibility is over, the only way to resume eligibility during the 36-month period is to comply with the 20-hour per week work requirement, participate in an allowable employment and training program or become exempt from the provisions as stated above.

E. Other Actions

During the 36-month period, any requests to add the ineligible household member back into the household, or any applications filed by ineligible household members must be evaluated to see if the work requirements remain applicable to the case. If the member or household is now exempt from the requirements or has worked or participated in an allowable work and training program for the required hours; eligibility should be determined and the appropriate action taken to add the household member or approve the application if otherwise eligible. If however, the household

member or household remains subject to the ABAWDS requirement and the household member has not worked the required 80 hours or participated in an allowable work and training program, the request or application must be denied.

The 36-month period is a set period of time as determined in [Section 710 A](#). Once begun, it cannot be interrupted or stopped, even if the individual leaves the program for a period of time. After the 36 month period ends, the household member or household may again be determined eligible under normal procedures. If the member or household remains subject to the ABAWD provisions a new 36-month period is determined.

These work requirements continue to apply for individuals moving from one county to another within the state, except for any period of time the individual resides in a county for which these provisions are waived.

1. The 36-month period cannot begin while an individual is residing in an exempt county.
2. If an individual moves into an exempt county and the 36-month period began while the individual was residing in a non-exempt county, the 36-month period continues although his participation in the exempt county does not count toward the 3-month limit.

When an individual moves to Alabama from another state and gives an indication (s)he received benefits in that state, the county office should make an effort to contact the other state to determine if ABAWD months have been used.

ABAWD provisions will continue to apply if the worker is aware of the individual's receipt of benefits in the other state in sufficient detail to determine months of eligibility used in the other state and other pertinent information as it relates to these provisions, including the 36-month period established by the other state. Months where benefits were received in waived ABAWD states/counties will not be counted in the state of Alabama.

The effort should be documented in the case file. Application processing should not be held if this the only information needed to approve the client's case.

Chapter 8

Resource Eligibility Standards

(Non-Categorically Eligible Households)

800 Maximum Allowable Resources

The total value of countable liquid resources owned by all household members shall not exceed \$2250 or \$3500 for a household containing at least one elderly or disabled member.

801 Countable Resources¹¹

Only certain liquid resources owned by a household member will be used to determine the household's countable resources.

Income counted to the household for a month cannot be counted as a resource for that same month.

The resources of a household member who is categorically eligible (receives SSI and/or FA benefits), with the exception of lottery and gambling winnings of \$3500 or more, will not be included in the resource determination for the household.

The resources of a household member that is determined categorically eligible based on expanded categorical eligibility rules, with the exception of lottery and gambling winnings of \$3500 or more, will not be included in the resource determination for the household. The resources of the household members who are disqualified or ineligible will be included as detailed in [Section 1102](#).

The resources of household members who are disqualified or ineligible will be included as detailed in [Section 1102](#).

The resources deemed to a sponsored alien will be included as detailed on [Section 1108](#).

The following liquid resources will be counted:

1. Cash on hand.
2. Money in a checking account.
3. Money in a savings account.
4. Certificates of deposit (value minus any penalty for early withdrawal).
5. Stocks
6. Bonds
7. US Savings bonds (redeemable value).

8. Vacation pay of a laid-off employee that is received in a single payment or that the employee can but chooses not to receive.

(If these funds are received in more than one payment the payments are counted as income.)

9. Loans (other than deferred payment loans for education).
10. Trust funds to which the household has access.
11. Non-recurring lump sum payments including but not limited to:
 - a) Income tax refunds, rebates, or credits.
 - b) Retroactive lump-sum payments for Social Security, SSI, FA, UCB, and other programs.
 - c) Funds from a guardian or conservator account which are limited to use in emergency situations.
 - d) Child support payments received from income tax intercept.
12. The total value of any of the above listed resources that are jointly owned with a non-household member.

If a jointly-owned resource is accessible but the household member claims not to be the owner of the resource, it is the household's responsibility to establish non-ownership of the funds. The following will be considered in determining non-ownership: 1) reason for establishment of the account and 2) account activity (withdrawals and deposits) and 3) the person responsible for the account activity.

Documentation to establish non-ownership may include written statements from all account holders or a third party with knowledge of the circumstances, statements from a bank official, monthly account statements, cancelled checks, deposit slips, or information to establish the source of the funds such as check stubs, employer statements, etc.

13. Lottery and gambling winnings of \$3500 or more.

802 Excluded Resources^[3]

The value of all non-liquid resources, including personal property, buildings, and land, will be excluded from the resource determination. The value of all vehicles will be excluded from the resource determination (as allowed under PL 106-387 by adoption of Alabama's Family Assistance vehicle policy).

There are certain liquid resources that will not be counted in the resources determination. These include:

1. Resources jointly-owned by a categorically eligible household member and another member of a participating household that is not categorically eligible.^[4]

2. Resources owned individually or jointly, that are determined to be inaccessible to the household. Such resources will be considered inaccessible to the household if the household must petition or make application to a court official, official of a financial institution or other outside individual who controls the funds. If another owner must agree to the access of the funds and refuses to cooperate, the funds are considered inaccessible. If inaccessibility is not readily apparent, it is the household's responsibility to establish the inaccessibility.
3. Resources, such as a checking or savings account, which are actually income which has been prorated over a period of time; for example: educational grants for students or self-employment income.
4. Equity value of a bona fide funeral agreement.
5. Resources excluded by express provision of federal statute. The following is a listing of some of these resources:
 - a) Value of assistance provided to children under the National School Lunch Act and the Child Nutrition Act of 1966 (Programs include the School Lunch Program, Summer Food Services Program for Children, Commodity Distribution Program, The Child and Adult Care Program, Special Milk Program, Special Breakfast Program & WIC. (This exclusion does not apply to assistance paid to providers for children other than any portion for the providers' own children.)
 - b) Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970.
 - c) Payments made through the Disaster Relief Act of 1974 as amended by the Disaster Relief and Emergency Assistance Amendments of 1988.
Disaster Unemployment Assistance (Public Law 100-707).
 - d) Payments made through Section (e), Low-Income Home Energy Assistance Act.
 - e) Payments received by U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.
 - f) Payments under the Agent Orange Compensation Exclusion Act.
 - g) Payments made through the Radiation Exposure Compensation Act.
 - h) Earned Income Tax Credits (EITC) (see [POE Section 902](#) for income exclusion - same stipulations apply for resource exclusion).
 - i) Payments made to individuals because of their status as victims of Nazi persecution.
 - j) Compensation paid by an eligible crime victim compensation program.
 - k) Payments made to a child of a Vietnam veteran for any disability resulting from spina bifida.
 - l) Compensation through the Alaska Native Claims Settlement Act and Amendments of 1987.

- m) Funds held in trust or per capita distributions of \$2000 or less (per payment) appropriated in satisfaction of judgments of the Indian Claims Commission or Claims Court in favor of any Indian tribe (including those specifically listed below).
- n) Per capita payments of \$2000 or less (per payment) from funds held in trust by the Secretary of Interior for an Indian tribe (including those specifically listed below).
- o) Relocation assistance payments to members of the Navajo and Hopi tribes.
- p) Income derived from certain sub marginal land held in trust for tribes including the following.
 - ❖ Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin
 - ❖ Blackfeet Tribe
 - ❖ Cherokee Nation of Oklahoma
 - ❖ Cheyenne River Sioux Tribe
 - ❖ Crow Creek Sioux Tribe
 - ❖ Lower Brule Sioux Tribe
 - ❖ Devils Lake Sioux Tribe
 - ❖ Fort Belknap Indian Community
 - ❖ Assiniboine and Sioux Tribes
 - ❖ Lac Courte Oreilles Band of Lake Superior Chippewa
 - ❖ Keweenaw Bay Indian Community
 - ❖ Minnesota Chippewa Tribe
 - ❖ Navajo Tribe
 - ❖ Oglala Sioux Tribe
 - ❖ Rosebud Sioux Tribe
 - ❖ Shoshone-Bannock Tribes
 - ❖ Standing Rock Sioux Tribe
- q) Per capita distributions or funds held in trust for the Sac and Fox Indians.
- r) Payments from the disposition of funds to the Grand River Band of Ottawa Indians.
- s) Indian Claims Commission payments to the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation.
- t) Payments made to the Passamaquoddy Tribe, the Penobscot Nation and the Houlton Band of Maliseet under the Maine Indians Claims Settlement Act of 1980.
- u) Payments made to the Turtle Mountain Band of Chippewa's, Arizona.
- v) Payments to the Blackfeet, Gros Ventre and Assiniboine tribes, Montana, and the Papago, Arizona.
- w) Funds distributed to members of the Red Lake Band of Chippewa Indians.
- x) Per capita and interest payments made to members of the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana.
- y) Funds made to heirs of deceased Indians under the Old Age Assistance Claims Settlement Act, except for per capita shares in excess of \$2000.
- z) Funds distributed per capita or held in trust for members of the Chippewa's of Lake Superior including the following reservations:

Wisconsin: Bad River Reservation, Lac du Flambeau Reservation, Lac Courte Oreilles Reservation, Sokaogon Chippewa Community, Red Cliff Reservation, St. Croix Reservation

Michigan: Keweenaw Bay Indian Community (L'Anse, Lac Vieux Desert, and Ontonagon Bands)

Minnesota: Fond du Lac Reservation, Grand Portage Reservation, Nett Lake Reservation (including Vermillion Lake and Deer Creek), White Earth Reservation

- aa) Money paid to members of the White Earth Band of Chippewa Indians in Minnesota.
- ab) Payments to the Saginaw Chippewa Indian Tribe of Michigan.
- ac) Funds distributed per capita or held in trust for members of the Chippewas of the Mississippi, divided by reservation affiliation for the Mille Lac Reservation, White Earth Reservation and Leech Lake Reservation, all in Minnesota.
- ad) Any type of benefits resulting from the Payallup Tribe of Indians Settlement Act of 1989, the Seneca Nation Settlement Act of 1990 or the Michigan Indian Land Claims Settlement Act, Section 111 for the Ottawa and Chippewa Indians of Michigan.
- ae) Payments made as a result of the Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act, Section 7(b).
- af) Payments made under the National Flood Insurance Program Act of 1968 as amended by P. L. 109-64, enacted on September 20, 2005.
- ag) All tax- preferred education accounts and retirement accounts. These include:
 - 401 Traditional Defined Benefit plan: employer-based retirement plan that promises retirees a certain benefit upon retirement, regardless of investment performance
 - 401(a) plans, which are commonly referred to as "tax qualified retirement plans," and which include qualified cash or deferral arrangements. These include: Cash Balance Plan, Employee Stock Ownership Plan, Keogh Plan, Money Purchase Pension Plan, Profit-Sharing Plan, And 401(k)
 - 403(a) plans which are similar to 401(a) plans but are funded through annuity insurance
 - 403(b) plans which are retirement plans for certain employees of public school and tax-exempt organizations or ministers
 - 408 plans which are traditional Individual Retirement Accounts and Annuities (IRA)
 - 408A plans which are Roth IRAs where qualified distributions are tax free
 - 408(p) plans which are simple retirement account IRAs only available to small businesses where employers and employees contribute
 - 408(k) plans which are simplified Employee Pension Plans (SEP). These are Employer-sponsored plans available only to small businesses that allow the employer to contribute to employee accounts that function as IRAs and are subject mostly to IRA rules.
 - eligible 457(b) plans which are deferred compensation plans established by state and local governments and other employers that are non-governmental
 - 501(c) (18) trusts that were created before June 25, 1959 for union members who make contributions to their retirement plan
 - a plan under Section 8439 of Title 5 USC which is the Federal Thrift Savings Plan a 401(k) type plan offered by the federal government to its employees
 - other retirement programs or accounts included in any successor or similar provisions that may be enacted and determined to be exempt from tax under the Internal Revenue Code of 1986

- Achieving a Better Life Experience (ABLE) Accounts. These accounts are tax-favored savings accounts for people with disabilities.
- section 529 qualified tuition programs
- section 530 Coverdell education savings accounts. These are trusts created to pay the education expenses of the designated beneficiary.

803 Handling of Excluded Funds

Excluded funds that are kept in a separate account, and that are not commingled in an account with non-excluded funds, shall retain their resource exclusion for an unlimited period of time.

Resources which are excluded because they were counted as income prorated over a specific period of time retain their exclusion for the period of time over which they have been prorated as income, even if commingled with other non-excluded funds. (This generally applies to students and self-employed members). All other excluded moneys which are commingled in an account with non-excluded funds shall retain their exemption for six months from the date they are commingled. After six months from the date of commingling, all funds in the commingled account shall be counted as a resource.

Interest on accounts with commingled funds would be counted as unearned income in the month received and after that month, the interest would become a resource.

804 Transfer of Resources

At the time of application, households shall be asked to provide information regarding any liquid resources which any household member (or ineligible alien or disqualified person whose resources are being considered available to the household) had transferred within the 3-month period immediately preceding the date of application. Households which have transferred liquid resources knowingly for the purpose of qualifying or attempting to qualify for food assistance benefits shall be disqualified from participation in the program for up to 1 year from the date of the discovery of the transfer.

This disqualification period shall be applied if the resources are transferred knowingly in the 3-month period prior to application, or the resources are knowingly transferred after the household is determined eligible for benefits (assets which the household acquires after being certified which are then transferred in order to prevent the household from exceeding the maximum resource limit).

For those households that have been previously determined ineligible because of lottery and gambling winnings in the amount of \$3500 or more, the transfer of resources to become eligible for food assistance benefits must be discussed the next time the household applies for food assistance benefits. If these households are found to have transferred resources within the 3-month period immediately preceding the date of application to become eligible for food assistance benefits, the household must be disqualified from receiving food assistance benefits.

Transfer of Resources Not Affecting Eligibility

In the following situations of the transfer of resources disqualification policy will not apply:

1. Resources which would not otherwise affect eligibility, for example, resources consisting of money that, when added to other nonexempt household liquid resources, totaled less at the time of the transfer than the allowable resource limits.
2. Resources which are sold or traded at, or near, fair market value
3. Resources which are transferred between members of the same household (including ineligible aliens or disqualified persons whose resources are being considered available to the household).
4. Resources which are transferred for reasons other than qualifying or attempting to qualify for food assistance benefits, for example, a parent placing funds into an educational trust fund which has been determined to be exempt from resources.

Disqualifying the Household

In the event the county department establishes that a household knowingly transferred resources for the purpose of qualifying or attempting to qualify for food assistance, the county department shall take the following actions:

1. For an applicant household, the household shall be sent a Notice of Denial explaining the reason for and length of the disqualification. The period of disqualification shall begin in the month of application.
2. For a participating household when the transfer is discovered, the household shall be sent a Notice of Adverse Action explaining the reason for and length of the disqualification. The period of disqualification shall be effective with the first allotment issued after the Notice of Adverse Action period has expired, unless the household has requested a fair hearing and continued benefits.

Determining the Disqualification Period

The length of the disqualification period shall be based on the amount by which non-exempt transferred resources, when added to other countable resources, exceeds the allowable resource limits.

For example, if a one-person household with \$1,750 in a bank transferred ownership of stock worth \$1,000, \$750 of that transfer would be considered because the first \$250 of the stock's value would have been applied toward the (\$2,250) resource limit.

The following chart shall be used to determine the period of disqualification:

Amount in Excess of the Resource Limit		Period of Disqualification
0	to \$249	1 month
\$250	to \$999	3 months
\$1,000	to \$2,999	6 months
\$3,000	to \$4,999	9 months
\$5,000	and up	12 months

^[1] [Admin Letter # 7323](#)

^[2] Revised 1-14-10

^[3] [Admin Letter # 7323](#)

^[4] Revised 1-14-10

Chapter 9

Income and Deductions

900 Income Eligibility Standards

Participation in the Food Stamp Program shall be limited to those households whose incomes are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet.

Households which contain an elderly or disabled member (as defined in the Glossary Manual) shall meet the net income eligibility standard.

Households which do not contain an elderly or disabled member shall meet both the net income and the gross income eligibility standards.

Households which are categorically eligible do not have to meet either the gross or net income eligibility standards. The net and gross income eligibility standards are found in the annual Basis of Issuance Chart.

901 Definition of Income

Household income shall mean all income from whatever source excluding only items specified in [Section 903](#).

A. Earned Income

Earned income shall include:

1. All wages and salaries of an employee.
 - a) "Sick pay" is counted as earned income when wages continue despite the fact an individual is not working due to illness, but plans to return to work. Sick pay from an outside source other than the employer, such as an insurance company is not earned income.
 - b) Allocated tips (as shown on an employee's W-2 form, (Box 6) should not be counted as income. The allocated amount is used for IRS audit purposes only. Based on the allotted amount, if it appears the employee reported less than he/she should have reported for income tax purposes, IRS will request the employee to provide an explanation. If the explanation is satisfactory, no further action is taken. If the employee cannot substantiate the lesser amount, IRS may conduct an audit to determine the amount of tips. Since the amount of tips that will be taxed as income by IRS will not be known until after an audit is conducted, only the amount of tips reported by the employee should be counted as income for food assistance purposes.
2. Gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in [Section 1100](#).

- a) Ownership of rental property shall be considered a self-employment enterprise in accordance with Section 1100. However, income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours per week.
 - b) Payments from a roomer or boarder shall also be considered self-employment income.
3. Jury duty payment provided:

The jury pay is dispersed over a time period of a day or several days or weeks in a specific amount, such as \$15 per day. (If the jury pay does not exceed \$30 in a quarter and cannot be reasonably anticipated, it may be excluded for prospectively budgeted households only.)

- 4. Training allowances from vocational and rehabilitative programs recognized by Federal, State, or local governments, such as the work incentive program except for allowances received through programs authorized by the Workforce Innovation and Opportunity Act (WIOA) , to the extent they are not a reimbursement.
- 5. Payments under Title I (VISTA, etc.), of the Domestic Volunteer Service ACT of 1973 (Pub. L. 93-113 Stat., as amended) shall be considered earned income and subject to the earned income deduction excluding payments made to those households specified in [Section 902](#).
- 6. Earnings to individuals participating in on-the-job training programs under Section Section 129 (c) (2)(C)(iv) or section 134 (c)(3)(D)(ii)of WIOA shall be considered income for food assistance purposes. For the purpose of this provision, earnings include moneys paid under the WIOA and moneys paid by the employer. This provision does not apply to household members under 19 years of age who are under the parental control of another adult member, regardless of school attendance and/or enrollment.
- 7. Payments received for the sale of blood.
- 8. Money which is diverted from an employee's earnings through a cafeteria plan or other flexible benefit program to a third party to pay certain expenses such as child care or medical expense is counted as income. The money is legally obligated and otherwise payable to the employee.
- 9. Military special pay and allowances such as "jump pay" or housing allowances Basic Allowance for Quarters (BAQ) which are received in addition to base pay.

NOTE: Marines living on base in adequate quarters are not entitled to receive a Basic Allowance for Quarters (BAQ). However, the Marine Corp has been showing an equivalent amount under entitlements and a similar amount under deductions on the Leave and Earnings Statement (LES). The BAQ shall be disregarded, provided the applicant/recipient provides a written statement from his/her commanding officer stating the BAQ is incorrectly listed on the pay record and the applicant does not actually receive it.

Marines living in inadequate quarters are entitled to a full BAQ and must pay rent. The BAQ is income for food assistance purposes and the rent should be used in determining the household's correct shelter costs.

- 10. Armed Forces Family Subsistence Supplemental Allowance (FSSA).

B. Unearned Income

Unearned income shall include, but not be limited to:

1. Assistance payments from Federal or federally-aided public assistance programs, such as Supplemental Security Income (SSI) or Family Assistance (FA); General Assistance (GA) programs (as defined in the Glossary Manual), or other assistance programs based on need.
 - a) Such assistance is considered to be unearned income even if provided in the form of a vendor payment (provided to a third party on behalf of the household), unless the vendor payment is specifically exempt from consideration as countable income under the provisions in [Section 902](#).
 - b) GA vendor payments provided to cover housing expenses, other than energy assistance or utility expenses are considered as unearned income.
 - c) Payments made under a State law to provide energy assistance are considered unearned income unless excluded under provisions in [Section 902](#).
 - d) FA payments made to a parent shall be considered the income of the parent. Proration of FA benefits among those individuals included in the FA budget is appropriate when the parties included in the FA budget reside in different households [see [Section 902\(14\)](#)]. The case file should contain documentation of the reason and method of proration.
 - e) Assistance payments from programs which require, as a condition of eligibility, the actual performance of work without compensation other than the assistance payments themselves, shall be considered unearned income.
2. Annuities; pensions; retirement, veteran's or disability benefits; worker's or unemployment compensation; old-age, survivors, or social security benefits; strike benefits; gross income minus the cost of doing business derived from rental property in which a household member is not actively engaged in the management of the property at least 20 hours a week; foster care payments (both the service payment and the maintenance payment) for children or adults who are considered members of the household.
3. Agent Orange Veteran Payments to veterans. Public Law 102-4, Agent Orange Act of 1991, authorizes veteran's benefits to veterans of the Viet Nam War with service connected disability resulting from exposure to Agent Orange. These monthly VA payments are counted as unearned income. The checks are from the Department of Veterans Affairs.
4. Support or alimony payments made directly to the household from non-household members: Child support is considered the income of the person to whom it is legally obligated, usually the custodial parent. The total amount of the child support shall be counted as income to the person to whom it is legally obligated regardless of whether the child is a household member or non-household member.

If the child is a non-household member, any payments in money made directly to the child's household from the child support shall be counted as income to that household. If the child is a non-household member, any payments from the child support made on behalf of the child are excluded vendor payments and would not be counted as income to the child's household.

The amount of child support, which is paid through the Family Court System (or an attorney), to be budgeted is the amount that is legally obligated and otherwise payable to the household. For example, a divorce decree specifies that the absent parent pay the household \$100 per month and this payment is made through the Family Court. If the court withholds \$10 for court cost and the household receives \$90, then \$100 is budgeted to the household because that is the amount legally obligated. However, if the divorce decree specifies that the absent parent pay \$100 per month and the court requires the parent to pay \$1.00 to cover court cost, and then \$100 is still the amount to be budgeted to the household.

Any identified arrearages due to the nonpayment of court cost shall not be counted as income when received by the client even if a specified arrearage amount is added to the regular child support payments. If the arrearage is paid in a lump sum payment, it shall be considered a nonrecurring lump sum payment. For example, an absent parent is ordered to pay child support in the amount of \$40.00 weekly to the Family Court. The order further stipulates that the father is responsible for the court processing fee of \$1.00 weekly in addition to the \$40.00 weekly child support. The father sends the \$40.00 each week, but does not include the extra \$1.00 processing fee. The Family Court deducts the processing fee from the \$40.00 and sends the client a check for \$39.00. The \$1.00 is reflected by the court as uncollected, overdue child support, and becomes a part of any arrearage payments subsequently collected and paid to the client. When the client receives this identified arrearage payment, it is excluded as income. The \$40.00 weekly child support is the amount which is legally obligated to the client, and the amount which is counted in the food stamp budget.

5. Payments from Government-sponsored programs, dividends, interest, royalties, and all other direct money payments from any source which can be construed to be a gain or benefit.
 - a) Interest income must be considered as having been received in the month in which it is credited to the account for both prospectively and retrospectively budgeted households. The date credited means the date it is posted to the account rather than when the household is notified of the amount through bank statements.
 - b) Under prospective budgeting the interest must be counted as unearned income if it can be reasonably anticipated, such as when a household maintains a relatively constant balance in its account. The interest income may be averaged over the certification period.
6. Moneys which are withdrawn or dividends which are or could be received by a household from trust funds considered to be excludable resources under [Section 902](#).
 - a) Such trust withdrawals shall be considered income in the month received, unless otherwise exempt under the provision in [Section 902](#).
 - b) Dividends which the household has the option of either receiving as income or reinvesting in the trust are to be considered as income in the month they become available to the household unless otherwise exempt under the provisions in [Section 902](#).
7. Money which is regularly received from a guardianship or conservatorship account is considered unearned income. This provision applies when the guardian or conservator is not a household member.
8. Payments made by an insurance company directly to the landlord/mortgage holder shall be counted as income to the household if the client is named as the beneficiary of the

insurance policy. The insurance policy should be reviewed to determine who the beneficiary is.

9. Payments from sources other than an employer which an employee receives when he is unable to work due to illness; these payments may include disability insurance payments, etc. even if the insurance premium was paid by the employer or the employee.
10. The income of the sponsor and the sponsor's wife which is deemed to be the income of the sponsored eligible adult alien. Refer to Chapter 11, [Section 1108](#) for the budgeting of this income.

C. Income of Non-household Member

See Chapter 11, [Sections 1102](#) and [1103](#), for the handling of earned and unearned income of individuals who have been determined to be:

1. Disqualified for intentional program violation.
2. Disqualified for failure to provide a social security number in accordance with [Chapter 6](#).
3. An ineligible alien.
4. Other individuals such as ineligible students, roomers, etc.

See Chapter 11, [Section 1108](#), for handling of the income for households containing sponsored alien members.

D. Certain Income Withholdings Not Counted

Income shall not include the following moneys:

1. Moneys withheld from an assistance payment, earned income, or other income source, or moneys received from any income source which is voluntarily or involuntarily returned, to repay a prior overpayment received from that income source, provided that the overpayment was not excludable as described in [Section 902](#). However, moneys withheld from another means tested program due to the household's failure to comply with the other program's requirement or to recover an overpayment due to client error shall be included as income as described in Chapter 11, [Section 1110](#).
2. Child support payments received by FA recipients, which must be transferred to the Department of Human Resources to maintain FA eligibility.

902 Income Exclusions

Only the following items shall be excluded from household income and no other income shall be excluded:

1. Any gain or benefit which is NOT in the form of money payable directly to the household, including nonmonetary or in-kind benefits, such as meals, clothing, public housing, or produce from a garden, and vendor payments. Money payments that are not payable

directly to a household, but are paid to a third party for a household expense are vendor payments and are excludable as follows:

- a) A payment made in money on behalf of a household shall be considered a vendor payment whenever a person or organization outside of the household uses its own funds to make a direct payment to either the household's creditors or a person or organization providing a service to the household.
 - b) Rent or mortgage payments made to landlords or mortgages by the Department of Housing and Urban Development (HUD), Farmers' Home Administration (FmHA), or by State or local housing authorities are examples of vendor payments.
 - c) Payments by a government agency to a child care institution to provide day care for a household member are also excluded as vendor payments.
2. Payments or allowances made for the purpose of providing energy assistance (a) under any Federal law, other than part A of Title IV of the Social Security Act including utility reimbursements provided by the Department of Housing and Urban Development (HUD) and the Rural Housing Service or (b) a one-time payment or allowance applied for on an as needed basis made under a federal or state law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative heating or cooling device. A down-payment followed by a final payment upon completion of the work will be considered a one-time payment for purposes of this provision.
3. A Public Assistance (PA) or General Assistance (GA) payment (as defined in the Glossary Manual) which is not made directly to the household, but paid to a third party on behalf of the household to pay a household expense, shall be considered as income and not excluded as a vendor payment unless such PA or GA payment is for:
- a) Medical assistance.
 - b) Child care assistance.
 - c) Utility or energy assistance (see Glossary and Index for definition of energy assistance).
 - d) Housing assistance from a state or local housing authority.
 - e) Any emergency PA or general assistance payment which is provided to a third party on behalf of the migrant or seasonal farm worker household (i.e. vendor payment) while the household is in the job stream. This assistance may include but is not limited to emergency vendor payments for housing or transportation.
4. Payments in money that are not made to a third party, but are made directly to the household, are counted as income and are not excluded as a vendor payment.
5. Moneys that are legally obligated and otherwise payable to the household, but which are diverted by the provider of the payment to a third party for a household expense, shall be counted as income and not excluded as a vendor payment.
- a) The distinction is whether the person or organization making the payment on behalf of a household is using funds that otherwise would have to be paid to the household. Such funds include:
 - ❖ Wages earned by a household member and therefore owed to the household, a public assistance grant to which a household is legally entitled.

- ❖ Support or alimony payments in amounts which legally must be paid to a household member.

If an employer, agency, or former spouse who owes these funds to a household diverts them instead to a third party to pay for a household expense, these payments shall still be counted as income to the household. However, if an employer, agency, former spouse, or other person makes payments for household expenses to a third party from funds that are not owed to the household; these payments shall be excluded as vendor payments.

- b) Payments made by an insurance company directly to the landlord/mortgage holder shall be treated as a vendor payment and therefore excluded as income if the landlord/mortgage holder is named as beneficiary of the insurance policy. If the client is named as beneficiary of the insurance policy, the payments (which are diverted to the landlord/mortgage holder) shall be counted as income to the food stamp household.
6. Wages earned by a household member that are garnisheed or diverted by an employer, and paid to a third party for a household's expenses, such as rent, shall be considered as income. However, if the employer pays a household's rent directly to the landlord in addition to paying the household its regular wages, this rent payment shall be excluded as a vendor payment. In addition, if the employer provides housing to an employee, the value of the housing shall not be counted as income.
 7. All or part of a public assistance (PA) or general assistance (GA) grant or payment which is diverted to a third party or to a protective payee for purposes such as, but not limited to, managing a household's expenses, shall be considered as income to the household and not excluded as a vendor payment, except as provided in this section.
 - a) Assistance financed by State or local funds which is provided over and above the normal PA or GA grant or payment, or is not normally provided as part of such grant or payment would be considered emergency or special assistance and excluded as income if provided to a third party on behalf of the household.
 - b) If a PA or GA program provides all households in a particular category, with a larger monthly amount, the larger amount would not be excluded because it is part of the regular monthly assistance for all households in that category and is not really an "extra" payment. On the other hand, if a fire destroyed a household item and it receives an "emergency" amount paid directly to a store to purchase a replacement, such a payment could be excluded under this provision.
 - c) Where the program is not composed of various standards, allowances, or components, but is simply designed to provide assistance on an *as needed* basis rather than provide routine, regular monthly benefits to a client, no exclusion would be granted under this provision because the assistance is not provided over and above the normal grant; it is the normal GA grant.
 8. Money deducted or diverted from a court ordered support or alimony payment (or other binding written support or alimony agreement) to a third party for a household expense shall be considered as income. However, payments specified by the court order or other legally binding agreement to go directly to the third party rather than to the household, and support payments not required by a court order or other legally binding agreement (including payments in excess of amount specified in a court order or written agreement) which are paid to a third party rather than the household shall be excluded as a vendor payment, even if the household agrees to the arrangement.

9. Income of a SSI recipient necessary for the fulfillment of a Plan for Achieving Self-Support (PASS) under Title XVI of the Social Security Act.
10. Other than interest income, any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of \$30 in a quarter.
11. Student financial assistance received by a household member shall be excluded in its entirety for persons at a recognized institution of post secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for obtaining a secondary school diploma or GED. This includes but is not limited to grants, scholarships, fellowships, educational loans on which payment is deferred, all work study, and veteran's educational benefits.
12. Allowances, earnings, or payments (including reimbursements) to individuals participating in programs under the Workforce Innovation and Opportunity Act (WIOA) (Public Law 113-128) shall be excluded. This includes earnings from the Summer Youth Employment and Training Program. This exclusion does not apply to earnings for on-the-job training programs as stated in POE [Section 901A](#).
13. Reimbursements for past or future expenses, to the extent they do not exceed actual expenses, and do not represent a gain or benefit to the household. Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore, are not excluded. To be excluded, these payments must be provided specifically for an identified expense, other than normal living expenses, and used for the purpose intended.

When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The amount by which a reimbursement exceeds the actual incurred expense shall be counted as income. However, reimbursements shall not be considered to exceed actual expenses, unless the provider or the household indicates the amount is excessive.

SUP payments (State Supplementation) which are greater than the actual expense for which they are intended cannot have the amount exceeding the expense counted as income unless the household verbally states the SUP check is greater than the expense. The case record will reflect the amount of the SUP check (as an income to be excluded) and the amount of the expense will be reflected in the listing of medical expenses, these figures shall not be used to determine countable income; only the household's verbal statement of excess will entitle the amount by which SUP check exceeds the expense to be counted as income.

Excludable reimbursements which are not considered a gain or benefit to the household include, but are not limited to:

- ❖ Reimbursements or flat allowances for job- or training-related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements which are provided over and above the basic wages for these expenses are excluded; however, these expenses, if not reimbursed, are not otherwise deductible. Reimbursements for the travel expenses incurred by migrant workers are also excluded.
- ❖ Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their work.
- ❖ Medical or dental care reimbursements and direct payments to a household to cover costs of securing and maintaining "service animals" such as Seeing Eye

dogs, hearing guide dogs and housekeeper monkeys are to be excluded as a medical reimbursement.

- ❖ Reimbursements received by households to pay for services provided by Title XX of the Social Security Act.
- ❖ P.L. 93-288, Section 312(d), the Disaster Relief Act of 1974, as amended by P.L. 100-707, Section 105(i), the Disaster Relief and Emergency Assistance Amendments of 1988 provide that payments precipitated by an emergency or major disaster are not counted as income or resources for food stamp purposes. This exclusion applies to Federal Assistance provided to persons directly affected and to comparable disaster assistance provided by States, local governments, and disaster assistance organizations. Disaster Unemployment Assistance.
A major disaster is any natural catastrophe such as a hurricane or drought, or regardless of cause, any fire, flood, or explosion, which the President determines causes damage of sufficient severity and magnitude to warrant disaster assistance to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.
An emergency is any occasion or instance for which the President determines that Federal assistance is needed to supplant State and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe.
- ❖ National Flood Insurance Program (NFIP) payments made to property owners under the National Flood Insurance Act of 1968 as amended by P.L. 109-64, enacted on September 20, 2005.
- ❖ Any payment made to an E and T participant for costs that are reasonably necessary and directly related to participation in the E and T program. These costs include, but are not limited to, dependent care costs, transportation, other expenses related to work, training or education such as uniforms, personal safety items or other necessary equipment, and books or manuals (P.L. 101-485).

14. Moneys received and used for the care and maintenance of a third-party beneficiary who is not a household member.

- a) When a protective payee who receives money which is legally obligated to a third-party beneficiary who is not a member of the household, uses some or all of the money for himself, that portion of the money that the protective payee uses for himself is counted as income to the protective payee's household. The portion that is not used for the beneficiary is not counted as income to the beneficiary's household. The total moneys assigned to the beneficiary and/or the protective payee cannot exceed the amount of the benefits.
- b) If the intended beneficiaries of a single payment are both household and non-household members, any identifiable portion of the payment included and used for the care and maintenance of the non-household member shall be excluded.
- c) If the non-household member's portion cannot be readily identified, the payment shall be evenly prorated among intended beneficiaries and the exclusion applied to the non-household member's pro rata share or the amount actually used for the non-household member's care and maintenance, whichever is less.

15. Earned income of children in the household under age 18 who attend elementary or secondary school, or attend classes to obtain a GED. The student can also attend elementary or secondary classes through a home-school program recognized or supervised by the student's state or local school district.

- a) This exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the student's enrollment will resume following the break.
 - b) If the student's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the student's pro rate share excluded.
 - c) The earned income of students who become 18 will be excluded the entire month of birth for eligibility and allotment determinations.
16. Money received in the form of a nonrecurring lump-sum payment, including, but not limited to:
- a) Income tax refunds, rebates, or credits.
 - b) Retroactive lump-sum social security, SSI, Family Assistance, railroad retirement benefits or other payments. Retroactive SSI benefits paid in installments (other than for drug addiction/alcoholism) are excluded from income.
 - c) Lump-sum insurance settlements.
 - d) Refunds of security deposits on rental property or utilities.
 - e) Agent Orange VA payments to disabled veterans or to spouses or dependent children of deceased Vietnam Veterans. All payments from the Agent Orange Compensation Exclusion Act or any other fund established pursuant to the settlement in the Agent Orange Product liability litigation are excluded from income and resources retroactive to January 1, 1989. The disabled veteran will receive yearly payments. Survivors of the deceased disabled veterans will receive a lump sum payment. These payments are disbursed by the AETNA insurance company using their own checks. (Public Law 101-201).
 - f) Funds received from a guardianship or conservatorship account which is limited to use in emergency situations.
 - g) Child support received by the household from income tax intercepts.
17. The cost of producing self-employment income. The procedures for computing the cost of producing self-employment income are described in [Section 1100](#).
18. Any income that is specifically excluded by any other federal statute from consideration as income for the purpose of determining eligibility for the food assistance program. The following laws provide such an exclusion:
- a) The monthly fee collected by a qualified organization acting as the representative payee for an individual receiving SSI benefits (P.L. 101-500, Section 5105(a)) or SSI and/or Social Security disability due to drug addiction and/or alcoholism (P.L. 103-296)
 - ❖ The monthly fee collected by the organizational representative payee is legally obligated to the payee rather than the household. The organization must be a community based nonprofit social service agency which is bonded or licensed in the state.

- ❖ For organizations serving as representative payees for SSI and/or SS disability payments for drug addiction and/or alcoholism (DAA), the maximum monthly fee is \$50.00 or 10% of the monthly benefit, whichever is less.
- ❖ For organizations serving as representative payees for SSI recipients (other than DAA individuals), the maximum monthly fee is \$25.00 or 10% of the monthly SSI benefit amount, whichever is less.

- b) P.L. 79-396, Section 12(e) of the National School Lunch Act as amended by Section 9(d) of P.L. 94-105 provides that the value of assistance to children under this act shall be excluded as both income and resources for any purpose under any Federal or State laws. Please note that the exclusion applies to assistance provided to children rather than that paid to providers.

This law authorizes:

- ❖ The school lunch program.
- ❖ The summer food service program for children.
- ❖ The Commodity Distribution Program.
- ❖ The Child and Adult Care Program.

The amount of Child and Adult Care Food program payments paid to the day care provider to provide meals to children other than the provider's own children is considered self-employment income for the provider.

Any payments under this program paid to a day care provider for meals served to the provider's own children shall be excluded in its entirety to the provider's household.

- c) P.L. 89-642, the Child Nutrition Act of 1966, Section 11(b) provides that the value of any assistance to children shall not be considered as income or resources for any purpose under any Federal or State law.

This law authorizes:

- ❖ The Special Milk Program.
- ❖ The School Breakfast Program.
- ❖ The Special Supplemental Food Program for Women, Infants and Children (WIC).

- d) P.L. 97-252, The Uniform Services Former Spouse Protection Act provides that a military retirement plan is property subject to division and any payments diverted to an ex-spouse in a divorce settlement shall be considered as such. Any portion of the retirement plan which is legally obligated and otherwise payable to the ex-spouse shall be excluded as income in the retiree's household.

- e) Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. 91-646, Section 216).

- f) Any payment to volunteers under Title II (RSVP, Foster Grandparents and others) of the Domestic Volunteer Services Act of 1973 (P.L. 93-113) as amended.

- ❖ Payments under Title I of that Act (including payments from VISTA) to volunteers shall be excluded for those individuals receiving food assistance or public assistance at the time they joined the Title I program, except that households which were receiving an income exclusion for a VISTA or other Title I subsistence allowance at the time of conversion to the Food Stamp Act of 1977, shall continue to receive an income exclusion for VISTA for the length of their volunteer contract in effect at the time of conversion.
- ❖ Temporary interruptions in food assistance participation shall not alter the exclusion once an initial determination has been made. New applicants who were

not receiving public assistance or food assistance at the time they joined VISTA shall have these volunteer payments included as earned income.

- g) Income derived from certain sub marginal land of the United States which is held in trust for certain Indian tribes (P.L. 94-114, Section 6).
- h) Payments received from the youth incentive entitlement pilot projects, the youth community conservation and improvement projects, and the youth employment and training programs under Title IV of the Comprehensive Employment and Training Act Amendments of 1978 (P.L. 95-524).
- i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540).
- j) P.L. 112-240, The American Taxpayer Relief Act of 2012, provides that all tax refunds received after December 31, 2012 are permanently excluded as income for the Food Assistance Program. This exclusion includes Earned Income Tax Credit (EITC) and Child Tax Credits.
- k) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (P.L. 95-433).
- l) Payments to the Passamaquoddy Tribe and the Penobscot Nation and the Houlton Band of Maliseet received pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Section 9(c)).
- m) Payments of relocation assistance to members of the Navajo and Hopi Tribes under P.L. 93-531.
- n) 25 USCS 1407 Judgment Funds (as amended by P.L. 93-134 and P.L. 97-458) provides that none of the funds (appropriate in satisfaction of judgments of the Indian Claims Commission or Claims Court in favor of any Indian tribe, band, etc.) which meet one of the following:
 - ❖ Are distributed per capita or held in trust pursuant to a plan approved under the provisions of this Act (25 USCS 1401 et seq.).
 - ❖ On the date of enactment of this Act [enacted Jan. 12, 1983], are to be distributed per capita or are held in trust pursuant to a plan approved by Congress prior to the date of enactment of this Act.
 - ❖ Were distributed pursuant to a plan approved by Congress after December 31, 1981, but prior to the date of enactment of this Act [enacted Jan. 12, 1983], and any purchases made with such funds.

Including all interest and investment income accrued thereon while such funds are so held in trust, shall be subject to Federal or State income taxes, nor shall such funds nor their availability be considered as income or resources nor otherwise utilized as the basis for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled under the Social Security Act [42 USCS 301 et seq.] or, except for per capita shares in excess of \$2000, any Federal or federally assisted program.

The \$2000 amount applies to each payment made to each person. Initial purchases made with exempt payments distributed between January 1, 1982 and January 12, 1993, is excluded from resources to the extent that excluded funds were used.

- o) P.L. 98-64, 8/2/83, applied the exclusion in 25 USCS 1407 to per capita payments from funds which are held in trust by the Secretary of Interior (trust fund distributions) for an Indian tribe.
- p) Payments made to U.S. citizens of Japanese ancestry, Japanese resident aliens, and certain eligible Aleutian residents under Wartime Relocation of Civilians (P.L. 100-383).
- q) P.L. 99-576, Veteran's Benefits Improvement and Health Care Authorization Act of 1986, Section 303(a) (1) which amended Section 1411(b) and 1412(c) of the Veterans Educational Act (GI Bill), provides that any amount by which the basic pay of an individual is reduced under this subsection shall revert back to the Treasury and shall not for purposes of any Federal Law be considered to have been received by or to be within the control of such individual. Section 1411 refers to basic educational assistance entitlement for service on active duty and Section 1412 refers to basic educational entitlement for service in Selected Reserve. (Section 216 of P.L. 99-576, authorized stipends for participation in study of Vietnam era veterans' psychological problems. These stipends are not excluded by law.)
- r) The Child Care Payments authorized under Title V, Section 5801 of the Omnibus Reconciliation Act of 1990 to low income families who need such care to work and would be at risk of becoming eligible for AFDC if such payments are not provided. These payments are commonly referred to as "at risk" Child Care Payments, P.L. 101-508. No deduction for child care may be allowed for that portion of the child care expense covered by the "at risk" payments.
- s) The value of any child care payment paid by the Jobs Opportunity Basic Skills (JOBS) program under Title IV-A of the Social Security act or the Transitional Child Care (TCC) program shall be considered as a reimbursement. Regardless of whether these child care payments (reimbursements) are paid directly to the client or paid directly to the provider, they shall not be an allowable deduction. Any amount paid by the household which exceeds the amount paid by TCC or JOBS shall be an allowable child care deduction.
- t) P.L. 102-586, Section 8, amended the Child Care Development Block Grant Act Amendments of 1992 to exclude the value of any child care provided or arranged under this Act. Any amount received as payment for such care or reimbursement for cost incurred for such care is also excluded. (These payments are made under the Social Security Act, as amended.)
- u) Payments to individuals under the Radiation Exposure Compensation Act enacted October 15, 1990 (P.L. 101-426).
- v) P.L. 101-610, Section 177(d), 11/16/90, National and Community Service Act (NCSA) of 1990, provides that Section 142(b) of the "on-the-job trainings programs under section 129 (c)(2)(C)(iv) or section 134 (c)(3)(D)(ii) of WIOA". This includes payments for any Summer Youth Employment and Training Programs under AmeriCorps. Title I includes three acts:
 - ❖ Serve-America: the Community Service, Schools and Service-Learning Act of 1990
 - ❖ The American Conservation and Youth Service Corps Act of 1990.
 - ❖ The National and Community Service Act.

There are approximately 47 different NCSA programs and they vary from state to state. Most of the payments are made as a weekly stipend or for educational assistance.

- ❖ The Higher Education Service-Learning program and the AmeriCorps umbrella program come under this Title. The National Civilian Community Corps (NCCC) is a federally-managed AmeriCorps program. The summer for Safety program is an AmeriCorps program under which participants earn a stipend and a \$1000 post-service educational award.
- w) The Alaska Native Claims Settlement Act and Section 15 of P.L. 100-241, 2/3/88, the Alaska Native Claims Settlement Act Amendments of 1987 - all payments made to households are excluded from income and resources - (P.L. 92-203) This includes cash, stock, partnership interest, land, interest in land and other benefits.
- x) Per capita and interest payments made to the Assiniboine Tribe of the Fort Belknap Indian Community and the Assiniboine Tribe of the Fort Peck Indian Reservation (Montana) (P.L. 98-124).
- y) Per capita and interest payments made to the Red Lake Band of Chippewa's (P.L. 98-123).
- z) Payments to the Saginaw Chippewa Indian Tribe of Michigan (P.L. 99-346).
- aa) Per capita payments to the Chippewa's of Mississippi (P.L. 99-377)
- ab) Old Age Assistance Claims Settlement Act provides that funds made to heirs of deceased Indians under this Act shall not be considered as income or resources nor otherwise used to reduce or deny food stamp benefits except for per capita shares in excess of \$2,000.
- ac) Payments to the Turtle Mountain Band of Chippewa's, Arizona (P.L. 97-403).
- ad) Payments to the Blackfeet, Gros Ventre, and Assiniboine tribes (Montana) and the Papago (Arizona) (P.L. 97-408).
- ae) P.L. 99-146, Section 6(b), 11/11/85 - funds distributed per capita or held in trust for members of the Chippewa's of Lake Superior are excluded from income and resources. Judgments were awarded in Dockets Numbered 18-S, 18-U, 18-C, and 18-T. Dockets 18-S and 18-U are divided among the following reservations:

Wisconsin:

Bad River Reservation
Lac du Flambeau Reservation
Lac Courte Oreilles Reservation
Sokaogon Chippewa Community
Red Cliff Reservation
St. Croix Reservation

Michigan:

Keweenaw Bay Indian Community (L'Anse, Lac Vieux Desert, and Ontonagon Bands)

Minnesota:

Fond du Lac Reservation
Grand Portage Reservation
Nett Lake Reservation (including Vermillion Lake and Deer Creek)

White Earth Reservation

Under Dockets 18-C and 18-T, funds are given to the Lac Courte Oreilles Band of the Lake Superior Bands of Chippewa Indians of the Lac Courte Oreilles Reservation of Wisconsin, the Bad River

Band of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation, the Sokaogon Chippewa Community of the Mole Lake Band of Chippewa Indians, and the St. Croix Chippewa Indians of Wisconsin.

- af) P.L. 99-264, White Earth Reservation Land Settlement Act of 1985, 3/24/86, Section 16 excludes moneys paid under this Act from income and resources. This Act involves members of the White Earth Band of Chippewa Indians in Minnesota.
- ag) P.L. 99-346, Section 6(b) (2) - payments to the Saginaw Chippewa Indian Tribe of Michigan is excluded from income and resources
- ah) P.L. 99-377, Section 4(b), 8/8/86 - Funds distributed per capita to the Chippewa's of the Mississippi or held in trust under this Act are excluded from income and resources. The judgments were awarded in Docket Number 18-S. The funds are divided by reservation affiliation for the Mille Lac Reservation, Minnesota; White Earth Reservation, Minnesota; and Leech Lake Reservation, Minnesota.
- ai) P.L. 101-41, 6/21/89, The Puyallup Tribe of Indians Settlement Act of 1989, Section 10(b), provides that nothing in this Act shall affect the eligibility of the Tribe or any of its members for any Federal program. Section 10(c) provides that none of the funds, assets or income from the trust fund established in Section 6(b) shall at any time be used as a basis for denying or reducing benefits to the Tribe or its members under any Federal, State or local program. (The Puyallup Tribe is located in Washington State.)
- aj) Funds appropriated in satisfaction of judgments awarded to the Seminole Indians in Dockets 73, 151, and 73-A of the Indian Claims Commission are excluded from income and resources except for per capita payments in excess of \$2,000. Payments were allocated to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Indians of Florida, and the independent Seminole Indians of Florida. (P.L. 101-277, 4/30/90.)
- ak) P.L. 101-503, Section 8(b), Seneca Nation Settlement Act of 1990, dated November 3, 1990, provides that none of the payments, funds or distributions authorized, established, or directed by this Act, and none of the income derived there from, shall affect the eligibility of the Seneca Nation or its members, or be used as a basis for denying or reducing funds under any Federal program.
- al) P.L. 103-66, Section 13736, dated August 10, 1993, provides that interest of individual Indians in trust or restricted lands shall not be considered as a resource and up to \$2,000 per calendar year of income received by individual Indians that is derived from such interest shall be excluded in determining both food stamp eligibility and benefit level.
- am) 25 USCS 1931 Indian Child Welfare (P.L. 95-608, 11/8/78), subparagraph (a) provides for child and family service grant programs on or near reservations in the preparation and implementation of child welfare codes. Such programs may include, but are not limited to, family assistance, including homemaker and home counselors, day care, after school care, and employment, recreational activities, and respite care home improvement; the employment of professional and other trained personnel to

assist the tribal court in the disposition of domestic relations and child welfare matters; and education and training of Indians; including tribal court judges and staff, in skills relating to child and family assistance and service programs. Subparagraph (b) provides that assistance under 25 USCS 1901 et seq. shall not be a basis for the denial or reduction of any assistance otherwise authorized under any federally assisted programs.

- an) In accordance with 42 USCS 1437T(i), no service provided to a public housing resident under a Family Investment Center program may be treated as income for the purpose of any other program or provision of State or Federal law. Service includes such things as child care, employment training and counseling, literacy training, computer skills training, assistance in the attainment of certificates of high school equivalency, and other similar services. This exclusion does not extend to wages or stipends paid under the Family Investment Program. (P.L. 101-625, Section 22(i), Cranston-Gonzalez National Affordable Housing Act, dated 11/28/90).
 - ao) P.L. 103-322, Section 230202 dated 9/13/94 amended Section 1403 to the Crime Act of 1984 (42 U.S.C. 10602) to provide that payments received by victims of crime from a victim's compensation program must be excluded from income and resources
 - ap) P.L. 103-436, 11/2/94, Confederated Tribes of the Colle Reservation Grand Coulee Dam Settlement Act, Section 7(b), provides that payments made pursuant to that Act are totally excluded from income and resources for food assistance purposes.
19. P.L. 99-425, Section (e), the Low-Income Home Energy Assistance Act, 9/30/86. The amount of any home energy assistance payments or allowances provided directly to, or indirectly on behalf of a household, is excluded from income and resources. In determining any excess shelter expense deduction, the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses.
20. retroactive and restored lump-sum payments, such as an FA additional payment for a prior month's under issuance, or a social security retroactive payment; these payments are nonrecurring lump-sum payments and are excluded from income
21. P.L. 100-175, Section 166, Older Americans Act Funds received by persons 55 or older under the Senior Community Employment Program under Title V is excluded from income. Each State and eight organizations receive Title V funds. The organizations that receive some Title V funds are as follows:
- ❖ Green Thumb
 - ❖ National Council on Aging
 - ❖ National Council of Senior Citizens
 - ❖ American Association of Retired Persons
 - ❖ U.S. Forest Service
 - ❖ National Association for Spanish Speaking Elderly
 - ❖ National Urban League
 - ❖ National Council on Black Aging
22. Cash charitable contributions from private nonprofit charitable organizations not in excess of \$300 aggregate per quarter. For the purpose of this policy, a quarter is defined as: January thru March; April thru June; July thru September; and October thru December.
23. The amount of FA to be counted in the food stamp budget, when the recipient has earned income and a dependent care deduction has been allowed for FA purposes, shall be the

amount of FA prior to the FA dependent care deduction. The difference between the actual FA award and the amount of FA prior to the deduction is excluded for food assistance. These households are not entitled to a deduction for dependent care.

Note: In order for the correct amount of FA to be placed in the food assistance budget, the PA worker will have to determine what the FA would be prior to the dependent care deduction.

24. Governmental foster care payments received by households for foster care individuals who are not considered members of the food assistance household. Both the service payment and the maintenance payment portion of the foster care payment are excluded.
25. All loans, including loans from private individuals, commercial institutions and educational loans on which repayment is deferred. A valid loan must be a written agreement signed by both parties that includes:
 - a) the borrower's acknowledgement of obligation to repay; and
 - b) time table and plan for repayment; and
 - c) the borrower's intent to repay by pledging either real or personal property or anticipated income.

If the loan is invalid, the income must be counted as unearned income in the month received.

26. Credits made available to employees by an employer to be used for a variety of things, e.g., buy health insurance or life insurance, etc. The employee cannot elect to receive a cash payment; therefore, these credits are not legally obligated and otherwise payable to the employee as earnings and are excluded.
27. P.L. 103-286, dated August 1, 1994, requires that payments made to individuals because of their status as victims of Nazi persecution is excluded from income and resources. This exclusion applies to such payments received on or after August 1, 1994.
28. Additional pay received and made available to the household by a member of the military deployed to a designated combat zone for the duration of the member's deployment. This income is excluded only if it was not received by the service member prior to the service member's deployment to or service in a Federally-designated combat zone. A combat zone is any area the President of the United States designates by Executive Order as an area in which the U.S. Armed Forces are engaging or have engaged in combat. The list of Federally-designated combat zones is: Bahrain, Gulf of Aden, Gulf of Oman, Iraq, Kuwait, Persian Gulf, Qatar, Oman, Red Sea, Saudi Arabia, United Arab Emirates, Turkey, Israel, Eastern Med, Jordan, Egypt, Afghanistan, Pakistan, Tajikistan, Incirlik AFB Turkey, Kyrgyzstan, Uzbekistan, Phillipines (only troops with orders that reference OEF), Yemen, Djibouti, The Federal Republic of Yugoslavia (Serbia/Montenegro), Albania, The Adriatic Sea, The Ionian Sea (north of the 39th parallel), Bosnia, Herzegovina, Croatia, and Macedonia. When questions arise as to specific issues or payment codes on the Leave and Earnings Statement (LES), the State agency should contact the service members' supporting finance to clarify the types of income to determine if the income should be excluded.

903 Income Deductions

Deductions shall be allowed only for the following household expenses:

A. Standard Deduction

Each household's per month standard deduction is applicable to all households. See Basis of Issuance Chart for listing of standard deduction. The standard deduction will be deducted by the computer.

B. Earned Income Deduction

A percentage of gross earned income as defined in [Section 901A](#). Earnings excluded in [Section 902](#) shall not be included in gross earned income for purposes of computing the earned income deduction. The earned income deduction will be applied by the computer.

C. Medical Deduction

That portion of medical expenses in excess of \$35 per month per household excluding special diets, incurred by any household member who is elderly or disabled as defined in the Glossary. These households are entitled to a standard medical deduction of \$175. Households that incur out-of-pocket medical expenses of more than \$175 monthly are entitled to a medical deduction for the actual amount of medical expenses in excess of \$175.

1. A household member applying for disability benefits that would entitle the household to a medical deduction would not be entitled to the deduction; the individual must be receiving the disability check.
2. Spouses or other person receiving benefits as a dependent of the SSI, or disability and blindness recipients are not eligible to receive this deduction, but persons receiving emergency SSI benefits based on presumptive eligibility are eligible for this deduction. If the SSI presumptive eligibility check is stopped and the SSI application is denied, any medical expense allowed shall be removed according to regular processing standards.

A household would continue to be eligible for an excess medical deduction for the medical expenses of a former member who is elderly or is disabled even after that person becomes hospitalized, institutionalized, or dies if the remaining household members are legally responsible for payment of the expenses.

Allowable Medical Costs Are:

1. Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner authorized by State law or other qualified health professional.
2. Hospitalization or outpatient treatment, nursing care, and nursing home care including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the State.
3. Prescription drugs when prescribed by a licensed practitioner authorized under State law and other over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional.

4. Costs of medical supplies, sick-room equipment (including rental) or other prescribed equipment are deductible.
5. Health and hospitalization insurance policy premiums are deductible. The costs of health and accident policies such as those payable in lump-sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible.
 - a) When a medical policy provides benefits for other household members who are not elderly or disabled as well as the elderly or disabled individual, the entire premium payment may not be allowed. If a portion of the premium can be assigned to the elderly or disabled member, use that portion. In the absence of specific information on how much of the premium is for the elderly or disabled member, proration may be used to determine the allowable amount.
 - b) When the policy holder is not an elderly or disabled person, but the family policy includes such a household member, that portion of premium attributable to the eligible member may be used in figuring the allowable deduction.
6. Medicare premiums related to coverage under Title XVIII of the Social Security Act; any cost-sharing or spend down expenses incurred by Medicaid recipients.
7. Dentures, hearing aids, and prosthetics.
8. Securing and maintaining a service animal such as Seeing Eye dogs, hearing guide dogs and housekeeper monkeys trained to assist quadriplegics, including the cost of food and veterinarian bills.
9. Eye glasses (or contact lens) prescribed by a physician skilled in eye disease or by an optometrist.
10. Reasonable cost of transportation and lodging to obtain medical treatment or services. These costs are limited to those incurred in order to obtain such treatment. This includes not only trips to a doctor, dentist, etc. but also trips to a pharmacy or other locations to fill the prescriptions for medicine, dentures, a hearing aid, eye glasses, sick room equipment, etc. These costs are to be verified. Allowance for mileage in privately owned vehicles, other than actual verified costs shall be the State rate for mileage paid to State employees for mileage.
11. Maintaining an attendant, homemaker, home health aide, or child care services, housekeeper, necessary due to age, infirmity, or illness. (In order for the household to receive the medical deduction, the attendant, homemaker, etc. shall not be a household member. The attendant may be a relative.) In addition, an amount equal to the one person coupon allotment shall be deducted if the household furnishes the majority of the attendant's meals. The allotment for this meal related deduction shall be that in effect at the time of initial certification. The county department is only required to update the allotment amount at the next scheduled recertification.

If a household incurs attendant care costs that could qualify under the medical deduction and dependent care deduction, the county department shall treat the cost as a medical expense.

Medical expenses billed through charge accounts (credit cards) are considered billed when the charge account statement is received. Charge account expenses, such as interest, would not be allowable as part of the medical expense. Households may receive a medical deduction for payments made on a loan when the loan is used to pay a onetime only medical

expense provided a deduction has not been previously allowed for the expense. Loan expenses, such as interest, are not allowable as part of the medical expense.

Non-Allowable Costs

The following medical expenses, if paid by QMB (catastrophic) Medicaid, are not deductible medical expenses:

1. Medicare insurance premiums
2. Medicare deductibles this is the amount a Medicare recipient must incur before Medicare pays on an expense.
3. Medicare co-insurance this is the amount a Medicare recipient must pay in addition to the amount Medicare pays.

Such payments by QMB are vendor payments, subject to the policies governing vendor payments as income.

D. Dependent Care

The dependent care deduction is allowed for payments incurred for the actual costs for the care of a child under the age of 18 as well as incapacitated persons of any age that are in need of dependent care when necessary for a household member to accept or continue employment, seek employment in compliance with the employment and program administered by the Department of Human Resources or the job search criteria (or an equivalent effort by those not subject to either) or attend training or pursue education which is preparatory to employment.

The dependent care deduction will be the actual amount that households incur for this expense, including transportation and activity fees. Activity fees are fees that are associated with the care provided to the dependent that are necessary for the household to participate in the care. Although the fees do not have to be mandatory to be deductible, these fees must be specific and identifiable. Examples of activity fees that may be deductible include cost of art classes for an after school program or adult day care program, additional supply fees to attend a summer program or day care, or the cost of field trips sponsored by summer camps.

The dependent care deduction, while allowed because of a dependent, is not the dependent's deduction; it is a deduction allowed for the working member(s) of a household or those household members seeking employment. Therefore, a dependent care deduction may be allowed to a household when the dependent is not a member of that household.

E. Child Support Deduction

Legally obligated child support payments paid by a household member to a non-household member shall be allowed as a deduction. The deduction shall be only for the amount the household member actually pays, and shall not exceed the legally obligated amount. Voluntary child support payments are not allowed as a deduction.

1. The household may receive a deduction for legally obligated child support paid to a party outside the household, even if the child or the children and the other parent are in the same household with the individual paying the child support. For example this may occur if the child moves back and forth between the parents, or if the payee has a continuing obligation to make arrearage payments to the Child Support Collection Agency after the family is reunited.

2. Payments made to a third party (e.g., landlord or utility company) on behalf of the non-household member in accordance with the support order shall be included in the deduction.
3. Legally obligated payments made by the household to obtain medical care and health insurance for the child or children shall be included as part of the child support deduction.
4. In addition to the regular child support payments, a deduction may also be given for arrearage payments. If the amount in excess of the legally obligated amount is for arrearage the household is entitled to a deduction for the entire amount. For example a father (legally obligated to pay \$100 per month child support) is paying \$150 child support which includes \$50 arrearage payments and the \$100 current child support would be entitled to a deduction for the entire \$150. However, if the amount in excess of the legally obligated amount is voluntary and is not for arrearage the household would only be entitled to a deduction for the legally obligated amount.

A separate court order specifying the amount of the arrearage payments is not necessary in order for the household to receive the deduction. A court order or other types of verification of the legally obligated amount of child support is needed only for the current child support payments. The amount of the arrearage payments must be verified, as well as that the payments are truly arrearage. The worker must document thoroughly when giving a deduction for arrearage payments.

5. A deduction shall not be allowed for amounts collected through income tax intercepts. Unlike child support paid through garnishments from current income, child support collected through income tax intercept is taken from a lump-sum payment.

F. Shelter Costs

Monthly shelter costs in excess of 50% of the household's income after all other deductions have been allowed up a maximum limit are the household's shelter deduction except for households that contain an elderly or disabled person (as defined in the Glossary). Such households shall receive an excess shelter deduction for the monthly cost that exceeds 50% of the household's monthly income after all other applicable deductions. If the elderly or disabled member is either hospitalized or institutionalized and is no longer a household member, the household would not qualify for an uncapped shelter deduction. The determination of the shelter expense is automated.

Shelter Costs

Shelter costs include only the following:

1. Continuing charges for the shelter occupied by the household, including rent, mortgage, condominium (condo) and association fees or other continuing charges leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interest on such payments. Payments on second mortgages and home equity loans are allowable shelter costs regardless of why the money was obtained or how it was used.
2. Property taxes, State and local assessments, and insurance on the structure itself, but not separate costs for insuring furniture or personal belongings.
3. The appropriate standard (SUA/BUA or telephone) for utility expenses. The household is entitled to the Standard Utility Allowance or the Basic Utility Allowance or the telephone standard.

- a) An expense paid on behalf of a household under a state law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.
 - b) One-time deposits shall not be included as shelter costs.
 - c) Penalty fees for being late in making payments on utilities, mortgages and/or property taxes are not to be included as a shelter cost or part of a shelter cost. These penalties are not allowable as deductions for food assistance purposes.
4. Shelter costs for the home if temporarily unoccupied by the household because of employment or training away from home, illness, or abandonment caused by natural disaster or casualty loss. Shelter costs may be allowed for the unoccupied shelter if:
- a) The household intends to return to the home.
 - b) The current occupant of the home, if any, must not be claiming the shelter cost for food stamp purposes.
 - c) The home must not be leased or rented during the absence of the household.
- Only one standard can be claimed for both residences. A separate SUA/BUA or telephone standard cannot be claimed for each residence.
5. Charges for the repair of the home which was substantially damaged or destroyed due to a natural disaster such as a fire or flood. Shelter costs shall not include charges for repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or from any other source.
6. Shelter costs for two residences may be claimed when it is necessary for a household member to be away from home and occupy a second residence for part of the month due to employment or training or illness. Only the standard can be claimed for both residences. A separate standard cannot be claimed for each residence.

G. Standard Utility Allowance

1. General Information

The Standard Utility Allowance (SUA) is a standard amount to be budgeted monthly for utility expenses that include a heating or cooling component. The SUA is determined on an annual basis and any adjustment is handled as a mass change effective October 1.

The SUA shall be made available only to households who incur heating and cooling costs separately and apart from their rent or mortgage. A cooling cost which entitles a household to the SUA is a utility expense relating to the operation of air conditioning systems or room air conditioners. These households include:

- a) Residents of rental housing who are billed on a monthly basis by their landlords for individual usage, or who are charged a flat rate separately from their rent.
- b) Recipients of direct or indirect energy assistance made under the Low Income Home Energy Assistance Act of 1981 even if these households incur no heating or cooling charges. This payment must be more than \$20 and must be received in the current month or preceding 12 months.

- c) Recipients of direct or indirect energy assistance, other than LIHEAA, that is excluded as income if the expense exceeds the amount of the assistance.
- d) Recipients of direct or indirect energy assistance that is counted as income and incurs a heating or cooling expense.
- e) Recipients in public housing with shared meters that are charged for excess utility costs that include either a heating or cooling component.

2. Entitlement to the SUA

A household which expects to incur a heating or cooling expense within the next 12 months will be allowed the SUA. Entitlement to the SUA may be verified by documenting the household's statement concerning qualified heating or cooling costs that are incurred during the year.

- a) If the household has moved and has not established a pattern of energy use, the worker will have to anticipate whether the household will incur a heating or cooling expense in the next 12 months. This can be done by documenting that the household has the ability to incur costs which will entitle it to the SUA.
- b) The SUA is not intended for households who incur infrequent and minimal expenses such as:
 - ❖ A household which has no air conditioners, cuts its own firewood for heating, and only incurs the expense of gasoline for a chain saw and matches for lighting the fire.
 - ❖ A household which has no air conditioners and which used only electric blankets for warmth.
 - ❖ A household living in an apartment with no air conditioners, but with gas included in the rent payment, has electricity billed separately; while the household heats with gas, it runs a blower fan with electricity; this household is not entitled to the SUA.

3. When the Household Moves

The SUA is allowed for the certification period; the household is only required to report a change in its shelter deduction when it moves. A move by any household using the SUA requires the county department to determine the household's entitlement to the SUA at the new address.

- a) A household loses entitlement to the SUA when it moves and stops incurring separate heating and cooling costs. When the county department becomes aware of such a change, it should take appropriate action, considering the applicable notice requirements, to remove the standard utility allowance from the household's net income computation, or change the standard, as appropriate, if the household establishes entitlement to the BUA or telephone standard.
- b) When a household who was not entitled to SUA reports a move, the county department is required to determine if the household would be entitled to the SUA at their new address.

4. The SUA and Sharing Expense

When utility expenses are shared among different households living together in one residence, each household is entitled to receive the full SUA if the residence has qualifying heating or cooling costs. All households are not required to be participating in food assistance program for this purpose.

5. Low Income Home Energy Assistance Act Payments (LIHEAA) and the SUA
A household whose shelter arrangement does not change and who receives at least one LIHEAA payment will keep its entitlement to the SUA for a full year, the same as a household that incurs heating or cooling costs on a regular basis. If a household moves and receives a LIHEAA payment at the new address, it would continue to be eligible for the SUA. However, if it moves and its circumstances are such that it receives neither a LIHEAA payment nor incur out-of-pocket heating or cooling costs it will not receive the SUA.

H. Basic Utility Allowance

1. General Information
The Basic Utility Allowance (BUA) is a standard utility amount to be budgeted monthly for households who incur utility expenses other than or in addition to a telephone expense, but not separate heating or cooling costs or LIHEAA payments.
2. Entitlement to the BUA
To qualify for the BUA a household must be billed for at least two utility expenses separate and apart from their rent or mortgage. Qualifying expenses include: electricity, fuel for purposes other than heating or cooling, water, telephone, sewerage, garbage or trash collection, installation and maintenance of a septic tank or a well, or an excess utility cost that does not include heating or cooling for households who live in public housing or other similar rental units.
3. The BUA and Sharing Expense
When utility expenses are shared among different households living together in one residence each household is entitled to receive the full BUA if the residence has qualifying costs. All households are not required to be participating in the food assistance program for this purpose.

I. Telephone Standard

If a household only incurs the cost of a telephone (may be a cell phone), they will only be entitled to the telephone standard not the Basic Utility Allowance (BUA).

J. Actual Utility Expense

Households incurring only one utility expense other than a telephone or a heating or cooling expense are not entitled to receive a utility standard. These households will be given that utility expense as a deduction based on an average of the actual expenses incurred and anticipated for the certification period. In this situation counties are encouraged to contact the State Policy Desk for assistance in determining the deduction.

Chapter 10

Determining Household Eligibility and Benefit Level

1000 Month of Application for All Households

A. Determination of Eligibility and Benefit Levels

A household's eligibility shall be determined for the month of application by considering the household's circumstances for the entire calendar month of application.

1. Households who are not in certification the month of application shall be the month in which the household filed its application.
2. Households who are in certification and apply for recertification in the last month of their certification have their eligibility determined for the first month following the end of the certification period.

Applicant household consisting of residents of a public institution who apply jointly for SSI and food assistance prior to their release from the public institution will have their eligibility determined for the month in which the applicant household is released from the institution.

Proration of Benefits

Benefits for an initial month of certification shall be prorated based on the day of the month the household applies through the end of the month. An initial month means the first month for which a household is certified for participation following at least one day's break in certification. Households who reapply in the month following the end of their certification period shall be entitled to a prorated allotment except for migrant and seasonal farm worker households.

Migrant and seasonal farm workers shall receive the full allotment for the month of application when the household has participated in the food stamp program within 30 days prior to the date of application. If the benefit amount for the prior month was \$0 due to recoupment or other reasons, but the household was certified and eligible for the program, the household is considered to have participated.

Once a household moves from a project area in which it is currently certified, eligibility for the food stamp program terminates and must be reestablished by application in the new project area. A household currently certified in another state, who applies in Alabama and is entitled to expedited service, and for whom nonparticipation in the other state cannot be established within the expedited time frame, shall be allowed to sign a statement avowing that it did not and will not participate in the other state in the month of application.

The proration of benefits is automated. If proration results in an allotment of less than \$10, no issuance shall be made for an initial or beginning month to any household, including one and two person households and categorically eligible households.

B. Application for Recertification

See [Chapter 14](#) for processing applications for recertification.

Eligibility for recertification for all households shall be determined based on circumstances anticipated for the certification period starting the month following the expiration of the current

certification period. The level of benefits for recertification shall be based on the same anticipated circumstances.

If an application for recertification is submitted in the month after the household's certification period has expired, benefits for that month shall be prorated.

If a household submits an application for recertification prior to the end of its certification period but is found ineligible for the first month following the end of the certification period then the first month of any subsequent participation shall be considered an initial month. The same application shall be used in this situation (see C. below) and proration would not be applicable if the household were approved within the appropriate processing standard.

If a household submits an application for recertification prior to the end of its certification period and is found eligible for the first month following the end of the certification period, then that month shall not be an initial month.

Timely Application for One or Two Month Certifications

Any household which receives the notice of expiration at the time of certification as discussed in [Section 1401](#) shall not be subject to proration for the first month of their new certification period if the deadline for filing an application for recertification falls after the end of their current certification period. However, such households found ineligible for the first month following the end of the certification shall have the first month of any subsequent participation considered an initial month.

Verification Provided After the Certification Period

For all households for which the timeframe for providing verification falls after the end of the household's current certification period the household shall not be subject to proration for the first month following the end of its current certification period if it has provided the missing verification and is otherwise eligible.

C. Anticipated Changes

Because of anticipated changes, a household may be eligible for the month of application, but ineligible in the subsequent month. The household shall be entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month.

Also, a household may be ineligible for the month of application (see [Section 1000A](#)), but eligible in the subsequent month due to anticipated changes in circumstances. Even though denied for the month of application the household does not have to reapply in the subsequent month. The same application shall be used for the denial for the month of application and the determination of eligibility for subsequent months within the timeliness standards.

D. Changes in Allotment Levels

As a result of anticipating changes the household's allotment for the month of application may differ from its allotment in subsequent months. The county department shall give all food assistance households a twelve-month certification period. However, the household's allotment shall vary from month to month within the certification period to reflect changes anticipated at the time of certification, unless the household elects the averaging techniques in [Section 1002C](#).

1001 Determining Resources for Prospectively Budgeted Households

Available resources at the time the household is interviewed shall be used to determine the household's eligibility. Future resources for which the month and amount of anticipated receipt are known shall be used in determining the household's continued eligibility at the time of certification. (Example: an award letter from the Social Security Administration stating the amount of a retroactive lump-sum payment and the date it is to be issued.)

1002 Determining Income for Prospectively Budgeted Households

For the purpose of determining the eligibility and benefit level for prospectively budgeted households, the county department shall budget income in accordance with the following procedures. Additional procedures specific to simplified reporting households are found in [Chapter 17](#).

A. Anticipating Income

The county department shall take into account the income already received by the household during the certification period and any anticipated income the household and the county department are reasonably certain will be received during the remainder of the certification period. If the amount of income that will be received, or when it will be received, is uncertain, that portion of the household's income that is uncertain shall not be counted. For example, a household anticipating income from a new source, such as recently applied for public assistance benefits, may be uncertain as to the timing and amount of the initial payment. These moneys shall not be anticipated unless there is reasonable certainty concerning the month in which the payment will be received and in what amount. If the exact amount of the income is not known, that portion of it which can be anticipated with reasonable certainty shall be considered as income.

Income received during the past 30 days should be used as an indicator of the income that is and will be available to the household during the certification period. However, this income should not be used if changes have occurred or can be anticipated. Under no circumstances should the worker automatically attribute to the household amounts of any past income without discussion with the household.

If the household states the income in the past 30 days is representative of the normal fluctuations in income and the total monthly income is relatively stable (although the income may vary within the month) then it is appropriate to use this income to anticipate the income for the certification period. Use of a month's income to anticipate the monthly income to show in the food stamp budget does not constitute averaging, even if it involves the determination of income received more often than monthly which is then converted to monthly income using the appropriate conversion factor.

If income fluctuates to the extent that a 30-day period alone cannot provide an accurate indication of anticipated income, the worker and household may determine that a longer period of past time will more accurately represent the anticipated fluctuations in future income. If income fluctuates from month to month over a period of time, income averaging may be a more accurate method to use to determine the monthly income to budget. See [Section 1002C](#) for the policies concerning income averaging.

The household must be advised to report changes in gross monthly income as required in [Chapter 17](#).

B. Income Only in Month Received

Income anticipated during the certification period shall be counted as income only in the month it is expected to be received, unless the income is averaged in accordance with [Section 1002 C](#).

1. Nonrecurring lump-sum payments shall be counted as a resource starting in the month received and shall not be counted as income.
2. Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer. However, wages held by the employer, as a general practice, even if in violation of law, shall not be counted as income to the household unless the household anticipates that it will ask for and receive an advance, or that it will receive income from wages that were previously held by the employer as a general practice and that were, therefore, not previously counted as income.
3. Advances on wages shall count as income in the month received only if reasonably anticipated.

Income received monthly or semi-monthly (twice a month, not every two weeks) is counted in the month it is intended to cover rather than the month in which it is received when an extra check is received in one month because of changes in pay dates or mailing cycles for reasons such as weekends or holidays.

C. Income Averaging

Income averaging is appropriate for any source of income that fluctuates from month to month so that anticipation based on recent past income cannot accurately reflect the appropriate income to show in the food stamp budget. Examples of income that may be averaged include fluctuating child support, FA income that fluctuates due to receipt of child support or wages, SSI that fluctuates due to wages or combinations of UCB and wages.

It is the worker's decision to use income averaging when fluctuations in income make anticipation inappropriate. Income averaging may not be used for destitute households as defined in [Section 1004C](#), as averaging would result in assigning to the month of application income from future periods not available to the destitute household for its current food needs.

A minimum of two months of income must be used to determine an average. If two months of income does not accurately reflect the fluctuations in income, a longer period of time may be used to arrive at an average.

Workers should take care in determining the amount of income to budget, particularly in the instance of fluctuating child support income. If income information is available for the time period that corresponds with the intended certification period, this average may more accurately reflect the fluctuations that occur, and therefore be a more appropriate average. If the last 12 months of income is available, this may also be used to average income that fluctuates greatly over a year's time. Income received more frequently than monthly must be converted to a monthly amount using the appropriate conversion factors of **4.3** for income received weekly, **2.15** for biweekly income, and **2** for income received on a semi-monthly basis.

Income which has been averaged must be recalculated at recertification or at a report of changes that cause an increase in the allotment. At certification the household must be advised of the

averaged amount of income budgeted, as this becomes the basis upon which changes in income must be reported in accordance with the policy in [Chapter 17](#).

Households which by contract or self-employment derive their annual income in a period of time shorter than one year shall have that income averaged over a 12-month period provided the income from the contract is not received on an hourly or piecework basis. These households may include school employees, share croppers, farmers, and other self-employed households.

The procedures for anticipating and averaging self-employment income are given in [Section 1100](#). The above provisions for averaging income from contract or self-employment do not apply to migrant or seasonal farm work income.

1003 Determining Deductions for All Households

Deductible deductions include only certain dependent care, shelter, and medical expenses as described in [Chapter 9](#).

A. Disallowed Expenses

An expense covered by an excluded reimbursement or vendor payment, except an energy assistance vendor payment made under the Low Income Home Energy Assistance Program (LIHEAP) shall not be deductible. For example the portion of rent covered by excluded vendor payments shall not be calculated as part of the household's shelter cost.

Utility expenses which are reimbursed or paid by an excluded payment, including HUD and FmHA utility payments shall not be deductible. Households are entitled to use either the SUA or BUA (as appropriate) or actual costs in excess of the excluded payments.

That portion of an allowable medical expense which is not reimbursable shall be included as part of the household's medical expenses. Households entitled to the medical deduction shall have the non-reimbursable portion considered at the time the amount of reimbursement is received or can otherwise be verified.

Expenses shall only be deductible if the service is provided by someone outside of the household and the household makes a money payment for the service. For example, dependent care deduction shall not be allowed if another household member provides the care, or compensation for the care that is provided in the form of an in-kind benefit such as food.

B. Billed Expenses

Except as provided in [Section 1003 D](#); a deduction shall be allowed only in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense.

1. A particular expense may only be deducted once in prospectively budgeted households. Amounts carried forward from past billing periods are not deductible, even if included with the most recent billing and paid by the household. For example, rent which is due each month shall be included in the household's shelter costs, even if the household has not yet paid the expense.

2. An on-going medical expense, such as prescription drugs or attendant care, is to be budgeted at the point it is reported and verified. A deduction cannot be given for any ongoing medical expense incurred in a prior billing period. When an ongoing medical expense is reported and verified the medical deduction will be recalculated to include this expense.
3. Medical expenses billed on a monthly basis because of contract or agreement shall have only the monthly payment bill budgeted as a medical deduction rather than averaging the entire non-reimbursed expense.

C. Averaging Expenses

Households may elect to have fluctuating expenses averaged. Using the procedures for averaging fluctuating income, a minimum of two months expenses shall be used to determine a monthly average. Households may also elect to have expenses which are billed less often than monthly averaged forward over the interval between scheduled billings, or, if there is no scheduled interval, averaged forward over the period the expense is intended to cover. For example a household receives a single bill in February which covers a 3-month supply of fuel oil. The bill may be averaged over February, March and April.

The household may also elect to have one-time only expenses averaged over the entire certification period in which they are billed. Households reporting one-time only medical expenses during their certification period may elect to have a one-time deduction or to have the expense averaged over the remaining months of their certification period. Averaging would begin the month the change would become effective.

D. Anticipating Expenses

The county department shall calculate a household's expenses based on the expenses the household expects to be billed for during the certification period.

Anticipation of the expense shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur. The exception is that a household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes in the medical expenses that can be reasonably expected to occur during the certification period based on the available information about the recipient's medical condition, public or private insurance coverage and current verified medical expenses.

If a household reports an allowable one time medical expense at the time of certification, but cannot provide verification at that time, and the amount cannot be reasonably anticipated, the household shall have the non-reimbursable portion of the expense considered at the time the expense or the reimbursement is reported and verified.

E. Conversion of Deductions

Deductions which are billed weekly or biweekly may be converted to a monthly amount by multiplying an average weekly amount by 4.3 or an average biweekly amount by 2.15.

F. Energy Assistance Payments

Except for payments made under the Low Income Energy Assistance Act (LIHEAA) and other Federal energy assistance payments excluded in [Section 902.2](#), the county department shall

prorate energy assistance payments provided over the entire heating or cooling season the payment is intended to cover.

G. Entitlement to Medical Deductions and Uncapped Shelter Expenses

Individuals entitled to the excess medical deduction and the uncapped shelter expense shall receive such deductions, if they incur such expenses, for the period for which they are determined to be elderly or disabled.

1. Such individuals who are entitled to restored benefits shall have their benefits restored using these special deductions if they have such expenses.
2. Medical expenses incurred prior to the month in which the individual turned 60 or began receiving qualifying disability benefits shall not be considered as allowable medical costs.
3. A deduction may be allowed for paid or unpaid medical expenses provided such expenses are reported within the certification period in which they are incurred.

One time medical expenses incurred or reported too late to be budgeted in the current certification period shall be allowed in the new certification period either as a one-time deduction in the first month of the new certification period or prorated over the entire certification period. This includes such expenses previously incurred and reported at the recertification interview or expenses incurred after the recertification interview and reported sometime during the new certification period.

1004 Calculating Net Income and Benefit Levels

Although the calculation of net income and benefit level is automated, the following policies and procedures are provided.

A. Calculating Net Income

1. Add the gross monthly income earned by all household members and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income.

Net losses from the self-employment income of a farmer shall be offset in accordance with [Section 1100](#).

2. Multiply the total gross monthly earned income by 20% and subtract that amount from the total gross income.
3. Subtract the standard deduction.
4. If the household is entitled to an excess medical deduction, the medical expenses in excess of \$35 shall be subtracted.
5. Subtract actual monthly dependent care expenses.
6. Subtract legally obligated child support payments.

7. Compute the household's shelter expenses as follows, to determine if the household will receive an excess shelter deduction:
 - a) Total allowable shelter costs.
 - b) Subtract from the total shelter costs 50% of the household's monthly income left after step (6) above.
 - c) The remaining amount, if any, is the excess shelter cost.
8. If there is no excess shelter cost, the net monthly income shall be the amount of income remaining after step 6 above.
9. If there is an excess shelter cost subtract this cost up to the maximum amount allowed from the household's monthly income after all other applicable deductions for households which are not entitled to an uncapped shelter deduction. The remainder is the net monthly income.
10. If there is an excess shelter cost, subtract this cost from the household's monthly income after all other applicable deductions for households entitled to uncapped shelter expenses. The remainder is the household's net monthly income.

Rounding

Round down to the nearest dollar calculations that end in 1 through 49 cents.

Round up to the nearest dollar calculations that end in 50 through 99 cents.

For all households keep the cents and do not round for individual shelter costs and individual medical expenses.

For all households round the total of all medical expenses.

For all households round each monthly amount of income.

B. Eligibility and Benefits

Households which contain elderly or disabled members (as defined in the Glossary) shall have their net income as calculated in [Section 1004 A](#) above, compared to the net monthly income eligibility standards for the appropriate household size to determine eligibility. If the household contains a member who is fifty-nine years old on the date of application, but will become sixty before the end of the month of application (as defined in [Section 1000](#)) the household's eligibility shall be determined in accordance with the above paragraph.

In addition to meeting the net income eligibility standards, households which do not contain an elderly or disabled member shall have their gross income, as calculated in [Section 1004 A](#) above, compared to the gross monthly income standards defined for the appropriate household size to determine eligibility for the month.

For households considered destitute in accordance with Section 1004 C, see [Section 1004 C](#) for the computing of gross and net income and compare, as appropriate, the gross and/or net income to the corresponding income eligibility standard for the appropriate household size.

Except for initial months as defined in [Section 1000 A](#) in which proration is a factor, and the provision precluding issuances of less than \$10 in an initial month (see paragraph below), the

household's monthly allotment shall be equal to the Thrifty Food Plan for the household's size reduced by 30% of the household's net monthly income.

Allotment of Less than \$10 in an Initial Month

When the calculation of benefits for an initial month yields an allotment of less than \$10 no benefits shall be issued to the household for the initial month.

Except during an initial month all eligible one and two person households in which Broad Based Categorical Eligibility has been conferred shall receive the minimum monthly allotment equal to the minimum benefit.

Certification

For those eligible households who are entitled to no benefits in the initial month of application due to proration or an allotment less than \$10, but are entitled to benefits in subsequent months, the county department shall certify the household beginning with the month of application.

Households who are eligible but entitled to no benefits on an ongoing basis (except for categorically eligible households) shall be denied benefits.

C. Destitute Households

Migrant or seasonal farm worker households may have little or no income at the time of application and may be in need of immediate food assistance, even though they receive income at some other time during the month of application. Households other than migrant or seasonal farm worker households shall not be classified as destitute.

Determining a Destitute Household

The following procedures shall be used to determine when migrant or seasonal farm worker households in these circumstances may be considered destitute and, therefore, entitled to expedited service and special income calculation procedures.

1. Households whose only income for the month of application was received prior to the date of application, and was from a terminated source, shall be considered destitute households and shall be provided expedited service.
2. If income is received on a monthly or more frequent basis, it shall be considered as coming from a terminated source if it will not be received again from the same source during the balance of the month of application or during the following month.
3. If income is normally received less often than monthly the non-receipt of income from the same source in the balance of the month of application or in the following month is inappropriate to determine whether or not the income is terminated. For example, if income is received on a quarterly basis (e.g., on January 1, April 1, July 1, and October 1), and the household applies in mid-January, the income should not be considered as coming from a terminated source merely because no further payments will be received in the balance of January or in February. The test for whether or not this household's income is terminated is whether the income is anticipated to be received in April. For households who normally receive income less often than monthly, the income shall be considered as coming from a terminated source if it will not be received in the month in which the next payment would normally be received.
4. Households whose only income for the month of application is from a new source shall be considered destitute and shall be provided expedited service if income of more than \$25 from the new source will not be received by the 10th calendar day after the date of application.

Income which is normally received on a monthly or more frequent basis shall be considered to be from a new source if income of more than \$25 has not been received from that source within 30 days prior to the date the application was filed.

If income is normally received less often than monthly, it shall be considered to be from a new source if income of more than \$25 was not received within the last normal interval between payments. For example, a household applies in early January and is expecting to be paid every 3 months, starting in late January, the income shall be considered to be from a new source if no income of more than \$25 was received from the source during October or since that time.

5. Households may receive both income from a terminated source prior to the date of application, and income from a new source after the date of application, and still be considered destitute if they receive no other income in the month of application and income of more than \$25 from the new source will not be received by the 10th day after the date of application.

Determining Eligibility and Benefits for Destitute Households

Destitute households shall have their eligibility and level of benefits calculated for the month of application by considering only income which is received between the first of the month and the date of application. Any income from a new source that is anticipated after the day of application shall be disregarded.

Special Instructions for Travel Advances

Some employers provide travel advances to cover the travel costs of new employees who must journey to the location of their new employment. To the extent that these payments are excluded as reimbursements receipt of travel advances will not affect the determination of when a household is destitute. However, if the travel advance is by written contract, an advance of wages that will be subtracted from wages later earned by the employee, rather than a reimbursement the wage advance shall count as income.

The receipt of a wage advance for travel costs of a new employee shall not affect the determination of whether subsequent payments from the employer are from a new source of income, nor whether a household shall be considered destitute. For example, if a household applies on May 10, has received a \$50 advance for travel from its new employer on May 1 which by written contract is an advance on wages, but will not receive any other wages from the employer until May 30 the household shall be considered destitute. The May 30 payment shall be disregarded, but the wage advance received prior to the date of application shall be counted as income.

Changing Jobs

A household member who changes jobs but continues to work for the same employer shall be considered as still receiving income from the same source. A migrant farm workers source of income shall be considered to be the grower for whom the migrant is working at a particular point in time, and not the crew chief. A migrant who travels with the same crew chief but moves from one grower to another shall be considered to have moved from a terminated income source to a new source.

The above procedures shall apply at initial application and at recertification, but only for the first month of each certification period. At recertification, income from a new source shall be disregarded in the first month of the new certification period if income of more than \$25 will not be received from this new source by the 10th calendar day after the date of the household's normal issuance cycle.

1005 Certification Periods

The county department shall establish a definite period of time within which a household shall be eligible to receive benefits. At the expiration of each certification period entitlement to food stamp benefits ends. Further eligibility must be established only upon a recertification based upon a newly completed application, an interview, and verification as required in [Section 206](#). Under no circumstances shall benefits be continued beyond the end of a certification period without a new determination of eligibility.

Certification Periods Shall Conform to Calendar Months

At initial application the first month in the certification period shall generally be the month of application even if the household's eligibility is not determined until a subsequent month. For example, if the household files an application in January and the application is not processed until February a 12-month certification period would include January through December.

Upon recertification the certification period will begin with the month following the last month of the previous certification period.

Guidelines for Establishing the Length of Certification Periods

Households must be assigned the longest certification period possible based on the predictability of the household's circumstances.

1. Households may be assigned one or two month certification periods when it appears likely the household will become ineligible for food assistance in the near future.
2. Households subject to simplified reporting at certification should be assigned a certification period of 12 months. This includes but is not limited to ABAWDS, migrant/seasonal farm workers, homeless, residents of drug and alcoholic treatment centers, and students.
3. Households with stable income, particularly households with elderly or disabled adult members, should be certified for 12 months if other household circumstances are expected to remain stable.
4. Households in which all members are included in a single FA grant should be certified for up to 12 months. The certification period should be aligned to end with the FA review month when possible.
5. Households with all members coded with a work registration code "J" should be assigned a certification period of 4 months.

1006 Certification Notices to Households

Applicant households must be provided one of the following written notices as soon as a determination of eligibility is made, but no later than 30 days after the date of initial application.

A. Notice of Eligibility

If an application is approved an automated Notice of Action will be sent to the household. The notice will provide the amount of the allotment, beginning and ending dates of the certification period, retroactive benefits and regular monthly allotment. The household must also be advised of variations in the benefit level based on changes anticipated at the time of certification.

Both the automated and manual Notices of Action are required to advise the household of its right to a fair hearing, the telephone number of the food stamp office, and if possible, the name of the person to contact for additional information. If there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the availability of the service.

Expedited Service Cases

In cases where a household's application is approved on an expedited basis without verification, a manual Notice of Action must be sent explaining that the household must provide the verification which was waived.

If a certification period longer than one month (or longer than two months if the household receives a combined allotment) has been assigned, the notice shall also explain the special conditions as stated in [Section 208](#) and the consequences of failure to provide the postponed verification.

Other Households

For households provided a Notice of Expiration at the time of certification, as required in [Section 1401](#), the Notice of Eligibility may be combined with the Notice of Expiration or separate notices may be sent.

B. Notice of Denial

If the application is denied, the household will be provided with an automated notice explaining the basis of the denial, the household's right to request a fair hearing, the telephone number of the food assistance office, and if possible, the name of the person to contact for additional information. If there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the availability of the service.

A household which is potentially categorically eligible but whose food assistance is denied shall be asked to inform the State agency if it is approved to receive PA and/or SSI benefits.

When a delay in processing on the 30th day was caused by the household's failure to take action to complete the application process, as provided in [Section 207](#), a manual Notice of Denial shall also explain the following:

1. The action that the household must take to reactivate the application.
2. That the case will be reopened without a new application if action is taken within 30 days of the date the Notice of Denial was mailed.
3. That the household must submit a new application if, at the end of the next 30-day period, the household has not taken the needed action and wishes to participate in the program.

C. Notice of Pending Status

If the application is held pending on the 30th day because of a delay in processing caused by the county department (or State agency) as noted in [Section 207](#), the household shall be sent a Notice of Denial/Pending Status on the 30th day explaining the cause for the delay.

As the issuance of the Notice of Denial/Pending Status on the 30th day is notification to the household on the 30th day the status of their application, the application shall be considered a delinquent application.

D. Application for Recertification

See [Chapter 14](#) for timeliness standards for issuance of approval or denial notices.

E. Identification (ID) Cards

The county department will issue each certified household an identification card as proof of food assistance program eligibility. Under certain conditions, counties have the option of using the EBT card as the household's identification card. These conditions are:

1. The county must continue to maintain a supply of the identification cards (PSD-BFS-832). The security relating to these cards must continue to be observed.
2. Homeless households who receive their mail at the food assistance office must continue to be given an ID card.
3. Households whose benefits are converted to stamps must be issued an ID card.
4. The county must be consistent in either giving or not giving households (other than those specified) an ID card.

All ID cards shall be issued in the name of a household member who is authorized to receive the household's issuance.

Chapter 11

Action on Households with Special Circumstances

1100 Self-employment Income

The procedures for handling income received from boarders by a household that does not own and operate a commercial boardinghouse are described in [Section 1101](#).

For all other households receiving self-employment income, including those households that own and operate a commercial boardinghouse, the county department shall calculate the self-employment income in accordance with the policies in the section.

Self-employment is working for oneself, rather than for an employer. Self-employment for food assistance purposes involves a business, job, or enterprise which an individual or individuals work for gain or profit, rather than wages or salaries paid by an employer.

Self-Employment Businesses

1. The income and resources of an unincorporated business are treated as the self-employment income and resources of the proprietor.
2. The income and resources of a partnership are treated similarly with each partner receiving a proportionate share of the partnership income and resources.

S Corporations and Other Corporations

1. S Corporations are closely-held family corporations in which income from such is reported together with other household income on its tax return. S Corporations are “pass through” entities for tax purposes. The income of these companies are passed through to their owners and reported on the owners’ personal income tax returns. **Income from an S Corporation is counted as earned income, but it is not treated as self-employment.** Owners of S Corporations are considered employees of the corporation and; therefore, cannot be considered as self-employed. Because they are not considered self-employed, they are not entitled to the exclusion of certain costs of producing self-employment income (40% standard deduction). In an S Corporation only the salary paid to the employee-owner is subject to employment tax.

For those households who have an S Corporation, only the income as reported on the household’s income tax return, form 1040, for the S Corporation is budgeted as earned income and annualized over a 12-month period. The salary and withdrawals for household expenses made from the S Corporation, including earnings from the company, salary, and withdrawals is subject to a 20% earned income deduction. If the household reports a net loss, the income attributed to the food assistance household would be zero since net losses may not be used to offset other income. Losses experienced by employees of S Corporations must not be offset against other countable income in the household.

The income of other types of corporations is income to the shareholder only if it is distributed to the shareholder. Any cash or expenses paid to or for the household from corporate funds should be considered “distributions” and counted as income.

2. Corporate assets for any corporation should be clearly registered in the name of the corporation to receive an exclusion from the household’s resource determination. Otherwise, these would be considered property of the household and counted or excluded as appropriate according to the provisions found in [Chapter 8](#). Additionally, the value of the stock which represents the value of non-income producing corporate property is considered a resource to the stockholder.

A. Annualizing Self-employment Income

Self-employment income may be received irregularly or on a regular basis and is handled as follows:

1. Self-employment income which represents a household’s annual income shall be annualized over a 12 month period even if the income is received within only a short period of time during those 12 months. For example, self employment income received by farmers shall be averaged over a 12-month period, if the income is intended to support the farmer on an annual basis.

If the averaged annualized amount does not accurately reflect the household’s actual circumstances because the household has experienced a substantial increase or decrease in business, the county department shall calculate the self-employment income on anticipated earnings. The county department shall not calculate self-employment income on the basis of prior income (e.g., income tax returns) when the household has experienced a substantial increase or decrease in business.

2. Self employment income which is received on a monthly basis but which represents a household’s annual support shall normally be averaged over a 12 month period. This self-employment income shall be annualized even if the household receives income from other sources in addition to self-employment.

If, however, the averaged amount does not accurately reflect the household’s actual monthly circumstances because the household has experienced a substantial increase or decrease in business, the county department shall calculate the self-employment income based on anticipated earnings.

3. Self-employment income which is intended to meet the household’s needs for only part of the year shall be averaged over the period of time the income is intended to cover. For example, self-employed vendors who work only in the summer and supplement their income from other sources during the balance of the year shall have their self-employment income averaged over the summer months rather than a 12-month period.

Determining the Period of Time Self-Employment Income is Intended to Cover

In an effort to determine if the self-employment income which is received other than on a regular monthly basis is intended to support the household on an annual basis, other factors, in addition to the household’s own statement, could provide some indication as to how long the household could sustain itself on such income would have to be examined and evaluated. Such factors would include, but would not be limited to, previous year’s business and personal expenses, tax records, anticipated expenses for the current year, income received from other sources during the previous year, income during the coming year, and so on. Such factors, when compared with the

income from seasonal self-employment, would provide a basis for making a determination as to how long the income is intended to support the household.

For example, if the previous year's expenses were proportionate to the household's income from self-employment, it could be an indication that the income would sustain the household for a year. Therefore, the household's income could be annualized. If expenses were not proportionate with the income, it could be assumed that such income could not sustain the household for a year; therefore, income would be averaged over the period of time for which such income is received.

Although the period of time for which the income is intended to cover would be a factor in determining the length of the household's certification period, all household circumstances would have to be evaluated. Additionally, although information obtained by the household would provide some indication as to the appropriate certification period to be assigned, the responsibility for establishing the appropriate certification period remains that of the county department.

New Self-Employment Enterprises

If a household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise shall be averaged over the period of time the business has been in operation, and the monthly amount projected for the coming year.

However, if the business has been in operation for such a short time that there is insufficient information to make a reasonable projection, the household may be certified for less than a year until the business has been in operation long enough to base a longer projection.

Termination of Self-Employment

When a self-employed household whose income and expenses have been annualized and prorated over a 12-month period goes out of business, the county department must remove the prorated income from the food assistance budget when the last income is received from that source. For example, a farmer reports that he plans to stop farming and expects to sell his last crop in October. The sale of the crop has previously been anticipated and the income had already been included in the averaged amount. The averaged amount would be counted for October. No self-employment income would be counted for November.

1. If the household is expected to receive residual income after the person stops being actively engaged in the self-employment enterprise, the county department must calculate the residual self-employment income based on anticipated amounts.

The income can either be counted in the month it is anticipated to be received or the county department can average the income forward over the certification period.

2. When the self-employment income is no longer counted in the food assistance budget, the self-employment expenses are no longer allowed, even if they continue to be incurred.

B. Determining Monthly Income from Self-employment

For the period of time over which self-employment income is determined, the county department must add all gross self-employment income (including capital gains); divide the gross self-employment income by the number of months over which the income will be averaged. This is the amount to be shown on the DHR-FAD-1139.

The households with self-employment income are entitled to a standard deduction of 40% of the gross proceeds from the self-employment income as a cost of doing business. This procedure is automated.

For those households whose self-employment income is not averaged but is instead calculated on an anticipated basis, as noted in Item A of this section, the county department must:

1. Add any capital gains the household anticipates it will receive in the next 12 months, starting with the date the application is filed.
2. Divide the amount by 12. This amount shall be used in successive certification periods during the next 12 months, except that a new average monthly amount shall be calculated over this 12-month period if the anticipated amount of capital gains changes.
3. The monthly anticipated average of capital gains as determined above shall then be added to the anticipated monthly self-employment income.

Households with self-employment income are entitled to standard deductions of 40% of the gross proceeds from the self-employment income as a cost of doing business. This procedure is automated.

Other Household Income and Self-Employment Income

The monthly net self-employment income shall be added to any other earned income received by the household. The total monthly earned income, less a 20% earned income deduction, shall then be added to all monthly unearned income averaged by the household. (This process is handled by automation.)

Special Provision for Farmers

For purposes of this provision, to be considered a self-employed farmer, the farmer must receive or anticipate receiving annual gross proceeds of \$1000 or more from the farming enterprise.

A fisherman is treated the same as a self-employed farmer if the fisherman is self-employed and receives or anticipates receiving annual gross proceeds of \$1,000 or more from fishing. This applies even if the fisherman is only involved in catching or harvesting the fish as well as watermen, crayfishermen and other type fishermen.

When the Secretary of Agriculture determines that a farm emergency exists due to a natural disaster, any payments to farmers pursuant to such a determination shall be excluded from income and resources for food assistance purposes. This exclusion is required by Section 312(d) of the Disaster Relief Act of 1974, as amended in 1988.

Certain Farm Payments

1. Agricultural Stabilization and Conservation Service (ASCS) cash payments including payments for crop losses are counted as earned self-employment income except when such payments are for loans. Farm loans are excluded from income for food assistance purposes.
2. Payments from the Federal Crop Insurance Corporation (FCIC) are considered recurring lump-sum payments, and as such they are considered as resources.
3. Crop insurance settlements from private companies which are made as a nonrecurring lump sum payment are counted as a resource.

Termination of Farm Self-Employment Income

When a farm self-employment household whose income and expenses have been annualized and anticipated over a 12-month period, discontinues farming, the county department shall

remove the farm self-employment income from the budget in accordance with the appropriate reporting and processing time frames for changes.

Annualized farm self-employment income that had been prorated as income from the budget due to termination of self-employment would lose its resource exclusion. However, any property or vehicles essential to farm self-employment of a household member engaged in farming is excluded as a resource for one year from the date the household member terminates farm self-employment.

C. Capital Gains

The proceeds from the sale of capital goods or equipment shall be calculated in the same manner as capital gains for Federal income tax purposes. However, even if 50% of the proceeds from the sale of capital goods or equipment are taxed for Federal income tax purposes, the State agency shall count the full amount of the capital gain as income for food assistance purposes.

Recaptured Depreciation

The Internal Revenue Service (IRS) allows self-employed persons to deduct depreciation as a cost of doing business. Then, when a piece of equipment, for instance, is sold before the end of its useful life, the former owner must declare a portion of depreciation as income. This is commonly referred to as recaptured depreciation. Recaptured depreciation is NOT counted as income for food assistance purposes.

Recaptured Investment Credit

IRS allows for a percentage of certain investments to be deducted as an expense. If the asset is disposed of or ceases to be eligible before the end of the recapture period for recovery property or before the end of the estimated life used to figure the credit, a percentage of the credit may have to be recaptured. This is commonly referred to as recaptured investment credit. Recaptured investment credits are NOT counted as income for food assistance purposes.

D. Allowable Costs of Producing Self-employment Income

Households with self-employment income are given a standard deduction of 40% of the gross proceeds from self-employment income for operating expenses as a cost of doing business. The standard will be used for all food assistance households reporting self-employment income. This procedure is automated.

E. Assigning Certification Periods

Households that receive their annual support from self-employment and have no other source of income may be certified for up to 12 months.

For those households that receive other sources of income or whose self-employment income is intended to cover a period of time that is less than a year, the county department shall assign a certification period appropriate for the household's circumstances.

For those self-employed households that receive their annual income in a short period of time, the initial certification period shall be assigned to bring the household into the annual cycle. For example, the county department may provide for recertification at the time the household normally receives all or a majority of its annual income or the State agency may prefer to have the annual cycle coincide with the filing of the household's income tax.

F. Special Instructions for Farmers in USDA Payment-in-Kind (PIK) Program

The following policy establishes the procedures for handling grain received by farmers under the new Payment-In-Kind (PIK) Program. Under this program, farmers who have already taken portions of land out of production under the Land Diversion or Acreage Reduction Programs will be encouraged to take more land out of production. Farmers who enroll will receive surplus grain which can be retained for their own use or sold. Rice and upland cotton, as well as wheat, corn and sorghum are involved in PIK program.

Grain received under this program should normally be considered self-employment income. It should be included when annualizing income if the household indicated the grain will be sold during the year. It should be noted that no income is in fact realized by the household until the commodities are sold. Indeed, farmers receiving PIK payments from the Commodity Credit Corporation (CCC) will incur no Federal income tax liability until sale of the commodities occurs. However, the Food Assistance Program regulations provide for a process of annualizing to be used when certifying self-employed households, such as farmers. PIK commodities, like any other product of the farm enterprise, should be included as part of annual income if their sale may be reasonably anticipated during the year for which income is being calculated. This process allows self-employed households to have certification periods that reflect the uneven time frames in which their income is generated.

It should also be noted that in many cases farmers will sell commodities they own to CCC and receive them back from CCC as PIK commodities. Farmers will be paid by CCC for the commodities with the payment being used to repay price support loans previously extended to the farmer by CCC. These sales and loan repayments should be treated as completely separate from the receipt of PIK commodities and handled in the same manner as any other sale of commodities and repayment of a price support loan.

The value of any grain which the household intends to use for feed or seed would not be considered a resource. In those instances where the household intends to retain the grain without sale longer than 12 months, it should be considered a non-liquid resource. It should also be noted that farmers who qualify for PIK grain and are already storing grain under a CCC loan will be allowed to divert for personal use the amount of PIK entitlement from their own storage, and will be released from any obligation for that amount of grain. PIK grain should be considered as described above whether diverted from the farmers own storage or received from the CCC.

1101 Boarders

A. Households with Boarders

Persons defined as boarders in [Section 102](#) who are not requested by the household to be treated as a household member, shall be excluded from the household, when determining the household's eligibility and benefit level. The income of households owning and operating a commercial boarding house shall be handled as described in [Section 1100](#). For all other households, payments from the boarder shall be treated as self-employment income and the household's eligibility determined as follows.

B. Income from the Boarder

The income from boarders shall include all direct payments to the household for room and meals, including contributions to the household's shelter expenses. Shelter expenses paid directly by boarders to someone outside of the household shall not be counted as income to the household.

C. Cost of Doing Business

The household will receive a 40% deduction from the gross income generated from the boarders as a cost of doing business. This procedure is automated.

D. Deductible Expenses from Boarders

The income from self-employment is earned income.

Shelter costs the household actually incurs shall be used to determine the household's shelter deduction, even if the boarder contributes to the household for part of the household's shelter expenses. Shelter costs shall not include any shelter expenses paid directly by the boarder to a third party, such as to the landlord or utility company.

Non-boarders for Whom Household Furnishes Meals

Persons who receive meals only are not included in the definition of boarders. That portion of the cash compensation that the household receives for providing meals to such an individual that exceeds the cost of producing the meals would be considered income to the household.

1102 Treatment of Resources, Income and Deductions of Certain Non-household Members

A. Disqualifications Due To:

1. Intentional Program Violation (IPV)
2. Convictions involving Food Assistance trafficking or firearm purchases.
3. Felony convictions under federal or state law for any offense which has an element possession, use or distribution of a controlled substance.
4. Fleeing felons.
5. Probation or parole violators.

Refer to Chapter 1, [Section 101](#), for specific information on the above disqualified individuals. The eligibility and benefit level of any remaining household members in a household containing these disqualified individuals shall be determined as follows:

Resources

The resources of the disqualified member(s) shall be counted in their entirety to the remaining household members. If the disqualified household member is the only elderly or disabled member of the household, the resource limit for the remaining members shall not exceed \$2,250, since the household is no longer considered an elderly or a disabled household.

Income

The income of the disqualified member(s) shall be counted in its entirety to the remaining household members.

Deductions

Any deductions to which the disqualified member is entitled, such as medical, dependent care, and the child support deduction, will be added to the remaining member's deductions and used in determining the entire household's allowable deductions.

Any shelter costs billed to or incurred by the disqualified member shall also be added to the remaining member's shelter costs and used in determining the entire household's allowable shelter expense.

Eligibility and Benefit Level

The disqualified member shall not be included when determining the household's size for the purpose of assigning a benefit level to the household; comparing the household's monthly income with the income eligibility standards; or comparing the household's resources with the resource eligibility limits.

The county department shall ensure that no household's food assistance allotment is increased as result of the disqualification for IPV or failure to comply with food assistance work requirements of one or more household members.

B. Disqualifications Due To:

1. Social security number disqualification.
2. Ineligible alien.
3. Recipients determined to have received multiple benefits.
4. Ineligible Able Bodied Adults without Dependents (ABAWDS).

The eligibility and benefit level of any remaining household members of a household containing these disqualified individuals shall be determined as follows:

Resources

The resources of the disqualified or ineligible member(s) shall be counted in their entirety to the remaining household members. If the disqualified or ineligible household member is the only elderly or disabled member of the household, the resource limit shall be \$2,250 as the household is no longer considered an elderly or a disabled household.

Income

A prorated share of the income of the disqualified or ineligible member(s) shall be counted as income to the remaining members. A prorated share shall be calculated by:

1. Subtracting the allowable exclusions from the disqualified or ineligible member's income.
2. Dividing all of the countable income evenly among members of the entire household, including the disqualified or ineligible member and any other disqualified members.
3. Multiply each member's share by the number of eligible household members; count this as income to the household.

Steps (2) and (3) are handled through automation and are not done by the worker.

Deductions

Shelter expenses either billed to or paid by these disqualified or ineligible members are prorated among all household members, including the disqualified or ineligible member and other excluded members. All but the amount attributed to the ineligible or disqualified individuals is counted in computing the household's shelter costs.

Households shall be allowed the appropriate full utility deduction (SUA/BUA) even if the disqualified or ineligible member pays all or part of the utility expense. The utility expense shall not be prorated among all members to determine the household's allowable utility deduction (SUA/BUA).

Medical and Uncapped Shelter - These disqualified or ineligible household members do not entitle the household to the medical expense or uncapped shelter expenses. When the only elderly or disabled member is an ineligible or disqualified member, the capped shelter amount must be used even if excluded members are billed for or pay the shelter expense. The shelter cap is applied after the excluded member's share is subtracted. If an included member is elderly or disabled, the uncapped shelter amount and medical deduction are allowed even if the costs are prorated among the excluded and non-excluded members.

Child Support Deduction - The amount of legally obligated child support paid or expected to be paid will be divided evenly among all the household members, and all but the disqualified and/or ineligible member's share would be counted in the food assistance budget.

When these ineligible or disqualified individuals do not have income or allowable expenses:

Income - If the eligible members are the only ones with income, their total income is counted in determining the household's eligibility and allotment. Their income is not prorated to exclude members.

Deductible expenses - Deductible expenses billed to or paid by eligible members are treated in the same manner, e.g., if an eligible member pays all of the shelter expenses, the household is entitled to claim the total amount of shelter expenses.

Eligibility and Benefit Level

These disqualified or ineligible members shall not be included when determining their household's sizes for the purpose of assigning a benefit level to the household; comparing the household's monthly income with the income eligibility standards; or comparing the household's resources with the resource eligibility limits.

C. Reduction or Termination of Benefits within the Certification Period

Whenever an individual is determined ineligible due to disqualification sanction, the eligibility of the remaining members shall be based, as much as possible, on information in the case file.

Excluded for IPV Disqualification

If a household's benefits are reduced or terminated within the certification period because one of its members was disqualified due to IPV, the county department shall notify the remaining members of their eligibility and benefit level or ineligibility at the same time the excluded member is notified of the disqualification.

The household is not entitled to a Notice of Adverse Action, but may request a fair hearing to contest the reduction or termination of benefits. This is an option unless the household has

already had a fair hearing on the amount of the claim as a result of the consolidation of the administrative disqualification hearing with the fair hearing.

Excluded for Failure to Comply with Work Requirements

If a household's benefits are reduced or terminated within the certification period because one of its members is disqualified for failure to comply with food assistance work requirements the county department shall:

Issue a Notice of Adverse Action which shall state:

1. The particular act of noncompliance and the eligibility and benefit level of the remaining members.
2. The proposed period of disqualification and the action the household may take to end the disqualification.
3. Specify that the individual may be added back at the end of the disqualification period or, in the case of termination the household may reapply at the end of the ineligible period.

Excluded for:

**Social Security Number Disqualification,
Ineligible Alien,
Recipients of Multiple Benefits,
Ineligible Able Bodied Adults without Dependents (ABAWDS), or
Specified Convictions Involving Food Assistance**

If a household's benefits are reduced or terminated within the certification period because one or more of its members is ineligible because of one of the above listed reasons the county will:

Issue a Notice of Adverse Action in accordance with [Chapter 13](#) which informs the household:

1. Of the ineligibility of the member(s).
2. The reason for their ineligibility.
3. The eligibility and benefit level of the remaining members and
4. The action the household must take to end the ineligibility of these members, if applicable.

1103 Treatment of Resources and Income of Other Non-household Members

The resources and income of roomers, live-in-attendants, ineligible students, and other individuals who share living quarters with a household but are not members of the household shall not be considered available to the household with whom the individual resides.

Cash payments from the non-household member to the household will be considered income under the normal income standards. Vendor payments by non-household members shall be excluded as income.

If the household shares deductible expenses with the non-household member, only the amount actually paid or contributed by the household shall be deducted as a household expense except if the payments cannot be differentiated, the expenses shall be prorated evenly among persons actually paying or contributing to the expense and only the household's pro rata share deducted.

Households which contain members who are ineligible students shall be allowed the appropriate full utility deduction (SUA/BUA) even if these ineligible household members pay all or part of the utility expense. The utility expense shall not be prorated among all members to determine the household's allowable utility deduction (SUA/BUA).

When the earned income of one or more household members and the earned income of a non-household member are combined into one wage, the income of the household members shall be determined as follows:

1. If the household's share can be identified, the county department shall count that portion due to the household as earned income.
2. If the household's share cannot be identified, the county department shall prorate the earned income among all those whom it was intended to cover and count that prorated portion to the household.

Non-household members shall not be included when determining the size of the household for the purpose of assigning a benefit level to the household; comparing the household's monthly income with the income eligibility standards; or comparing the household's resources with the resource eligibility limits.

1104 Residents of Drug/Alcohol Treatment and Rehabilitation Programs

Narcotic addicts or alcoholics who regularly participate in a treatment and rehabilitation program conducted by a private, nonprofit organization or institution, or a publicly operated community mental health center on a resident basis may voluntarily apply for food assistance.

Residents as Households

Resident addicts and alcoholics shall have their eligibility determined as a one person household. In some cases, the family members of the addict or alcoholic will also be housed in the treatment center in an effort to treat the total environment of the resident. Children of residents of drug and alcohol treatment centers who live with their parent in treatment centers may qualify for food assistance and use the benefits to purchase meals served by the center. These children will be included in their parent's food assistance case.

Special Certification Provision

The county department shall certify residents of addict/alcoholic centers by using the same provisions that apply to all other applicant households except that:

1. Certification must be accomplished through an authorized representative as described in [Section 105 B](#).
2. Prior to certification the county department shall verify that the treatment center meets one of the following:
 - a) Authorized by FNS as a retailer if the center wishes to redeem food assistance through a wholesaler.

- b) If not authorized by FNS as a retailer, is certified by the Alabama Department of Mental Health, which has the responsibility for the State's programs for drug addicts and alcoholics.

Requirements for Treatment and Rehabilitation Centers

1. Provide a monthly listing of residents.

Each treatment and rehabilitation center must provide the county department's Food Assistance Office, by the 10th day of each month, a list of their currently participating residents as of the first day of that month. This list shall include a statement signed by a responsible center official attesting to the validity of the list. If the report is received without this statement and signature, it shall be returned immediately to the center as it is considered an incomplete report.

If by the 20th day of the month a complete report has not been received, participation of all center residents must be terminated by individual Notice of Action for adverse action purposes. The reason cited for termination is the refusal to cooperate by the household's authorized representative to furnish monthly information as to the household's residence in the center as required by federal regulations.

2. Maintain accurate EBT records.

Accurate EBT records must be maintained on site, and made available for review by county DHR employees and state and federal auditors. If the drug and alcohol treatment center authorized by FNS, as a retail store does not provide accurate EBT records, the county must promptly notify the USDA Field Office. The address of the USDA Field Office is 4121 Carmichael Road, Suite 503, Montgomery, Alabama 36106. The telephone number is (334) 279-0844. The county must take no action prior to FNS action against the center. If FNS disqualifies the treatment and rehabilitation center as a retail store, the county must suspend the center as an authorized representative. If the center cannot act as an authorized representative, the residents cannot receive food assistance benefits. Individual Notices of Adverse Action are necessary. The reason cited for termination is EBT records not maintained.

A drug and alcohol treatment center not authorized by FNS, as a retail store will have their authorized representative status removed if they fail to provide accurate EBT records. If the authorized status of the drug/alcohol treatment and rehabilitation programs is removed, the residents will not be eligible to receive food assistance benefits. Individual Notices of Adverse Action are necessary.

Requirement for County Departments to Conduct On-Site Visits

The county department shall conduct periodic random on-site visits to the treatment center. The purpose of these visits is to compare what the center has reported concerning residents to the food assistance office with the center's actual records for a particular month or for as many months as determined necessary based on chronic problems of failure to report changes by the center.

The minimum requirement for on-site visits is semi-annually. The Food Assistance office may visit much more frequently when problems or conflicts in reports or information provided by the center arises. The EBT records must be reviewed during the on-site visit.

Residents and Normal Certification Provisions

The following provisions apply to residents of treatment centers:

1. When a resident is entitled to expedited services, eligibility for his initial application shall be processed on an expedited basis, and the county department shall complete

verification and documentation requirements prior to issuance of a second food assistance allotment.

2. When normal processing standards apply, the county department shall complete the verification and documentation requirements prior to making an eligibility determination for the initial application.
3. The county department shall process changes in household circumstances and recertification by using the same standards that apply to all other food assistance households. The treatment center must notify the county office of any changes in household circumstances as provided in [Chapter 12](#).
4. Resident households shall be afforded the same rights to Notices of Adverse Action, to fair hearings, and to entitlement to lost benefits as are all other food assistance households.
5. The treatment center must notify the county office when a resident leaves the treatment center.

Special Issuance Provisions for Resident of Drug and Alcohol Treatment Centers

One-half of the regular monthly allotment will be posted to the EBT account as available on the fourth day of the month. The remaining one-half of the allotment will be posted to the EBT account as available on the 16th day of the month. This will be accomplished through a special issuance code to be used only for these treatment center residents. This will facilitate the delivery of benefits to households who leave the treatment center during the month, as discussed below.

Please refer to the Automation for All Staff Manual for this special issuance code.

When the Resident Leaves the Center

When the resident leaves the center, the center must provide the resident with his EBT card, PIN number and:

1. His full food assistance allotment if already issued and none of the benefits have been spent on behalf of the household. This procedure is applicable any time during the month.
2. If the benefits have already been issued and any portion spent on behalf of the individual, and the resident leaves the center prior to the 16th of the month, the center must provide the resident with one half of his monthly assistance benefit.
3. If the benefits have already been issued and used, and the resident leaves on or after the 16th day of the month, the resident does not receive any food assistance benefits.

Once the resident leaves the center, the facility is no longer allowed to act as that resident's authorized representative. The center must, if possible, provide the resident with a change report form to report to the Food Assistance office the individual's new address and other circumstances after leaving the center, and shall advise the resident to return the form to the local Food Assistance office within ten (10) days. EBT cards inadvertently retained and all AR cards must be destroyed immediately by the treatment center (See Appendix B to the EBT Manual).

As residents may leave without informing the center of their departure, it is still the center's responsibility not to obtain benefits for any resident that was not residing in the center on the day benefits were available. While recognizing that the abrupt departure of residents is a valid problem, it is not the Food Assistance office's responsibility to verify at the time of Issuance that a resident still resides at the center (although it will be done later); it is the center's responsibility.

Liabilities of Centers

See Claims Against Households Manual

1105 Blind or Disabled Residents of Group Living Arrangements

Residents of a group living arrangement (a public or private nonprofit residential setting that serves no more than 16 residents) may voluntarily apply for the food assistance program if blind or disabled as defined in the [Glossary](#).

Applying for Food Assistance

A resident of a group living arrangement may apply for food assistance in one of the following ways. If the residents apply through the use of the facility's authorized representative, eligibility must be determined as one-person households or if the residents apply on their own behalf, the household size must be in accordance with the definition of a food assistance household in [Chapter 1](#).

Special Certification Provisions

The county department must certify these residents by using the same provisions that apply to all other households except, prior to certifying any resident the county department must verify that the group living arrangement meets one of the following:

1. Authorized by FNS as a retailer if the group living arrangement wishes to redeem food assistance through a wholesaler.
2. Certified by the Alabama Department of Mental Health, including the Department of Mental Health's determination of the group living arrangement is a nonprofit organization.

Requirements for Group Living Arrangement

1. Provide monthly listing of residents

By the 10th of each month each group living arrangement must provide the county department's food assistance office a list of their currently participating residents as of the first day of that month.

- a) This list must include a statement signed by a responsible center official attesting to the validity of the list. If the report is received without this statement and signature, it must be returned immediately to the center as it is considered an incomplete report.
- b) If by the 20th day of the month a complete report has not been received, participation of all group living arrangement residents must be terminated by individual Notices of Action for adverse action purposes. The reason cited for termination is the refusal to cooperate by the group living arrangement to furnish monthly information as to the household's residence in the group living arrangement as required by federal regulations.

2. Maintain Accurate EBT Records

Each group living arrangement must maintain accurate EBT records on-site and make them available for review by County DHR employees and State and Federal Auditors. If the group home authorized by FNS as an authorized retail store does not provide accurate EBT records, the county must promptly notify the USDA field office. The address of the USDA Field Office is 4121 Carmichael Road, Suite 503, Montgomery, Alabama 36106. The telephone number is (334) 279-0844.

The county must take no action prior to FNS action against the group home. If FNS disqualifies the group home as a retail store, the county must suspend its authorized representative status. The individuals can reapply in their own behalf.

A group home, not authorized by FNS as a retail store, must have its authorized representative status removed. The individuals can apply in their own name.

Requirement to County Departments to Conduct On-Site Visits

The county department must conduct periodic random on-site visits to the group living arrangement. The purpose of these visits is to compare what the group living arrangement has reported concerning residents to the Food Assistance office with the group living arrangement's actual records for a particular month or for as many months as determined necessary based on chronic problems of failure to report changes by the group living arrangement.

The minimum requirement for on-site visits is semiannually. The Food Assistance office may visit much more frequently when problems or conflicts in reports or information provided by the group living arrangement arise. The EBT records must be reviewed during the on-site visit.

Residents and Normal Certification Provisions

The following provisions apply to residents of group living arrangements:

1. When a resident is entitled to expedited services, eligibility for his initial application shall be processed on an expedited basis, and the county department shall complete verification and documentation requirements prior to issuance of a second food assistance allotment.
2. When normal processing standards apply, the county department shall complete the verification and documentation requirements prior to making an eligibility determination for the initial application.

3. Separate and identifiable room and/or medical costs are given as shelter and medical deductions, respectively. If the amount paid for medical and shelter costs cannot be separately identified, no deduction is allowed for the costs.
4. In some instances, group home residents make a single payment for room, meals, and medical. If so, these items should be identified separately to the extent possible and any allowable shelter and medical expenses deducted.
5. Some group homes charge a basic rate for room and board and higher rates if medical care is needed. In such instances, if a person is charged a higher rate, the basic rate minus the food assistance maximum allotment for a one-person household may be used to determine the shelter costs for that person, and the difference between the basis rate and the higher rate may be determined to be medical costs.
6. If a group home resident makes a single payment for room and meals and the payment cannot be broken down, the amount of the payment which exceeds the maximum food assistance allotment for a one-person household can be allowed as an identified shelter expense.
7. If one or two residents apply as part of the same food assistance household, the food assistance maximum allotment for a one-person household would be deducted from the room and board payment for each person. Any remaining amount for each individual shall be added together and this amount shall be allowed as a shelter deduction for the food assistance household.

These procedures apply to residents making their own payments or those instances where a protective payee is handling the payments, but is using the residents own funds.

If the group living arrangement is acting in the capacity of an authorized representative, the group living arrangement shall notify the county department of changes in the household's income or other changes required to be reported, and when the resident leaves the group living arrangement. The group living arrangement shall return to the food assistance office any food assistance benefits received for the resident after he has left the center,

When the Resident Leaves the Group Living Arrangement

When the resident leaves the group living arrangement, the group living arrangement, either acting as an authorized representative or retaining use of the benefits on behalf of the residents (regardless of the method of application), must provide the resident with his EBT card, PIN number and:

1. His full assistance allotment if already issued and none of the benefits have been spent on behalf of that individual household. This procedure is applicable any time during the month.
2. If the benefits have already been issued and any portion spent on behalf of the individual, and the resident leaves the center prior to the 16th day of the month, the group living arrangement must provide the resident with one-half of his monthly food assistance allotment.
3. If the benefits have already been issued and used, and the resident leaves on or after the 16th of the month, the resident does not receive any refund of benefits.
4. If a group of residents has been certified as one household and have returned the benefits to the facility to use, the departing residents shall be given a shall be given a prorated share of one-

half the allotment if leaving prior to the 16th day of the month and shall be instructed to obtain ID cards from the Food Assistance office.

5. EBT cards inadvertently retained and all AR cards must be destroyed immediately by the group home (See Appendix B to the EBT Manual). Once the resident leaves a group living arrangement, the facility is no longer allowed to act as that resident's authorized representative.

6. The group living arrangement shall, if possible, provide the resident with a Change Report Form to report to the Food Assistance office the individual's new address and other circumstances after leaving the group living arrangement, and shall advise the household to return the form to the local Food Assistance office within ten (10) days. The Food Assistance office may provide the center with the Exhibit B and inform the center to mail or bring this to the Food Assistance office immediately upon the departure of the resident.

7. As the residents may leave without informing the center of their departure, it is still the center's responsibility not to obtain benefits for any resident that was not residing in the center on the day benefits were obtained. While recognizing that the abrupt departure of residents is a valid problem, it is not the food assistance office's responsibility to verify at the time of issuance that a resident still resides at a center (although it will be done later); it is the center's responsibility.

Use of Food Assistance at the Group Living Arrangement

The group living arrangement may purchase and prepare food to be consumed by eligible residents on a group basis if residents normally obtain their meals at a central location as part of the group living arrangement services or if meals are prepared at a central location for delivery to the individual residents.

If residents purchase and/or prepare food for home consumption, as opposed to communal dining, the group living arrangement shall ensure that each resident's food assistance are used for meals intended for that resident.

If the resident retains use of his own food assistance allotment, he may either use the stamp to purchase meals prepared for them by the facility or to purchase food to prepare meals for their own consumption.

Over-issuances

The same provisions applicable to drug and alcoholic treatment and rehabilitation centers as noted in the Claims Against Households Manual shall apply to group living arrangements when acting as an authorized representative.

These provisions, however, are not applicable if a resident has applied on his own behalf. The resident applying on his own behalf shall be responsible for over-issuances as would any other household.

1106 Shelter for Battered Individuals and Children

Residents of shelters for battered individuals and children may apply for food assistance.

Prior to Certification

Prior to certifying residents of shelters for battered individuals and children, under the provisions of this section, the county department must determine if either of the conditions below have been met:

1. Determine if the shelter is a public or private nonprofit residential facility for abused or battered individuals.
2. Determine that the shelter has FNS authorization to redeem food assistance at wholesalers. This determination must be documented, and no further action is required to make any further determination.

Special Certification Provisions

1. **Special Issuance**

Many shelter residents have recently left a household containing the person who abused them. Their former household may be certified for participation in the Food Assistance Program, and its certification may be based on a household size that includes the individual and children who have just left.

Shelter residents who are included in such certified households may apply for and if otherwise eligible participate in the Food Assistance Program as separate households if such certified household which includes them is the household containing the person who subjected them to abuse.

Shelter residents who are included in such certified households may receive their own allotment as a separate household even though they have not yet been removed from their previous household due to adverse action procedures.

2. **Eligibility Determination**

Shelter residents who apply as separate household shall be certified solely on the basis of their income, resources and the expenses for which they are responsible. For handling of jointly owned resources see the section below. Residents shall be certified without regard to the income, resources, and expenses of their former household.

Jointly Owned Resources

A resident's interest or share in any non-liquid resource which is jointly owned with a non-household member is to be excluded from the resident's countable resources in determining food assistance eligibility if:

1. The resources are jointly owned by such persons and by members of their former household, and
2. The shelter resident's access to the value of the resource is dependent upon the agreement of a joint owner who still resides in the former household.

Liquid resources which the resident jointly owns (bank accounts, etc.) which the resident has access to, shall continue to be counted in the resource determination.

Other County Department Action

County departments shall take prompt action to ensure that the former household's eligibility and allotment reflects the change in the household's composition due to the departure of the battered individuals and children.

The county department may either process the change and, when necessary, issue a Notice of Adverse Action, or shorten the former household's certification period by issuing a Notice of Expiration with the certification to end the month following the month the notice is sent.

1107 Homeless Food Assistance Households

Homeless food assistance households as defined in the Glossary Manual shall be permitted to use their food assistance benefits to purchase prepared meals from homeless meal providers who meet the qualifications below.

Homeless Meals Provider

A homeless meal provider shall mean a public or private nonprofit establishment (soup kitchen, temporary shelters), approved by the Department of Human Resources and USDA, that feed homeless individuals.

Responsibilities of the Meal Provider

The meal provider shall:

1. Be approved by the County Department of Human Resources.
2. File an application with the officer-in-charge at FNS.
3. Provide sufficient data on the nature and scope of the business conducted by the applicant to FNS.
4. Serve meals that include food purchased by the establishment. A meal provider which serves meals which consist wholly of donated foods will not be eligible for authorization.
5. Ensure that only homeless individuals are served prepared meals.
6. Ensure that food assistance participants are not charged for meals; the meal provider can only accept food assistance as donations.

Homeless meal providers may not redeem food stamps through financial institutions for cash. The homeless meal provider is restricted to redeeming food assistance received by homeless recipients through authorized wholesale outlets and authorized retail food stores.

Homeless meal providers will not be permitted to serve as an authorized representative for the homeless food assistance household.

Responsibilities of the County Department

The county department shall:

1. Make one on-site visit to the meal provider.
2. Determine that the establishment/shelter is serving prepared meals to the homeless.
3. Confirm the county department's approval in writing; maintaining a copy of the approval in the county file and
4. Inform the homeless individuals that they may be served prepared meals from approved shelters/establishments and may donate their stamps for these meals.

The county department may wish to consider issuing all or a large part of a homeless individual's monthly allotment in \$2.00 books. Counties choosing this option should ensure that their inventory is adequate to meet this demand by ordering additional \$2.00 books.

Use of Food Assistance to Purchase Meals from Approved Restaurants

Homeless food assistance persons as defined in the Glossary and Index shall be allowed to use their food assistance to purchase meals from restaurants approved by the Department of Human Resources and USDA.

Responsibilities of the Restaurant

1. Sign a contract at the DHR office.
The contract shall specify the approximate prices which will be charged for meals. If the meals are discounted from the regular prices, the amount of the discount shall be included. The amount of the reduction is a matter of resolution between the county department and the restaurant and may be whatever the two parties deem to be reasonable. The contract shall specify that no sales tax will be charged on the food purchased with food assistance benefits.
2. Acquire a copy of the contract.
3. Contact USDA (334-279-3665).
USDA will inform the representative from the restaurant of the steps he must complete to finish the application process. USDA will be responsible for the licensing of the restaurants.
4. Accept food assistance benefits only from homeless individuals. This shall be accomplished by one of the following:
 - a) Require the recipient's ID card (this card shall be marked with a CD and an expiration date) or
 - b) The restaurant knows that the food assistance recipient is homeless and entitled to use the benefits to purchase prepared meals.

Responsibilities of the County Department

1. Inform restaurants that they must come to the appropriate county DHR office and sign a contract. The contract should be signed by a representative from the restaurant and the County Director or his/her designee.
2. Provide a copy of the signed contract to the restaurant.
3. Inform the restaurant to contact the Officer-In-Charge at USDA (334-279-3665) about the remaining steps they must complete to be certified to receive food assistance.
4. Maintain a copy of the signed contract in the office.
5. Mark the homeless recipient's ID card with the letters CD and an expiration date.
6. Remove the letters CD and the expiration date when the homeless household no longer meets the criteria to purchase meals at restaurants.

7. Inform homeless households that they may purchase meals with their food assistance from approved restaurants.

1108 Households Containing Sponsored Alien Members

This section applies to those aliens identified in Chapter 4, [Section 400](#).

Definitions

“Sponsored Alien” - means an alien for whom a person (the sponsor) has executed an affidavit of support.

“Sponsor” - means a person who executed an affidavit of support (INS Form I-864 or I-864A) pursuant to Section 213A of the Immigration and Nationality Act on behalf of such alien.

Treatment of Income/Resources of Sponsors

The income and the resources of a sponsor and the sponsor’s spouse shall be deemed to be the unearned income and resources of a sponsored adult alien. The income and resources of a sponsor and the sponsor’s spouse (if he or she has executed INS Form I-864 or I-864A) shall continue to be deemed to the sponsored adult alien until such time as the alien either (a) gains U.S. citizenship or (b) worked 40 qualifying quarters of coverage as defined under Title II of the Social Security Act or can be credited with such qualifying quarters or (c) the sponsor dies.

The sponsored adult alien (with worker assistance as needed) must obtain the cooperation of the sponsor and the sponsor’s spouse in providing the agency with the information and documentation necessary to determine and calculate the income and resources to be deemed to the sponsored adult alien. The sponsored adult alien is responsible for providing the names and other identifying factors of other adult aliens for whom the alien’s sponsor has signed an affidavit of support, for reporting the required information about the sponsor and sponsor’s spouse should he or she obtain a different sponsor and for reporting a change in income should the sponsor or the sponsor’s spouse change or lose employment or die during the certification period.

The sponsored adult alien shall be ineligible until such time as all necessary information and verification can be obtained. The eligibility of any remaining household members shall be determined under normal procedures. The county department must consider available to the remaining household members the income and resources of the ineligible alien in determining the eligibility and benefit level of the remaining household members. A review of deemed income and resources must be done at application and recertification.

Deeming of Sponsor’s Income

The monthly income of the sponsor and sponsor’s spouse must be their total monthly earned and unearned income as defined in Chapter 9, [Section 901](#) considering allowable income exclusions as defined in Chapter 9, [Section 902](#). This income is then reduced by:

1. A 20 percent earned income deduction for earned income of the sponsor and the sponsor’s spouse.
2. An amount equal to the gross income limits for the household size of the sponsor, the sponsor’s spouse, and any dependents.

These calculations must be done manually by the worker.

If the alien has already reported gross income information on his or her sponsor in compliance with the sponsored alien rules of another State agency administered assistance program, the county department may use that income amount for Food Assistance Program deeming purposes, subject only to the above reductions.

The county department must consider as income to the alien any money the sponsor or the sponsor's spouse pays to the sponsored adult alien, but only to the extent that the money exceeds the amount deemed to the sponsored adult alien as determined above.

If a sponsored adult alien can verify to the county department that his or her sponsor is the sponsor of other aliens, the county department must divide the income deemed by the total number of such sponsored aliens. If this total number includes an alien child, the child's prorated share of the sponsor's income shall be excluded.

Deeming of Sponsor's Resources

The county department must deem as available to the sponsored adult alien the total amount of the resources of the sponsor and the sponsor's spouse in accordance with resource eligibility standards reduced by \$1500.

If the sponsored adult alien can verify to the county department that his or her sponsor is the sponsor of other aliens, the county department must divide the resources deemed by the total number of such sponsored aliens. If this total number includes an alien child, the child's prorated share of the sponsor's resources shall be excluded.

Exempt Aliens

Deeming of income and resources do not apply to the following:

- 1. An alien who is a member of his or her sponsor's food assistance household.**
- 2. An alien who is sponsored by an organization or group rather than an individual.**
- 3. An alien who is not required to have a sponsor under the Immigration and Nationality Act, such as a refugee, a parolee, an Asylee, or a Cuban or Haitian entrant.**
- 4. Alien children who are under age 18.**
- 5. A battered alien individual, alien parent of a battered child or child of a battered alien, for 12 months after the county department determines that the battering is substantially connected to the need for benefits, and the battered individual does not live with the batterer.**

After 12 months the county department must not deem the batterer's income and resources if the battery is recognized by a court or the INS and has a substantial connection to the need for benefits, and the alien does not live with the batterer.

- 6. An indigent alien that the State agency has determined is unable to obtain food and shelter.**

An eligible sponsored alien is indigent if the sum of all the sponsor household's income and any assistance the sponsor or others provide (cash or in-kind) is less than or equal to 130% of the poverty income guideline for the household's size. The state agency shall determine the amount of income and other in-kind

assistance provided the month of application. Each indigence determination is good for 12 months and is renewable for additional 12 months periods.

For assistance in determining the applicability of deeming and the calculation of income and resources to be deemed for cases containing sponsored aliens, contact the State Policy Desk.

1109 Households Requesting Replacement of Allotments or Food Destroyed in a Disaster

Replacement of Allotments

A household may request a replacement for that portion of its allotment, not to exceed one month's food assistance allotment, which it had received but which was subsequently destroyed in a household disaster such as fire or flood.

To qualify for a replacement, the household shall:

1. Report the destruction to the local county department within 10 days of the incident or within the period of intended use, whichever is earlier.
2. Sign Form PSD-BFA-1334, Affidavit of Loss, which shall be retained in the case file and on which the household is:
 - a) Attesting to the destruction of the household's food assistance benefits.
 - b) Stating that the original stamps will be returned to the county department if recovered by the household and
 - c) Stating that the household is aware of the penalties for intentional misrepresentation of facts.
3. Upon receipt of a request for replacement for food assistance as destroyed in an individual household disaster, the county department shall:
 - a) Verify the disaster through either a collateral contact, documentation from a community agency including, but not limited to the fire department, the Red Cross, or a home visit.
 - b) Examine the case file for notation of previous requests by the household for replacement of stamps reported destroyed subsequent to receipt.
 - c) Replace stamps reported as destroyed subsequent to receipt no more than twice in a six-month period.

If in the previous six months, the household has been issued two replacements for stamps destroyed subsequent to receipt, then replacement shall be denied.
 - d) Issue replacement stamps, if warranted, within 10 days of receipt of request for replacement.
 - e) Indicate in the case file a replacement has been provided.

Improperly Manufactured or Mutilated Food Assistance

The county department shall provide a replacement for food assistance that were received by a household or subsequently found to be improperly manufactured.

The amount to be replaced shall be equal to the value of the improperly manufactured or mutilated stamps.

If the county department cannot determine the value of a mutilated stamp after exhausting all available means of determining the value within the state, the county department shall follow the instructions provided in the handbook for issuance of food assistance. County departments shall not replace stamps which are mutilated to such a degree that less than three-fifths of the stamp is presented by the household.

Replacement of Food Destroyed in a Disaster

In cases in which food purchased with food assistance benefits is destroyed in a disaster affecting a participating household, that household may be eligible for replacement of the actual value of loss, not to exceed one month's allotment if both of the following apply.

1. The loss is reported within 10 days.
2. The household's disaster is verified.

Verification shall be handled in the same manner as for a replacement in the allotment. The county department shall provide a replacement allotment, or an opportunity to obtain a replacement allotment, within 10 days of the reported loss.

This provision shall apply in cases of an individual household disaster such as fire, as well as in natural disasters affecting more than one household. However, in cases where FNS has issued a disaster declaration and the household is otherwise eligible for emergency food assistance benefits as determined by FNS, the household shall not receive both the disaster allotment and replacement allotment under this provision.

1110 Households with a Decrease in Income Due to a Non-compliance with a Public/General Assistance Program Requirement

There will be no increase in food assistance benefits to households in which a penalty resulting in a decrease of PA and GA benefits has been imposed for noncompliance with a federal, state, or local means-tested public assistance program. For the purposes of this provision, "means-tested" public assistance no longer refers to Supplemental Security Income. These decreases may be a reduced benefit amount due to the removal from the grant of the non-complying individual, or a reduction due to recoupment for a client caused error, intentional or unintentional. For those circumstances in which the entire household is terminated for failing to comply with another program's requirement, the attributed amount shall continue to remain in the food assistance budget for the length of the other program's disqualification period, until the household either cures the sanction, or is determined ineligible for the assistance payment for a reason other than failing to comply with a program's requirements.

Food assistance benefits shall be calculated using the benefit amount that would have been issued if no penalty or recoupment had been applied against that program's benefit amount. For this policy to apply, the following two conditions must exist.

1. The agency that is administering the other program (FA) must advise that there has been a noncompliance or client caused overpayment.
2. The individual, unit, or household must have been receiving assistance from the other program at the time of the violation and that assistance must be decreased, suspended, or terminated because of this failure to comply.

The food assistance worker need only verify if a known decrease in a household's benefits is due to a determination of noncompliance by the other program or recoupment due to client caused error. If the determination is not specifically identified by the other program as a noncompliance with one of their requirements, the prohibition on increased food assistance benefits will not apply. Staff should make a good faith effort to obtain the information.

Recoupment Codes for Failure to Comply with FA Requirements

The codes on the Comprehensive Claims System should be used to identify the reason(s) money is recouped from a FA grant. The definition of these codes can be found in the Comprehensive Claims System User's Guide Section 20.

Determining Benefit Level

The procedures for determining food assistance benefits when there is such a decrease in income/benefits are as follows:

1. The county department shall identify that portion of the decrease which is attributed to the penalty for noncompliance or a recoupment for client caused errors.
The penalty shall be that portion of the decrease in PA or GA benefits caused by the household's noncompliance with the other program's requirements, or a recoupment for client caused errors.
2. The food assistance benefits shall then be calculated using the benefit amount which would have been issued by that program if no penalty/recoupment had been applied against that program's benefit amount.

Noncompliance with a JOBS Requirement

This policy does not apply to households during the time the household or a household member is serving a sanction for both food assistance and FA due to noncompliance with a JOBS requirement ([Section 704 C](#)).

Once the sanction for food assistance ends and the individual is added back to the food assistance budget, or the household reapplies, the amount of FA to be placed in the food assistance budget will be the amount they would have received if they had cooperated with JOBS. This amount of FA will remain in the food assistance budget for the duration of the FA JOBS sanction.

Changes during the Penalty Period

1. The county department must act upon any changes that would normally affect the food assistance that are not related to the penalty imposed by the other program. Example, a household's FA check has been decreased from \$164 to \$137 due to a FA program noncompliance with Child Support. The \$164 will remain in the food assistance budget. The household reports employment which causes them to become ineligible for FA. The \$164 FA amount will be removed from the food assistance budget. If the household reapplies for FA and the sanction is again imposed, adverse action will be necessary if the penalty (\$164) amount causes a decrease in food assistance benefits.

2. If the member who committed the noncompliance moves out of the household, the penalty amount will be removed from the food assistance budget of that household.

If the household member continues to be penalized for non-compliance by the other program, the amount of PA/GA attributed to the penalty shall be placed in the food assistance budget of the new household that the individual has joined. Adverse action procedures will apply.

1111 Timely Imposition of IPV Disqualification Periods

The disqualification of a member for Intentional Program Violation shall be handled in accordance with procedures set forth in Chapter 600 of the Claims Against Households Manual. Disqualification penalties must be imposed in a timely manner as described in Section 602 of the Claims Manual. The time period for the disqualification begins when the individual is determined eligible for benefits, regardless of whether the sanction is actually imposed.

1. Therefore, if the county department fails to impose a penalty in a timely manner, only the remaining sanction time can be imposed. For example, if the imposition of a six month disqualification is delayed two months after it was supposed to have started; only the remaining four months shall be imposed. If there are no remaining months, no penalty shall be imposed.
2. An un-served disqualification shall still be counted when determining the number of confirmed offenses against an individual.

1112 Day Care Providers

1. **Income**
Payments made to day care providers to provide meals for children, other than their own, are considered self-employment income. Allowable costs of doing business are excluded from the gross self-employment income, and the remainder is subject to the 20% earned income deduction.
2. **Costs of Doing Business**
A standard 40% of the gross income will be excluded as the cost of doing business.

Chapter 12

Reporting Changes

1200 Household Responsibility

1. Applicant Households
An applicant household must report all changes related to its food assistance eligibility and benefit level at the certification interview.
2. Certified Households
Certified households are subject to the reporting requirements found in [Chapter 17](#).

1201 Mass Changes

Certain changes are initiated by the State or Federal government which may affect the entire caseload or significant portions of the caseload.

These changes include, but are not limited to:

1. Adjustments to the gross and net income eligibility standards.
2. The shelter and dependent care deduction.
3. The Thrifty Food Plan (the allotment based on household size and income) and standard deduction.
4. Annual adjustment to the Standard Utility Allowance, Basic Utility Allowance, and telephone standard.
5. Periodic cost-of-living adjustments to Retirement, Survivors, and Disability Insurance (RSDI), Supplementary Security Income (SSI) and other federal benefits.
6. Periodic adjustments to Family Assistance (FA).
7. Other changes in the eligibility and benefit criteria based on legislative or regulatory changes.

A. Federal Adjustments to Food Assistance Budgeting

Adjustments to eligibility standards, allotments and deductions, and State adjustments to utility standards shall go into effect for **all households** at the same point in time, by automation.

October 1 of each year is the date these changes are effective, unless otherwise specified by changes in federal regulations. A Notice of Adverse Action is not needed for these changes as households shall be informed of these changes through publicity issued by the State office.

B. Mass Changes in Public Assistance

When the State agency makes an overall adjustment to public assistance (PA) payments, corresponding adjustments in household's food assistance benefits shall be handled as a mass change by automation.

C. Mass Changes in Federal Benefits

Cost-of-Living Adjustments (COLAS) in Social Security and SSI Benefits shall be handled by automation to be effective January 1 of each year for all NA households.

D. Notices for Mass Changes

When a mass change for other than Item **A** above is made, individual computer generated notices will be sent to all affected households.

E. Fair Hearings

A household shall be entitled to request a fair hearing when it is aggrieved by a mass change.

F. Continuation of Benefits

A household which requests a fair hearing due to a mass change shall be entitled to continued benefits at its previous level only if the household meets three criteria:

1. The household does not specifically waive its right to a continuation of benefits.
2. The household requests a fair hearing in accordance with [Chapter 15](#).
3. The household's fair hearing is based upon improper computation of food assistance eligibility or benefits, or upon misapplication or misinterpretation of Federal law or regulation.

Chapter 13

Notice of Adverse Action

1300 Use of Notice

Prior to any action to reduce or terminate a household's benefits within the certification period, the county department shall provide the household a timely and adequate Notice of Adverse Action, PSD-BPA-657, Notice of Action, except:

- Semi-annual reporting households who report on their six month report changes which cause a reduction or termination of benefits are not entitled to a Notice of Adverse Action in accordance with this section; and
- Households described in [Section 1301](#) below are not entitled to Notices of Adverse Action.

The Notice of Adverse Action shall be considered timely when:

There are at least 10 days from the date the notice is mailed to the date upon which the action becomes effective. If the 10th day falls on a weekend or holiday, and a request for a fair hearing and continuation of benefits is received the day after the weekend or holiday, the State agency shall consider the request timely received.

The Notice of Adverse Action shall be considered adequate if it explains in easily understandable language the following items:

1. The proposed action.
2. The reason for the proposed action.
3. The household's right to request a fair hearing. *
4. The telephone number and, if possible, the name of the person to contact for additional information.
5. The availability of continued benefits. *
6. The liability of the household for any over-issuances received while awaiting a fair hearing if the hearing official's decision is adverse to the household. *
7. When there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the availability of the service.

* The items numbered 3, 5, & 6 above are preprinted on the PSD-BPA-657. See the [Forms Manual](#) for instructions on completing the form.

Special Conditions for Notification of a Reduction or Termination of Benefits

Under the following conditions, the county department shall notify a household that its benefits will be reduced or terminated, WITHOUT 10 DAYS NOTICE; however, the notification shall not be later than the date the household receives, or would have received its allotment. Following are the conditions which must be met for this procedure:

1. The household reports the information which results in the reduction or termination.
2. The reported information is in writing and signed by the household.
3. The county department can determine the household's allotment or ineligibility based solely on the above information as provided by the household.
4. The household retains its right to a fair hearing.
5. The household retains its right to continued benefits if the fair hearing is requested within 10 days from the date the notification is mailed or given to the household.
6. The county department continues household's previous benefit level, if required, within five working days of the household's request for a fair hearing if timely made.

1301 Exemptions from Notice

Form PSD-BFA-657 (Individual Notice of Timely and Adequate Adverse Action) shall not be provided when:

1. The State initiates a mass change as described in [Section 1201](#).
2. The county department determines, based on reliable information that all members of a household have died.
3. The county department determines, based on reliable information that the household has moved from the project area.
4. The household has been receiving an increased allotment to restore lost benefits, the restoration is complete, and the household was previously notified in writing of when the increased allotment would terminate.
5. The household's allotment varies from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was so notified at the time of certification.
6. A household member is disqualified for Intentional Program Violation or the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member.^[1]
7. The county department has elected to assign a longer certification period to a household certified on an expedited basis and for whom verification was postponed, provided the household has received written notice that the receipt of benefits beyond the month of application is contingent on its providing the verification which was initially postponed and that the State agency may act on the verified information without further notice.
8. Converting a household from cash and/or food stamp coupon repayment to benefit reduction as a result of failure to make agreed upon repayment.
9. The county department is terminating the eligibility of a resident of a drug or alcoholic treatment center or a group living arrangement if the facility loses either its certification from the Alabama Department of Mental Health or has its status as an authorized

representative suspended due to FNS disqualifying it as a retailer. However, residents of group living arrangements applying on their own behalf are still eligible to participate.

10. The household voluntarily requests, in writing or in the presence of a caseworker, that its participation be terminated.
If the household does not provide a written request, the State agency shall send the household a letter confirming the voluntary withdrawal. Written confirmation does not entail the same rights as a Notice of Adverse Action except that the household may request a fair hearing.
11. The county department determines based on reliable information that the household will not be residing in the project area and, therefore, will be unable to obtain its next allotment.
The county department shall inform the household of its termination no later than its next scheduled issuance date. While the county department may inform the household before its next issuance date, the county shall not delay terminating the household's participation in order to provide advance notice.

The Notice of Adverse Action shall not be used to require households to provide additional information the procedure in [Section 1706](#) shall be used.

Chapter 14

Recertification

1400 Action on Applications for Recertification

The county department shall complete the application process if the household meets all requirements and finishes the necessary processing steps, and approve or deny timely applications for recertification prior to the end of the household's current certification period.

In addition, any eligible household shall be provided an opportunity to participate by its normal issuance cycle in the month following the end of its current certification period.

However, the household shall lose its right to uninterrupted benefits when it fails to:

1. Attend any interview scheduled on or after the deadline for timely filing of the application for recertification as given in [Section 1403](#).
2. Submit all necessary verification within the time frame established in [Section 1402 C](#) as long as the time frame elapses after the deadline for filing a timely application.

Although a household loses its right to uninterrupted benefits for such failures, the household shall not be denied at that time, unless it refused to cooperate.

If the household loses its right to uninterrupted benefits due to such failures but is otherwise eligible after correcting such failures, the county department shall, at a minimum, provide benefits within 30 days after the date the application was filed.

Denials, including those for failure to complete the interview or provide missing verification timely, shall be completed either by the end of the current certification period or within 30 days after the date the application was filed as long as the household had adequate time for providing the missing verification.

The county department shall not continue benefits beyond the end of the certification period unless the household has been recertified. The joint processing requirements in [Section 209 A](#) for PA households shall continue to apply to applications for re-certifications.

1401 Notice of Expiration

Each certified household shall be provided with a Notice of Expiration prior to the start of the last month of the household's certification period. (The notices are automated.) Any household certified for one month or when the certification action is not completed until the second month of a two-month certification shall have a Notice of Expiration provided at the time of certification. The notice shall contain the date by which the household must timely reapply in order to ensure uninterrupted benefits.

1402 Timely Application for Recertification

A. Timely Applications

All households that are certified for one month, or certified for two months in the second month of certification, shall have 15 days from the date the Notice of Expiration is received to file a timely application for recertification.

All other households who submit identifiable applications between the first day and by the 15th day of the last month of the certification period shall be considered to have filed a timely application for recertification. An identifiable recertification application must include a signature and a date.

B. Scheduling Interviews

Any household receiving a Notice of Expiration shall attend any interview scheduled by the county department after the date the application is timely filed in order to retain its right to uninterrupted benefits.

The county department shall schedule the interview on or after the date the application was filed so that the household has at least 10 days after the interview in which to provide verification before the certification period ends (See C below).

C. Time Frame for Providing Verification

The household must be allowed a minimum of 10 days to provide required verification information. Any household whose eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification shall receive an opportunity to participate, if eligible, within 5 working days after the household submits the missing verification and benefits cannot be prorated.

The county department shall ensure that any household which timely reapplies does not lose its rights to uninterrupted benefits for failure to submit any requested verification prior to the date the household submits a timely application for recertification, and that the household is adequately informed of this procedure.

D. When a Household Misses its Appointment

If a household misses its scheduled interview the county department shall send a Notice of Missed Appointment. The date on this notice must be the date the certification period ends. If the household requests a second appointment on or before the date the certification period ends, the county department shall schedule a second interview. The household should be allowed 10 days to provide the required verification.

If the second interview is scheduled prior to the end of the certification period but with less than 10 days left in the certification period, the application must not be denied on the last day of the certification period. If the required verifications are received on or before the 10th day, the case is processed and benefits are not prorated.

If the verifications are not received on or before the 10th day, the case must be denied on the 10th day for failure to provide verification. A manual Notice of Denial is sent informing the household to provide all required verifications on or before the 30th day from the date the certification period ended.

If the household requests a second appointment on or before the date the certification period ends, but the interview cannot be scheduled until after the certification period ends, the application must not be denied on the last day of the certification period. If the household attends the second interview and provides the requested verifications by the 10th day from the date of the interview, benefits must not be prorated. If the household does not attend the second scheduled interview, the application must be denied for missing appointments.

The household has until the 30th day from the date the certification period ended to complete all required actions for recertification without a new application.

When a Household Files a Timely Recertification Application and is Subsequently Denied for Missing Appointments:

If a household misses its scheduled interview the county department shall send a Notice of Missed Appointment. The date on this notice must be the date the certification period ends. If the household does not request a second appointment by the date the certification period ends, the application must be denied for missing appointments.

If the household who has been denied for missing appointments makes contact with the county office in the 30 days after the certification period ends, a new application is not needed. The county office must interview the household and pend for any required verifications. If the household files an application within the 30 days after the certification period ends, the application must not be registered. The application must be considered an addendum to the original application.

If the household provides the requested verifications on or before the 30th day from the date the original certification period ended, the case must be reopened and the benefits must be prorated from the date the household completes all required actions for recertification.

1403 County Department Action on Timely Applications for Recertification

The county department shall act to provide uninterrupted benefits to any household determined eligible when the household timely filed an application, attended an interview in accordance with [Section 1402 B](#), and submitted all necessary verification within 10 days from the county department's request for the verification.

The county department shall take action to provide uninterrupted benefits within the following time standards even if, to meet these standards, the county department must provide an opportunity to participate outside of the normal issuance cycle:

1. Households that were certified for one month or certified for two months in the second month of the certification period and have met all required application procedures shall be notified of their eligibility or ineligibility and, if eligible, be provided an opportunity to

participate no later than 30 calendar days after the date the household had an opportunity to obtain its last allotment.

2. For all other households that have met all required application procedures, the State agency shall approve or deny the application and notify the household of its determination by the end of the current certification period.
 - a) If the last day of the certification period falls on a weekend or holiday, the application shall be denied on the first workday following the end of the certification period, provided the client was given at least ten days to provide any requested information.
 - b) For households determined eligible, the county department shall provide an opportunity to participate by the household's normal issuance cycle in the month following the end of its current certification period.
3. Any household not determined eligible in sufficient time to provide for issuance by their normal issuance date, due to the time period allowed for submitting any missing verification, shall receive an opportunity to participate, if eligible, within 5 working days after the household supplies the missing verification.
4. Households which have timely submitted an application for recertification but, due to county department error, as noted in [Section 1404](#), are not determined eligible in sufficient time to provide for issuance by the household's next normal issuance cycle shall receive an immediate opportunity to participate upon being determined eligible.
5. Timely applications may be reopened if the requested verification is received by the end of the calendar month following the end of the certification period, provided the household was interviewed during the last month of the current certification period. If the household was interviewed, but fails to provide needed verification, the application shall be processed to denial at the end of the current certification period.

A manual notice of denial pending will be sent to the household informing them of the verification that is needed to reopen their case, and the timeframe for providing the needed information. If the household provides the requested verification within the calendar month following the end of their current certification period, the application shall be reopened and prorated benefits provided to the household, if eligible. If the household does not provide the requested verification, no further action shall be taken. The application will **not** be reopened if the household failed to keep an interview appointment scheduled before the end of the current certification period. Benefits shall be prorated from the date the requested verification is received.

1404 County Department Failure to Act

County department failure to provide an opportunity to participate, within the time frames in [Section 1403](#) above, to an eligible household which has filed a timely application for recertification and met all processing steps in a timely manner shall be considered an administrative error.

These households shall be entitled to restoration of lost benefits if, as a result of such error, the household was unable to participate for the month following the expiration of the certification period.

1405 Untimely Processing

A household which fails to appear for an interview in accordance with the requirements in this section or to submit any missing verification within the State agency's time frames shall lose its right to uninterrupted benefits as long as such failures occur after the deadline for filing a timely application.

Households which refuse to cooperate in providing required information shall be denied.

Untimely Applications

An identifiable application for continued benefits filed after the 15th day of the last month of the certification period, but prior to the end of the certification period, shall be considered an Untimely Application for Recertification. An identifiable recertification application must include a signature and a date. Households who submit untimely applications lose the right to uninterrupted benefits. The household must be allowed 10 days after the date of the interview to provide the required verification. If the required verification is not received by the 30th day following the date of application, the application must be denied. The household must be sent a manual Notice of Denial. The notice must advise that the case can be reopened if the required verification is received within 30 days after the certification period ends. If the household provides the required verification, the case will be reopened within 5 business days and benefits prorated from the date the required verification is received. If the household fails to provide the required verification within 30 days after the end of the certification period, the household must submit a new application.

The county department shall ensure that any eligible household which did not submit a timely application for recertification is provided an opportunity to participate within 30 calendar days after the application is filed. The following applications for recertification shall not be prorated.

Households which receive a Notice of Expiration at the time of certification see Section 1401, and are otherwise eligible shall not have benefits for the first month of the new certification period prorated if they file their applications for recertification by the filing deadline in the Notice of Expiration.

When a Household Misses the Appointment

If a household misses its scheduled interview the county department shall send a Notice of Missed Appointment. The date on this notice must be the 30th day from the date of application. If the household requests a second appointment on or before the 30th day from the date of application, the county department shall schedule a second interview. The household must be allowed 10 days to provide the required verification.

If the required verifications are received on or before the 30th day from the date of application, the case is processed and benefits are not prorated.

If the second appointment is scheduled before the 30th day from the date of application but with less than 10 days left for the household to provide the verification, the application **must not be denied** on the 30th day. If the verification is received on or before the 10th day from the date of the second scheduled appointment, the case is processed and benefits for the first month of the new certification period **are not prorated**.

When a Household Files an Untimely Recertification Application and is Subsequently Denied for Missing Appointments:

If a household misses its scheduled interview the county department shall send a Notice of Missed Appointment. The date on this notice must be the 30th day from the date of application. If the household does not request a second appointment on or before the 30th day from the date of application, the application must be denied for missing appointments.

If the household who has been denied for missing appointments makes contact with the county office in the 30 days after the certification period ends, a new application is not needed. The county office must interview the household and pend for any required verifications. If the household files a new application within the 30 days after the certification period ends, the application must not be registered. The application must be considered an addendum to the original application.

If the household provides the requested verifications on or before the 30th day from the date the original certification period ended, the case must be reopened and the benefits must be prorated from the date the household completes all required actions for recertification.

Recertification Applications Filed in the 30 Days After the Certification Period Ends

When the household fails to file the application before the end of the certification period but files the identifiable application within 30 days after the certification period ends, the application must be considered an application for recertification. An identifiable recertification application must include a signature and a date. These applications may be eligible for expedited services. If determined eligible for expedited services, the application must be processed within the expedite service timeframe.

An application for recertification filed within 30 days after the certification period ends that is not eligible for expedited services should be given a 30 day processing standard. If the household does not complete an interview and provide all required verifications on or before the 30th day from the date of application, the household must submit a new application to have eligibility determined. The household must be allowed 10 days after the date of the interview to provide the required verification.

If the household files a recertification application in the 30 days after the certification period ends and completes all required actions for recertification within 30 days from the date of the application, benefits for the first month of the new certification period are prorated from the date of the application.

Timely Applications with Untimely Interview/Verification

A household which submits a timely application for recertification but is either interviewed and/or submits all verification in an untimely manner, but before the end of its current certification period need not be provided uninterrupted benefits. For eligible households under these circumstances, the county department shall, at a minimum, provide the household an opportunity to participate within 30 calendar days after the date the application was filed.

If the county department is unable to provide an eligible household with an opportunity to participate within 30 calendar days after the date the application was filed due to the time period allowed for submitting any missing verification, the county department shall provide the household an opportunity to participate within 5 business days after the date the household provides the missing verification.

Chapter 15

Fair Hearings

1500 Availability of Hearings

Any household aggrieved by any action of the agency, which affects the participation of the household in the Food Assistance Program has the right to request a fair hearing.

1501 Hearing System

Fair hearings are conducted and decisions rendered by staff of the Food Assistance Division of the State Department of Human Resources. State staff also determines if a hearing request is denied or dismissed.

1502 Timely Actions on Hearings

Within 60 days of the receipt of a request for a fair hearing, the State agency shall assure the hearing is conducted, a decision is reached, and the household and county department is notified of the decision. However, the decision must be issued no later than 30 days from the date the hearing is conducted.

If the household timely requests reinstatement of a hearing that was orally withdrawn, the agency will have an additional 60 days from the date the reinstatement was requested to complete the hearing process.

Decisions, which result in an increase in household benefits, shall be reflected in the coupon allotment within 10 days of the receipt of the hearing decision even if a supplemental allotment must be authorized.

Decisions which result in a decrease in household benefits shall be reflected in the next scheduled issuance following receipt of the hearing decision.

The household may request a postponement of the scheduled hearing. The postponement shall not exceed 30 days and the time limit, 60 days, for action on the decision may be extended for as many days as the hearing is postponed.

1503 Agency Conferences

The county department shall offer agency conferences to households, which wish to contest a denial of expedited service or an agency action which adversely affected the household.

Note: An agency conference for households contesting a denial of expedited service shall be scheduled within 2 working days, unless the household requests that it be scheduled later or states it does not wish to have an agency conference.

The household shall be advised that the use of an agency conference is optional and that it shall in no way delay or replace the hearing process. The conference shall be attended by the worker's immediate supervisor and/or program supervisor or director and by the household and/or its representative. The worker responsible for the case action may also attend.

1504 Consolidated Hearings

The State Agency may respond to a series of individual requests for hearings by conducting a single "group" hearing. Only cases where individual issues of fact are not disputed and where related issues of State and/or Federal law, regulation or policy are the sole issues being raised may be consolidated. In all group hearings, the regulations governing individual hearings must be followed. Each individual household shall be permitted to present its own case or have its case presented by a representative.

1505 Notification of Right to Request Hearing

At the time of application each household shall be informed in writing of its right to a hearing, of the method by which a hearing may be requested, and that its case may be presented by a household member or a representative, such as legal counsel, a relative or a friend. In addition, any time the household expresses disagreement with agency action the household shall be reminded of the right to request a hearing. If there is an individual or organization that provides free legal representation, the household shall be informed of the availability of that service.

1506 Time Period for Requesting Hearing

A household shall be allowed to request a hearing:

1. On any agency action or loss of benefits which occurred in the prior 90 days.
2. Denial of restoration of benefits lost more than 90 days but less than a year prior to the request for a restoration.
3. Any time within a certification period to dispute its current level of benefits.

1507 Request for Hearing

A request for a hearing is defined as a clear expression, oral or written; by the household or its representative to the effect that it wishes to appeal a decision or that an opportunity to present its case to a higher authority is desired. The agency may request the household to clarify its grievance when the request is unclear. However, the freedom to make a request for a hearing shall not be limited or interfered with in any way. The household may use form PSD-BFA-865 to submit a written request for a hearing.

1508 County Responsibilities on Hearing Requests

Upon receipt of a hearing request and during the hearing process the county must do the following:

1. Within 10 days of the request notify Food Assistance Division.
Use form titled "Notification of Hearing Request" for this purpose.
2. Offer a conference with the household and/or its representative.
3. Upon request, make available without charge specific materials necessary for a household to prepare for a hearing.

Note: When a non-household member or non-authorized representative requests a review of case information to determine whether a hearing should be requested, written permission of the household is required.

4. Upon request, assist the household in preparing for the hearing.
5. Advise the household of the availability of legal services.
6. Advise Food Assistance Division of the need of an expedited hearing process such as for migrant farm workers that plan to move prior to the normal time the decision would be reached.
7. Advise Food Assistance Division of changes, such as address of household, obtaining legal counsel, request for postponement or rescheduling of the hearing, and written withdrawals of the hearing request.
8. Review the case in question for agency compliance with policies and procedures.
9. Prepare the agency's testimony, including copies of documents to be presented as evidence at the hearing.

1509 Denial or Dismissal of Request for Hearing

The agency shall not deny or dismiss a request for a hearing unless:

1. The request is not received within the time specified in [Section 1506](#).
2. The household or its representative withdraws the request in writing.
3. The household or its representative orally withdraws the request and the hearing officer confirms the withdrawal in writing.
 - a) The household's right to verbally withdraw a hearing request may be discussed with the household or its representative when the issues related to the hearing have been resolved. However, coercion or actions which would influence the household or its representative to withdraw the fair hearing request are prohibited.
 - b) The household has 10 days from the date it receives written notification of the verbal withdrawals to advise the county department or Food Assistance Partnership of its desire to request reinstatement of the hearing.

The household has one opportunity after it verbally withdraws its hearing request to ask for a reinstatement of the hearing and remain eligible for continuation of benefits. Failure to request a reinstatement does not interfere with the household's rights to subsequently request a hearing on the same issue within 90 days of the original action. It also does not interfere with the household's rights to request a hearing and possible continuation of benefits on a new issue.

- c) The county staff must notify the Food Assistance Partnership immediately upon receipt of a verbal withdrawal or a request to reinstate the hearing.
4. Subsequent to the hearing request, mail sent to the household by the agency (county or state) is returned as "moved – no forwarding address", "addressee unknown", "no such

address”, or “unclaimed”. The county must notify the Hearing Officer as soon as possible of the situation with a copy of the envelope and documentation of efforts to clarify/locate the household.

5. The agency action cited is specifically excluded from the hearing process, such as:
 - a) The request is merely to dispute an order by FNS to reduce, suspend or cancel benefits.
 - b) The request is based solely on the issue of non-compliance with another program’s requirements. The determination of non-compliance must be made by the other program.
6. The household or its representative fails without good-cause to appear at the scheduled hearing or fails to arrange a postponement.

1510 Continuation of Benefits

If a household requests a fair hearing within the period provided by the Notice of Adverse Action and its certification period has not expired, the household’s participation in the program will continue on the basis authorized immediately prior to the Notice of Adverse Action. The household must specifically waive the continuation of benefits for the proposed action to be implemented.

Benefits must be continued through the period allowed for reinstatement of a hearing that was orally withdrawn. See [Section 1509](#). If there is no request for reinstatement of the hearing or the agency’s action is upheld by a hearing decision, a claim against the household must be established for all over-issuances, including ABAWD ineligibility, except for work registration sanctions for which a disqualification will be applied as a result of the hearing decision.

If a hearing request is not within the period provided by the Notice of Adverse Action, benefits shall be reduced or terminated as provided in the notice. However, if the household establishes good cause for its failure to make the request within the advance notice period, the agency shall reinstate the benefits to the prior basis.

For Semi-Annual Reporting households, benefits will be continued on the previously authorized basis if the request for a hearing is due to a decrease or termination of benefits based on information on the six month report and the request for a hearing is made within 10 days of the date of the Notice of Action. However, benefits will not be continued if the case is terminated for failure to submit the Six Month Report or failure to submit necessary information to complete the Semi-Annual Reporting process.

When benefits are reduced or terminated due to a mass change, participation of the prior basis shall be reinstated only if the issue being contested is that food assistance eligibility or benefits were improperly computed or that Federal law or regulation is being misapplied or misinterpreted.

Once continued or reinstated benefits shall not be reduced or terminated prior to the receipt of the official hearing decision unless:

1. The certification period expires. The household may reapply and be determined eligible for a new certification period based on current household circumstances.
2. A change affecting the household’s eligibility or basis of issuance occurs while the hearing decision is pending and the household fails to request a hearing after the subsequent Notice of Adverse Action.

3. A mass change affecting the household eligibility or basis of issuance occurs while the hearing decision is pending.
4. The household, or its representative, orally withdrew its request for a fair hearing and did not advise the county/State of its desire to reinstate the fair hearing within the timeframe specified in [Section 1509](#).

1511 Notification of Time and Place of Hearing

The time, date and place of the hearing shall be arranged so that the hearing is accessible to the household. At least 10 days prior to the hearing, advance written notice shall be provided to all parties involved to permit adequate preparation of the case. In addition the notice:

1. Advises the household of the name, address and phone number to contact in the event it is not possible for the household to attend the scheduled hearing.
2. Includes a copy of the State agency's hearing procedures.
3. Explains that the household or representative may examine the case file prior to the hearing.
4. Advises the household that failure to appear for the hearing or failure to arrange a delay will result in the hearing being dismissed.

1512 Hearing Official

Hearings shall be conducted by an impartial official(s) who does not have any personal stake or involvement in the case, was not directly involved in the initial determination of the action which is being contested, and was not the immediate supervisor of the eligibility worker who took the action.

The hearing official shall be an employee of Food Assistance Division, State Department of Human Resources. The hearing official shall have the following powers and duties:

1. Administer oaths or affirmations.
2. Insure that all relevant issues are considered.
3. Request, receive, and make part of the record all evidence determined necessary to decide the issues being raised.
4. Regulate the conduct and course of the hearing consistent with due process to insure an orderly hearing.
5. To decide on the admissibility of evidence.
6. Order, where relevant and useful, an independent medical assessment or professional evaluation from a source mutually satisfactory to the household and the agency,
7. Provide a hearing record and render a hearing decision in accordance with [Section 1516](#).

8. To sign and issue subpoenas to witnesses or for the production of papers and writings.
9. To grant or deny and set time and place for continuances, postponements, or further submission of evidence, arguments or briefs.
10. To grant or deny petitions or motions to amend, intervene or apply for rehearing.
11. To reprimand, exclude, or limit the presence of witnesses or other persons at the hearing because of improper conduct, space limitations or a sequestering request by a party or on his/her own motion.

1513 Hearing Authority

The hearing authority shall be the person designated to render the final administrative decision in a hearing. The same person may act as both the hearing official and the hearing authority. The hearing authority shall be subject to the requirements specified in [Section 1512](#).

1514 Attendance at Hearing

The hearing shall be attended by a representative(s) of the county department and by the household and/or its representative. The hearing may also be attended by friends or relatives of the household if the household so chooses. The hearing official shall have the authority to limit the number of persons in attendance at the hearing if space limitations exist. Failure of the household and/or its representative to appear or to arrange for a delay or reschedule will result in the hearing being dismissed and no decision rendered.

1515 Household Rights during Hearing

The household or its representative must be given adequate opportunity to:

1. Examine all documents and records to be used at the hearing at a reasonable time before the date of the hearing as well as during the hearing.

Note: Confidential information such as, names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecution, is protected from release to the household.

2. Confidential information and other documents or records which the household will not otherwise have an opportunity to contest or challenge shall not be introduced at the hearing.
3. Present the case or have it presented by a legal counsel or other person.
4. Bring witnesses.
5. Advance arguments without undue interference.
6. Question or refute any testimony or evidence, including an opportunity to confront and cross-examine adverse witnesses.
7. Submit evidence to establish all pertinent facts and circumstances in the case.

1516 Hearing Decisions

Decisions of the hearing authority shall comply with Federal law and regulations and shall be based on the hearing record. The recording of testimony or verbatim transcripts and exhibits, together with all papers and requests filed in the preceding, shall constitute the exclusive record for a final decision by the hearing authority. This record is available to the household or its representative at any reasonable time for copying and inspection.

The household and the county department shall each be notified in writing of:

1. The decision.
2. A summary of the facts of the case.
3. Specific reasons for the decision and support evidence.
4. Identify pertinent Federal regulations.
5. The right to request a rehearing, including the right of the household to pursue judicial review if the decision upholds the agency action.

The decision shall become a part of the hearing record.

1517 Implementation of Hearing Decisions

The county department is responsible for insuring that all final hearing decisions are reflected in the household's allotment within the time limits specified in [Section 1502](#).

When the hearing authority determines that a household has been improperly denied program benefits or has been issued a lesser allotment than was due, lost benefits shall be provided in accordance with [Chapter 16](#). The agency shall restore benefits to households which are leaving the project area before the departure whenever possible. If benefits are not restored prior to the household's departure, the agency shall forward an authorization to the benefits to the household or to the new project area if this information is known.

The new project area shall accept an authorization and issue the appropriate benefits whether the notice is presented by the household or received directly from another project area.

When the hearing authority upholds the county department's action, a claim against the household for any over-issuance shall be prepared, except for work registration sanction. (See [Claims Against Households Manual](#))

If the hearing is dismissed and benefits were continued in accordance with [Section 1510](#) rather than the proposed reduction/termination, the county department will take the following actions:

1. The planned reduction/termination will be effective the first of the following month.
2. A **letter** will be sent to the household advising of the reduction/termination and the effective month (not a Notice of Adverse Action).
3. A claim will be prepared for the months benefits were continued, except for work registration sanction.
4. If the certification period has expired or will expire before the planned action can be implemented or other changes have occurred which offset the original intended action, then only a claim will be prepared for the month(s) the original action would have been effective.

5. If the household established good cause for failing to appear, benefits will be continued at the original level until/unless a change is reported, a mass change occurs, the certification period expires or a decision is rendered.
6. Notify Food Assistance Division of the good cause. A rehearing will be scheduled, conducted and a decision rendered.
7. If the rehearing decision finds for the agency, implement the action and prepare claim.

1518 Appeals of Hearing Decisions

A. Rehearing

The household, the county department or their representative may file an application for a rehearing within 15 days of the final decision. The application shall specify in detail the grounds for the relief sought and authority in support thereof. The filing of such an application shall not extend, modify, suspend or delay the effective date of the decision unless or until said decision shall be suspended, modified or set aside. Copies of the application for a rehearing shall be served on all parties who may file replies thereto within 10 days.

The application for a rehearing may be granted only if the final decision meets one of the following:

1. In violation of constitutional or statutory provisions.
2. In excess of the statutory authority of the department.
3. In violation of a rule of the department.
4. Made upon unlawful procedure.
5. Affected by other error of law.
6. Clearly erroneous in view of the reliable probative and substantial evidence on the whole record.
7. Unreasonable, arbitrary, or capricious or characterized by an abuse of discretion or a clearly unwarranted exercise of discretion.

Within 30 days after the filing of an application for a rehearing, the hearing officer may in his/her discretion enter a decision to set a hearing on the application; to rule on the application without a hearing; or to grant or to deny the application.

If the decision is to schedule a rehearing, the decision will be issued within 30 days of the rehearing schedule date.

Failure of the party requesting the rehearing to appear for or arrange for a delay of the scheduled rehearing without good cause will result in the rehearing being dismissed and the original decision will stand. If no decision is entered within 30 days after the filing of an application for a rehearing, the application shall be deemed denied.

Note: The above procedures do not apply to State Appeals of County Administration Disqualification Hearings. There is no further administrative remedy after a state ADH appeal decision is issued.

B. Judicial Review

The aggrieved household or its representative has the right to pursue judicial review through the court system. If the household or its representative declares an interest in pursuing judicial review, they shall be advised to seek legal counsel through a private attorney or the appropriate office of Legal Services Corporation of Alabama.

1519 Adjustments for EBT Accounts

Due to the nature of electronic transaction, system generated errors may occur in which a purchase by a food assistance recipient is not debited from the recipient's EBT account. These results in the merchant are not being paid for the food obtained by the food assistance recipient. When this happens, a merchant may request payment for the purchase resulting in an adjustment to the recipient's food assistance EBT account.

Recipients are sent a notice that these benefits are being removed from their EBT account, and that they have the right to request an administrative fair hearing. The recipient may request a fair hearing by contacting the food assistance office or the Food Assistance Partnership within 90 days from the date of the EBT Notice. Any hearing request received by the county food assistance office due to an adjustment notification should be immediately faxed to the Food Assistance Partnership. If the request is within 10 days of the date of the EBT Notice, the benefits on hold will be placed back into the household's account. If the recipient loses the hearing or withdraws the request, the amount of the purchase will be taken from the recipient's account and paid to the merchant. If the recipient fails to request a hearing within 10 days, the amount of the purchase will be paid to the merchant and will only be given to the recipient if the hearing decision is in the household's favor.

A system error is not an error such as the cashier entering an incorrect amount for the purchase that causes an erroneous amount of benefits to be debited from the recipient's account.

In order to meet all notification time frames, it is imperative that all client requests due to the EBT Adjustment Notice be communicated to the Food Assistance Partnership on the day received in the county office.

Chapter 16

Restoration of Lost Benefits

1600 Entitlement

The county department shall restore to households benefits which were lost whenever the loss was caused by one of the following:

1. An error by the county department or state agency.
2. By an administrative disqualification for Intentional Program Violation which was subsequently reversed as specified in [Section 1604](#).
3. There is a statement elsewhere in the handbook, or if notified by the Food Assistance Division specifically stating that the household is entitled to restoration of lost benefits.

Benefits shall be restored for not more than 12 months prior to the date the county department receives a request for restoration from a household, the date the county department is notified, or otherwise discovers that a loss to a household has occurred whichever occurred first.

Judicial Action

The county department shall restore benefits to households which were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient has taken to obtain restoration of lost benefits, then benefits shall be restored for a period of not more than 12 months from the date the court action was initiated.

When the judicial action is a review of a county department/state agency action, the benefits shall be restored for a period of not more than 12 months from the first of the following dates:

1. The date the county department/State agency received a request for restoration.
2. If no request for restoration was received, the date the fair hearing action was initiated.
3. Never more than one year from when the county department/State agency is notified of or discovers the loss.

Benefits to Ineligible Households

Benefits shall be restored even if the household is currently ineligible.

1601 Errors Discovered by the County Department

If the county department determines that a loss of benefits has occurred and the household is entitled to restoration of those benefits. The county department shall automatically take action to restore any benefits that were lost. No action by the household is necessary.

However, benefits shall not be restored if the benefits were lost more than 12 months prior to the month the loss was discovered by the county department in the normal course of business; or the

benefits were lost more than 12 months prior to the month the county department was notified in writing or orally of a possible loss to a specific household.

The county department shall notify the household of the following:

1. Of its entitlement to lost benefits.
2. The amount of benefits to be restored.
3. Any offsetting that was done.
4. The method of restoration.
5. The right to appeal through the fair hearing process if the household disagrees with any aspect of the proposed lost benefit restoration.

1602 Disputed Benefits

If the county department determines that a household is entitled to restoration of lost benefits, but the household does not agree with the amount to be restored as calculated by the county department or any other action taken by the county department to restore lost benefits, the household may request a fair hearing within 90 days of the date the household is notified of its entitlement to restoration of lost benefits.

If a fair hearing is requested prior to or during the time lost benefits are being restored, the household shall receive the lost benefits as determined by the county department pending the results of the fair hearing.

If a fair hearing decision is favorable to the household, the county department shall restore the lost benefits in accordance with that decision.

County Department Denial of Restoration

If a household believes it is entitled to restoration of lost benefits, but the county department, after reviewing the case file does not agree, the household has 90 days from the date of the determination to request a fair hearing. The county department shall restore lost benefits to the household only if the fair hearing decision is favorable to the household. Benefits lost more than 12 months prior to the date the county department was initially informed of the household's possible entitlement to lost benefits shall not be restored.

1603 Computing the Amount to be Restored

After correcting the loss for future months and excluding those months for which benefits may have been lost prior to the 12-month time limits described in [Sections 1601](#) and [1602](#), the county department shall calculate the amount to be restored as follows:

1. If the household was eligible, but received an incorrect allotment, the loss of benefits shall be calculated only for those months the household participated.
2. If the loss was caused by an incorrect delay, denial, or termination of benefits, the months affected by the loss shall be calculated as follows:

- a) If an eligible household's application was erroneously denied, the month the loss initially occurred shall be the month of application, or for an eligible household filing a timely reapplication, the month following the expiration of its certification period.
- b) If an eligible household's application was delayed, the months for which benefits may be lost shall be calculated in accordance with procedures in [Section 207](#).
- c) If a household's benefits were erroneously terminated, the month the loss initially occurred shall be the first month benefits were not received as a result of the erroneous action.

After computing the date the loss initially occurred, the loss shall be calculated for each month subsequent to that date until either the first month the error is corrected or the first month the household is found ineligible.

For each month affected by the loss, the county department shall determine if the household was actually eligible. In cases where there is no information in the household's case file to document that the household was actually eligible, the county department shall advise the household of what information must be provided to determine eligibility for these months. For each month the household cannot provide the necessary information to demonstrate its eligibility, the household shall be considered ineligible.

For the months the household was eligible, the county department shall calculate the allotment the household should have received. If the household received a smaller allotment than it was eligible to receive, the difference between the actual and correct allotments equals the amount to be restored.

If a claim against a household is unpaid or held in suspense as provided in the [Claims Against Households Manual](#), the amount to be restored shall be offset against the amount due on the claim before the balance, if any, is restored to the household. At the point in time when the household is certified and receives an initial allotment, the initial allotment shall not be reduced to offset claims, even if the initial allotment is paid retroactively.

1604 Lost Benefits to Individuals Disqualified for Intentional Program Violation

Individuals disqualified for Intentional Program Violation (IPV) are entitled to restoration of any benefits lost during the months that they were disqualified, not to exceed 12 months prior to the date of county department notification, only if the decision which resulted in disqualification is subsequently reversed. For example, an individual would not be entitled to restoration of lost benefits for the period of disqualification based solely on the fact that a criminal conviction could not be obtained, unless the individual successfully challenged the disqualification period imposed by an administrative disqualification in a separate court action.

For each month the individual was disqualified, not to exceed 12 months prior to county department notification, the amount to be restored, if any, shall be determined by comparing the allotment the household received with the allotment the household would have received had the disqualified member been allowed to participate. If the household received a smaller allotment than it should have received, the difference equals the amount to be restored.

Participation in an administrative disqualification hearing in which the household contests the State agency assertion of Intentional Program Violation shall be considered notification that the household is requesting restored benefits.

1605 Method of Restoration

Regardless of whether a household is currently eligible or ineligible, the county department shall restore lost benefits to a household by issuing an allotment equal to the amount of benefits that were lost. The amount restored shall be issued in addition to the allotment currently eligible households are entitled to receive. The county department shall honor reasonable requests by households to restore lost benefits in monthly installments if, for example, the household fears the excess coupons may be stolen, or that the amount to be restored is more than it can use in a reasonable period of time.

1606 Changes in Household Composition

Whenever lost benefits are due a household and the household's membership has changed, the county department shall restore the lost benefits to the household containing a majority of the individuals who were household members at the time the loss occurred. If the county department cannot locate or determine the household which contains a majority of household members, the county department shall restore the lost benefits to the household containing the head of the household at the time the loss occurred.

1607 Procedures

Refer to the Automation for All Staff Manual for the procedures to restore lost benefits to eligible and ineligible households.

Chapter 17

Simplified-Reporting Procedures for All Households

1700 Simplified Reporting

Simplified reporting is a term used to describe the limited reporting requirements for all households receiving food assistance benefits.

Six-month reporting is a term used to describe those simplified reporting households who are required to submit a report form during the sixth month of the certification period.

All households are assigned a 12-month certification period (unless ineligibility can be predicted with reasonable certainty based on information provided at the certification interview)

Reporting Requirements

1. All households are required to report when their income exceeds 130% of the poverty level for their household size. Do not consider ineligible or disqualified persons in determining the household size for reporting purposes.
2. Households containing an ABAWD, exempt from the time-limits only because he or she meets the 20 hour/week work requirement (80 hours a month) must report when that person's work hours fall below 20 hours per week.

Households must report required changes by the 10th day of the month after the month during which the change occurred.

Households with no earned income and all adult household members are elderly or disabled have no additional required reporting requirements during their assigned certification period. Eligibility and benefit level for the entire certification period are determined prospectively based on the best information available at the time of certification to anticipate for the entire certification period.

All other households are subject to six-month reporting. They are sent a computer generated six-month report form, which must be completed and returned by the specified filing date in order to continue receiving benefits, if eligible. Eligibility and benefit levels for the first six months of the certification period are determined prospectively, based on the best information available at the time of certification to anticipate for the first six months of the certification period. Eligibility and benefit level for the last six months of the certification period are determined prospectively based on information reported on the six month report form to anticipate for the remaining six months of the certification period.

All households must be provided with information at certification to advise them of their gross income limits for reporting purposes.

No other changes must be reported by households during their certification period, except for those changes required on the six month report form.

If a household voluntarily reports a change, the change will only be acted on if the change will result in an increase in the household's benefits.

1701 Information to be Provided to Clients subject to Six-Month Reporting

A household will be placed on six-month reporting at application, recertification, and when changes occur. The caseworker must explain six-month reporting requirements as stated in [Section 1700](#) of this chapter and provide the household with the following information:

1. Household will be certified for 12 months and will be required to submit a complete six-month report form in the sixth month of the certification period.
2. The six-month report form will be mailed to the household in the month (fifth month) before the report is due.
3. Provide a copy of the six-month report form and “Six Month Reporting Requirements for Certain Food Assistance Households” handout.
4. An explanation about how to complete the form and when to return it.
5. An explanation about what must be reported and the verification needed to process the form.
6. An explanation that assistance in completing the form will be provided by the county department if the household requests assistance.
7. The telephone number the household may call to ask questions or obtain help in completing the six month report.
8. Failure to return the completed form and provide the required verification will result in case closure.

A currently certified household that becomes subject to six-month reporting during the certification period must be notified of the fact that the household is required to six-month report and given an opportunity to come into the office for an oral explanation. Failure to come into the office does not relieve the household of the requirements or responsibilities for six-month reporting.

1702 Information Provided to Elderly/Disabled Households

Households with no earned income and all adult household members are elderly or disabled will not be required to complete a six-month report. At certification these households must be given an explanation of simplified reporting. Provide these households with a copy of the “Simplified Reporting” handout.

1703 Six-Month Report Form

Six-month reporting households are sent a six-month report form during the fifth month (report month) of the certification period to be completed and returned between the first and tenth of the sixth month (processing month) of the certification period. The six-month report form is generated on the 20th of the month. When the 20th of the month falls on a weekend or holiday, these forms are generated on the business day prior to the 20th. Six-month report forms are mailed on the 24th of the month. When the 24th of the month falls on a weekend or holiday, these forms are mailed on the last business day prior to the 24th. The form may be submitted to the county office in person, by mail, electronic transmission (fax) or via the client portal on the internet (MyAlabama.gov). Households who report non-receipt of the form may have another form generated upon authorization by the worker on the SR universe screen on SCI-II, or the

household may be referred to the internet, or the form may be given to households as needed in the county office.

The six month report form should be submitted to the county office by the 10th of the processing month. If the six-month report form is not received in the county office by the 10th day of the processing month, an automated notice is generated after the close of business on the 15th and mailed to the household to inform the household that its benefits will be terminated if the completed form is not received by the last day of the processing month. This is the only notice that a household will receive informing the household that benefits will be terminated if a six-month report form is not received by the last day of the processing month. The end of the month notice has been discontinued. Six-month report forms received in the county office between the 1st and the 10th of the processing month must be logged on the SR universe by the 15th to prohibit the reminder/termination notice from being generated and mailed to the household. Failure to log these forms on the SR universe can result in a case and procedural error due to the incorrect notice.

The following is a chart that shows the six-month reporting cycle for all households required to file a six month report based on the beginning of the certification period.

IF YOUR CERTIFICATION PERIOD BEGINS:	YOU WILL RECEIVE A REPORT IN:	YOU MUST RETURN REPORT BY THE 10TH:
JANUARY	MAY	JUNE
FEBRUARY	JUNE	JULY
MARCH	JULY	AUGUST
APRIL	AUGUST	SEPTEMBER
MAY	SEPTEMBER	OCTOBER
JUNE	OCTOBER	NOVEMBER
JULY	NOVEMBER	DECEMBER
AUGUST	DECEMBER	JANUARY
SEPTEMBER	JANUARY	FEBRUARY
OCTOBER	FEBRUARY	MARCH
NOVEMBER	MARCH	APRIL
DECEMBER	APRIL	MAY

1. Report month is the month the household is mailed a six month report form and the month for which the household must report all income and household circumstances. (Fifth month of twelve month certification period.)
2. Processing month is the month the household must return the six month report and the month during which budget changes must be made for the last six months of the certification period. (Sixth month of 12 month certification period.)

1704 Required Actions on Six-Month Reports

A. Processing of Six-Month Reports Received in the Processing Month

Six-month report forms which are received by the 10th of the processing month and are complete must be processed within 10 days of receipt in the county office.

If the form is received by the 10th of the processing month and is incomplete, the county office must return the incomplete form within 10 days. A manual Notice of Incomplete Six-Month Report will be sent to the household when an incomplete six-month report is received by the county office. The eligibility worker should not return the six-month report form if it is complete except for required verification. If the household returns the completed form and/or required documentation and verification by the end of the processing month, the county office must process the complete form within 10 days. If the household fails to respond to the Notice of Incomplete Six-Month Report by the end of the processing month the case will close for failure to provide a complete six-month report. If the household provides the completed six-month report along with required documentation and verification in the month (seventh month) after the processing month, the household's benefits must be reinstated. See Section 1704-C, Special Procedures for Processing Six-Month Reports Received in the Month After Processing Month.

If the household submits the completed six-month report after the 10th of the processing month but before the end of the processing month, the county office has 10 days to process the completed form to completion. Benefits must not be prorated.

If the household submits an incomplete six-month report after the 10th of the month but before the end of the processing month, the form must be returned to the household within 10 days. A manual Notice of Incomplete Six-Month Report will be sent to the household for required verification. If the household returns the completed form and/or required documentation and verification by the end of the processing month, the county office must process the complete form within 10 days. Benefits must not be prorated. If the household fails to respond to the Notice of Incomplete Six-Month Report by the end of the processing month the case will close for failure to six-month report. If the household provides the completed six-month report along with required documentation and verification in the month (seventh month) after the processing month, the household's benefits must be reinstated. See Section 1704-C, Special Procedures for Processing Six-Month Reports Received in the Month after Processing Month.

When the last day of the month falls on a weekend or a holiday, those reports received in person, by mail, fax, or internet (MyAlabama.gov) on the first workday after the final deadline must be considered as received before the deadline. If the form is complete, the caseworker must reopen the case within 10 days. Benefits must not be prorated. If the form is incomplete, follow the policy and instructions in Section 1704-C, Special Procedures for Processing Six-Month Reports Received in the Month after Processing Month.

If in the month following the month of termination (7th Month), it is discovered/determined that the complete six-month report was received in the county office before the final deadline, but due to agency error the form was not processed, the report must be processed and the case reopened without a new application. The original certification period must be retained in this situation. Benefits must not be prorated. If such a discovery is made after the seventh month, the household must be sent an application and informed to reapply. Eligibility and benefit level for the new certification period will be determined following usual policy. The certification period assigned will be based on the new application date. The policy found in Chapter 16 should be followed to determine the amount of any restoration of lost benefits the household is entitled due to the agency error in processing the six-month report.

Benefits shall be denied or terminated at any time it is determined that the household is prospectively ineligible except as provided in Chapter 10, Section 1000 C.

B. Reports Made by the Household Outside of the Six-Month Report

If additional information is reported by the household in the processing month before the six-month report form is processed to completion, this information must be reviewed to determine if this information should be processed in conjunction with the six-month report. Review this information to determine if the reported change occurred in the report month. If not, this information should be processed outside of the six-month report form. Send the household a request for verification (DHR-FSD 958), if verification is not provided when this additional information is reported, if verification is provided, the caseworker must send a Notice of Adverse Action (10 day notice) to decrease benefits if the reported change causes a reduction in benefits. If the household fails to provide verification, the household must be sent a Notice of Adverse Action (10 day notice) to close the case due to failure to provide verification. If the household provides the requested verification in the month following case closure, the household's benefits may be reinstated. See Section 1706-C, Special Procedures for Reopening Cases After Household Fails to Provide Verification.

If additional information is reported by the household in the processing month after the six-month report form has been processed to completion, this information must be reviewed to determine if this reported change causes a decrease or increase in the household's benefits. If the reported change causes an increase in benefits, this change must be processed to completion within 10 days. However, a change to increase benefits must not be processed without verification.

If the reported change causes a decrease in benefits, action must not be taken to process this change until recertification. In some cases the caseworker must complete a trial budget to determine what effect the reported change may have on the monthly allotment. If the allotment decreases due to the reported change, a letter (no effect) must be sent to the household notifying the household that the change was received however it will not affect the allotment until recertification.

C. Special Procedures for Processing Six-Month Reports Received in the Month after Processing

The following reinstatement/reopen policy and procedures apply to those households who submitted the six-month report in the processing month but failed to provide the required documentation and verification for processing by the end of the processing month (Section 1704-A).

Example: Household's certification period is October through September. The February six-month report is due March 10th. The incomplete report is received on March 10th and is returned to the household on March 20th. The household submits the February six-month report again on March 25th and the form is still incomplete. The form is sent back to the household on March 29th. The household returns the February six-month report with the missing documentation/verification on April 11th. This household's eligibility must be reinstated. The new application date becomes April 11th and the certification period April through September. Benefits are prorated for the month of April.

This policy must also be applied to those households who submit the six-month report for the first time in the month (seventh month) after the processing month and the case has been terminated for failure to six-month report (REJ/CLO 7/41).

Example: Household' certification period is December through November. The April six-month report is due May 10th. The household does not submit the completed April six-month report until June 3rd. This household's eligibility must be reinstated. The new application date becomes June 3rd and the certification period June through November. Benefits are prorated for the month of June.

The caseworker must determine if the six-month report is complete or incomplete. If complete, the form must be processed, the case reopened and the household notified of continued eligibility. The household must be eligible for benefits for the month of reinstatement (seventh month) and the remaining months of the current certification period; otherwise, the case must remain closed. **If eligible, benefits for the month of reinstatement must be prorated. The new application date becomes the date the county office received the six-month report with all required**

documentation and verification. The household must not be assigned a new certification period of 12 months but assigned a certification period for the last six months of the current certification period. The county must reset the certification period. The certification period and start issuance month must begin with the month the case is reopened (seventh month) in order to accomplish proration of benefits. **Households with a new application date after the 15th of the month are not entitled to a combined allotment under this policy.**

Example: Household is originally assigned a certification period of November through October. The six-month report for March is due April 10th. The incomplete report is received on April 10th and is returned to the household on April 20th. The household returns the completed March six-month report on May 3rd. The county must reinstate the household's eligibility. The new application date becomes May 3rd and the certification period May through October. Benefits must be prorated for the month of May.

If the six-month report form is incomplete, the caseworker must return the form with a Notice of Incomplete Six-Month Report form. The Notice of Incomplete Six-Month Report form must include the date by which the completed form with the required documentation and verification must be returned to the county office. If the household fails to return a complete form with the required documentation and verification by the end of the seventh month, the case must remain closed and the household must reapply.

Example: Household is originally assigned a certification period of November through October. The six-month report for March is due April 10th. The incomplete report is received on April 10th and is returned to the household on April 20th. The household returns the March six-month report on May 3rd and the form continues to be incomplete. The county office must return the form again along with a Notice of Incomplete Six-Month Report form. The household returns the completed six-month report on May 30th. Within 10 days, the county must reinstate the household's eligibility. The new application date becomes May 30th and the certification period May through October. Benefits must be prorated for the month of May.

If in the seventh month the household submits an application but only needs to submit a completed six-month report to be reinstated, the caseworker must send the household the appropriate six-month report form. Advise the household to send the completed six-month report with documentation and verification and the case can be reopened without having to schedule another interview. The household needs to know that the completed form with documentation and verification must be submitted to the county office by the end of the seventh month. If the household fails to take the required action, the case must remain closed. Do not register the application in these cases. If the application is registered in error and the household returns the completed six-month report, the application date must be changed to the date the completed six-month report was received in the county office. If the application is registered in error and a completed six-month report form is never returned by the household, the application must be denied on the last work day of the 7th month using REJ/CLO Code 26. The county office must send a manual Notice of Denial/Form 660 to the household explaining why the application was denied. Thoroughly document the county actions in the case file.

If in the seventh month the household has submitted a six-month report and later submits an application, do not register the application. If the report is complete, the county office must process the completed six-month report, reopen the case, and notify the household of continued eligibility following reinstatement policy stated above.

If the report is incomplete when received in the seventh month, the caseworker must return the form with a Notice of Incomplete Six-Month Report form. The Notice of Incomplete Six-Month Report form must include the date by which the completed form with the required documentation and verification must be returned to the county office. If the household fails to return a completed form with the required documentation and verification by the end of the seventh month, the case must remain closed and the household must reapply.

If the application is registered in error and a completed six-month report is not returned by the end of the seventh month, the application must be denied on the last work day of the seventh month using REJ/CLO Code 26. The county office must send a manual Notice of Denial/Form DHR-FAO 660 to the household explaining why the application was denied. Thoroughly document the county actions in the case file.

D. Notices

The following automated notices will be sent to six-month reporting households as appropriate.

1. Reminder/Termination Notice

This notice will be generated on the 15th of the processing month and sent to all households who do not send in a six-month report by the 10th of the processing month. The notice states as follows: This is the only notice the household will receive informing the household that the six-month report has not been submitted and failure to do so by the last day of the processing month will result in termination. The six-month reporting universe must be updated daily to reflect the receipt of these forms.

2. Notice of Action Notice

This notice will be generated daily as six-month reports are processed to notify households of allotment changes or termination based on the information reported on the six-month report.

This notice will be generated when the household voluntarily reports a change outside of the six-month report which when processed will increase benefits.

This notice will be generated for other changes such as when a notice of adverse action expires to terminate benefits; process a required change according to policy; and inform households that their cases have been denied/terminated due to the household's failure to provide verification. The notice sent to households to deny/terminate benefits because the household failed to provide verification states that if the missing verification is provided before the end of the month after the case is closed, the case can be reopened without a new application.

This notice will be generated at the end of the month for those households whose cases are terminated for failure to provide a six month report. The notice sent to households to terminate benefits for failure to provide a six month report states that the case can be reopened without an application if the completed report is submitted by the last day of the seventh month.

1705 Completion of Six-Month Report and Verification of Information on the Six-Month Report ⁽⁶⁾

The household must complete the six-month report and provide verification of reported information according to policy. Upon receipt of the six-month report, the IEVS screens must be accessed to obtain the latest information available through IEVS. This information must be reviewed and compared with the information reported on the six-month report. Any outstanding IEVS matches such as New Hire reports or other reports of information must be reviewed to determine any actions due by the county office in conjunction with the six month report.

Address Change

Failure by the household to answer the address change question constitutes an incomplete report. A household is required to report a change of address. If the household has moved, the new mailing address is required.

A household should complete the additional information in this section of the form if the household has moved. If the household reports a move and does not provide verification of shelter costs, no shelter costs should be included in the food assistance budget effective the following month. Failure to verify shelter costs does not constitute an incomplete report subject to termination for failure to provide verification.

If the household addresses the questions regarding utility expenses, allow the appropriate utility deduction. Verification is not required for the SUA, BUA or telephone standard.

Change in Shelter/Household Did Not Move

When the household reports an increase in shelter expenses on the six-month report and verification has not been received, the caseworker must request verification and allow the household 10 days to provide the requested verification. The household should be informed that benefits cannot be increased until verification is provided. If the verification is not provided within 10 days, action must not be taken to increase benefits or close the food assistance case for failure to provide verification. Do not make a change in the shelter costs. Document the reason the reported change was not processed. No further action is required until recertification unless the household subsequently provides the verification prior to the end of the certification period. In this case, the change may be made if it will cause an increase in benefits.

When the household reports a decrease in shelter costs on the six-month report (with or without verification) which results in a decrease in the food assistance benefits, the reported change must be made to decrease the shelter costs effective the following month.

Earned Income

Failure by the household to address the earned income questions constitutes an incomplete report.

Countable earned income received in the report month must be reported and verified if earned income has changed by more than \$100.00. If the household reports "yes", the earned income has changed by more than \$100.00, the household must provide verification of this change. If the household does not send verification and verification cannot be obtained through another source such as The Work Number or through the employer, the report must be considered incomplete and returned to the household with a Notice of Incomplete Six-Month Report form. If the household states or verifies a change in earned income of less than \$100.00, this change must be processed with or without verification.

If the household answers "yes", a member has had a change in earnings (including earnings from self-employment) because he/she started or stopped a job or changed jobs, the household must provide verification of this reported change. If the household does not provide verification, the report must be considered incomplete and returned to the household with a Notice of Incomplete Six-Month Report Form. If the county office discovers that a member of the household has quit a job or voluntarily reduced work hours, any information needed to determine whether the quit was with or without good cause should be addressed outside of the six-month report form.

If the household answers "no" to the earned income questions, the caseworker must not make any changes to the earned income amounts currently being budgeted for the household. The gross earned income amounts will remain the same for the last six-months of the 12 month certification period.

Unearned Income

Failure by the household to address the unearned income question constitutes an incomplete report.

Countable unearned income received in the report month must be reported and verified if the unearned income has changed by more than \$100.00. If the household reports "yes", the unearned income has changed by more than \$100.00, the household must provide verification of this change. If

the household does not send verification and verification cannot be obtained through another source such as IEVS, the report must be considered incomplete and returned to the household with a Notice of Incomplete Six-Month Report Form. Unearned income information which can be verified through IEVS shall be used and the change made for the following month. If the household states or verifies a change in unearned income of less than \$100.00, this change must be processed with or without verification. In those cases that involve the receipt of child support income, it is not necessary to check the child support systems (ALECS & ALACOURT) if the household states "no" that the unearned income has not changed by more than \$100.00 unless the household had reported a change in the child support income that could not be processed until six-month report.

If the household answers "no" to the unearned income question, the caseworker must not make any changes to the unearned income amounts currently being budgeted for the household with the exception of verified upon receipt information that should be processed by the caseworker. The unearned income amounts will remain the same for the last six-months of the 12 month certification period if there is no verified upon receipt information that the caseworker is required to process.

Child Support Payments/Deductions

Failure by the household to address the legally obligated child support questions does not constitute an incomplete report subject to termination. If the household does not answer these questions, remove the currently budgeted child support deduction from the food assistance budget.

The household must report and verify changes in the amount of legally obligated child support and when the obligation to pay child support ends if the household is receiving a deduction for child support payments. The household must report and verify if any other household member has a court-ordered child support obligation in order for this member to receive a child support deduction. If the household answers "yes", and does not send verification, a child support deduction must not be allowed in the food assistance budget for the last six-months of the 12 month certification period for households that were already receiving the deduction or for new court-ordered payments.

If the household answers "no", the child support deduction currently being budgeted will remain in the food assistance budget.

Household Composition

Failure by the household to address the household composition question constitutes an incomplete report.

The household must report information about household members who have moved into or out of the household. The household must report income for those new members that have income and provide verification of their income. If the household answers "yes", and does not complete the information section concerning those members or the does not send verification of their income, the report must be considered incomplete and returned to the household with a Notice of Incomplete Six Month Report Form. If verification of income can be obtained through another source such as IEVS, The Work Number, the employer, or other State verification systems, the form must not be returned.

If the household answers "no" to this question, the caseworker must not make any changes in household composition.

The household must complete and sign the six-month report. Failure to date the six-month report form does not constitute an incomplete report. If the household fails to sign the report or submits the report before the last day of the report month the form must be considered incomplete.

If the household reports information/verification considered questionable, the caseworker must determine the most appropriate way to resolve the issue and take appropriate action based on the individual case situation.

1706 Changes Reported During the Certification Period

The county office should react to the following changes when reported during the certification period. These reported changes and the action taken on these reported changes should be documented.

A. Household Reported Changes - Required Changes

1. Income Exceeds the Maximum Allowable (130 of Poverty)

The household must report this change by the 10th day of the month after the month during which this change occurs. If the reported income (earned and unearned) is representative of the income the household expects to receive ongoing, within 10 days the county office should send a notice of adverse action to close the case due to excessive income. If the reported income is not representative of the income the household expects to receive ongoing the case should remain open. The eligibility worker should document the case record concerning why this reported income is not representative.

For example: All check stubs for the month reported reflect overtime. The eligibility worker should discuss the overtime with the household to determine if the overtime will continue. If the overtime is not expected to continue, no change is due to be made in the budget.

2. ABAWD in a Non-Exempt County

If an ABAWD is eligible because he/she is working more than 20 hours weekly, the household must report the reduction of work hours to less than 20 hours a week by the 10th day of the month after the month during which this change occurs.

B. Non-Required Changes Voluntarily Reported By the Household

1. Increase in Benefits

For changes voluntarily reported by the household that increase benefits, the following actions should be taken:

- a) Document the reported change and the date of the report.
- b) Within 10 days determine the effect of the reported change on the household's eligibility and benefits.
- c) For a change which results in an increase in a household's benefits (other than the addition of a new household member or a decrease of \$50 or more in the household's gross income), the household is required to verify this change. When the change, **with the verification**, is received, the county department shall make the change no later than the first allotment available 10 days after the date the change was reported to the county department.

For example, a \$30 decrease in income reported on the 15th of May would increase the household's June allotment. If the same decrease was reported on May 28, and the household's availability date was on June 4, the household's allotment would have to be increased by July.

For changes which result in an increase in a household's benefits due to the addition of a new household member who is not a member of another certified household, or

due to a decrease of \$50 or more in the household's gross monthly income, the county department shall make the change effective not later than the first allotment available 10 days after the date the change was reported. However, in no event shall the change take effect any later than the month following the month in which the change is reported.

If the change is reported too late in the month for the county department to adjust the following month's allotment, the county department shall issue a Supplementary Allotment in order for the household to obtain the increase in benefits by the 10th day of the following month, or the household's normal availability date, whichever is later.

For example, a household reporting a \$100 decrease in income at any time during May would have its June allotment increased. If the household reported the change after the 20th of May and it was too late for the county department to adjust the household's allotment normally available on June 4, the county department would issue a supplementary allotment for the amount of the increase by June 10.

- d) Without Verification- When the household reports a change which causes an increase in benefits, but does not provide verification with the change, the county department shall allow the household 10 days from the date the change is reported to provide verification. If the household provides verification within this period, the county department shall take the same action required as if the verification had accompanied the change when it was reported. Thus, the time frame for processing the change shall run from the date the change was reported, not the date within the 10 days the verification was received.

If, however, the household fails to provide the required verification within 10 days after the change is reported, but does provide the verification at a later date, then the time frame for processing the change shall run from the date verification is provided rather than from the date the change is reported.

The date the change shall be effective is no later than the first allotment available 10 days after the date the verification was provided, except if the change is a new household member or a decrease of \$50 or more in the household's gross monthly income, the change shall be effective no later than the first allotment available 10 days after the date the verification was provided; however, in no event shall the change take effect any later than the month following the month in which the verification was provided. If necessary, a Supplementary Allotment shall be issued following the same procedures discussed earlier.

Until the verification of a change which causes an increase in benefits is provided, the household's benefits shall not be increased due to this change.

2. Decrease in Benefits

- a) Document the reported change and the date of the report.
- b) Do not act on this change if the reported change will decrease the household's benefits.
- c) Notify the household that the change was received but due to the effect (decrease in benefits) the reported change had on the household's benefits; the change will not be made.

A trial budget should be placed in the case file to indicate the effect of the change, if needed.

3. Other Changes

The following changes shall be acted on within 10 days. The household shall be sent a notice of adverse action if these reported changes will cause a decrease or termination of the household's benefits.

- a) There has been a change in the household's PA grant.

Changes reported to the Family Assistance worker are considered known to the agency and must be acted on in accordance with the provisions in this chapter. The county department must ensure that information reported to either worker is transmitted between Family Assistance and Food Assistance units in a timely manner so that the appropriate changes can be made by the worker(s) responsible for each program area, if appropriate. ⁽⁶⁾

- b) The household's voluntary request for case termination: This request may be verbal or in writing. If the report is in the form of a written request adverse action notice is not due the household.
- c) Removal of a household member if the household member has applied for separate food assistance benefits or has moved into another participating food assistance case and should be added to that case.
- d) A change that results in no eligible individual in the home due to the death of all household members (adverse action is not due the household).

Unverified Upon Receipt: When the county office receives a report of the death of all household members from a source which is considered unverified upon receipt, the county office must determine if the reported change can be independently verified. Such reports include but are not limited to the household's authorized representative, a family member, or obituary.

If the reported change can be independently verified from sources such as the household's Authorized Representative, an obituary, BENDEX, SDX, State Vital Statistics, or MSIQ, the county office must take action to terminate the case. Adverse action is not due the household.

If the reported change cannot be independently verified, the county office must send the household a Request for Additional Information, DHR-FAD-958. The household must be allowed 10 days to respond to the request. If there is no response from the household on or before the 10th day, the county office must send a Notice of Adverse Action, DHR-FAD-657, informing the household of case termination due to the household's failure to provide verification.

- e) A change that is considered verified upon receipt. This is:

IEVS Information from:

- ❖ Unemployment Compensation Benefits from the Department of Industrial Relations (UCB)
- ❖ Social Security Benefits (BENDEX)
- ❖ SSI Benefits (SDX)

SAVE information from the Immigration and Naturalization Service upon requests to verify alien status.

Employment and training disqualifications, intentional program disqualifications (IPV's) and other disqualifications.

A change that is considered verified upon receipt means that information is not questionable; the provider is the primary source of the information. If the information is questionable, the information is not considered verified upon receipt and should not be acted upon.

- f) Information received through IEVS (Exception - BENDEX Death Matches and Prisoner Verification System Matches) from sources that is considered unverified upon receipt (Chapter 2, [Section 205 I](#)) and other unverified information received from a third party source such as Quality Control, or an anonymous caller, shall be processed in conjunction with the six-month report if it is received after certification but before the household submits the six-month report. Information received after the six-month report has been processed, shall be handled/cleared at recertification.

4. BENDEX Death Matches and Prisoner Verification Matches

BENDEX Death Matches and Prisoner Verification System Matches require contact with the household when received. The county department must follow up on these matches with a notice of match results. Inform the household of the information received by the county department, clearly explain what information the household must provide and the consequences of failure to respond. The county department must remove the individual from the household and adjust the household's benefits accordingly if the household does not respond to the request, or does respond but fails to provide sufficient information to clarify the household circumstances. Send the household a 10 day Notice of Adverse Action if the action to remove the individual results in a decrease or termination of the household's benefits.

If the information from death and prisoner matches are independently verified by the county department and the effect on the household's continued eligibility and/or benefit allotment can be readily determined, the county department must send a 10 day Notice of Adverse Action. A notice of match results would not be appropriate.

5. Unclear Information

Unclear information is information received during the certification period about a household's circumstances from which the county office cannot readily determine the effect on the household's continued eligibility. It is information that is not verified or is verified but the county department needs additional information to determine how to act on the change.

Unclear information received during the certification period that is fewer than 60 days old relative to the current month of participation **and** was required to have been reported by the household or unclear information that appears to conflict with the information provided by the household at the time of certification. This unclear information must be verified with the household through a request for additional information.

If the unclear information **is not** fewer than 60 days old relative to the current month of participation and was not required to be reported or does not significantly conflict with the information provided by the household at the time of certification, the county office must not act on this information or require the household to provide verification until six-month report or recertification, whichever comes first.

C. Special Procedures for Reopening Cases after Household Fails to Provide Verification

Six-month reporting households that fail to respond to a request for additional information/verification which results in case closure or termination of benefits may have their benefits reinstated if the requested information/verification is submitted to the county office after the case has closed but before the end of the month following case closure/termination. The county office must have issued a written request informing the household of the additional information/verification it must provide and allowed the household 10 days to provide the requested information/verification. The county office must have issued a notice of adverse action explaining the reason for the closure or if approved for expedited services with postponed verification, a notice of action informing the household of the required information/verification, when to return this information/verification, and the action the county office must take if the information/verification is not returned.

The special procedures stated below apply to six-month reporting households that report a change after certification but before the six-month report and fail to respond to the county office request for additional information/verification concerning the reported change. If the household provides the missing information/verification after the case has closed but before the end of the month following case closure/termination, benefits must be reinstated within 10 days.

Leave the food assistance case closed for the month of reinstatement. The county office must complete a trial budget to determine the amount of prorated benefits the household is entitled to for the month of reinstatement. Issue the household a restoration (Reason Code 19) for the month of reinstatement. The county office must document the reason for the restoration. The month after reinstatement, the county office must reopen the case. The new application date becomes the date the household provided all information/verification. Assign the household the original 12 month certification period. Benefits must not be prorated.

Example: Household is certified from March through February. The household reports a change in May for which the county needs additional information/verification. The household fails to respond to a request from the county office and the county office sends a notice of adverse action to close the case effective June 1. The household provides the information/verification on June 6th (month after closure/termination). The county office must run a trial budget for June (use application date of June 6th) to determine if the household is eligible for June and the remainder of the certification period. If eligible, the county office should leave the case closed and issue a restoration for June. Benefits are prorated for the month of June. The next month (July), the county office must reopen the case. The new application date becomes June 6th. The certification period will remain the same, March through February.

In those rare occasions when six-month reporting cases are closed/terminated for failure to provide information/verification the end of the fourth month of the certification period and the household provides this information/verification in the fifth month (reopen), contact the State Policy Desk for instructions on reinstating benefits for these households to ensure that SR procedures are followed and tracked sufficiently.

These special procedures also apply to six-month reporting households that are approved for expedited services with postponed verification that are terminated for failure to provide mandatory verification but provide this verification in the month after the case is terminated. If the household provides the mandatory verification after the case has closed but before the end of the month following case closure/termination, benefits must be reinstated within 10 days.

Example: Household is certified from March through February. The household filed an application for expedited services on March 16th and was approved for expedited services with postponed verification. This household was given a manual notice of action (Form 657) advising of the needed verification and the date by which this information is due to be submitted to the county office. The household failed to provide the mandatory verification by the end of April. The case is closed April 30th and is sent an automated notice about the closure. The notice informs the household of the termination and why the case was closed. It also informs the household that their case can be reopened without a new application if they provide the missing verification before the end of the month (May). The household provides the mandatory verification on May 6 (month after closure/termination). The county office must run a trial budget for May (use application date of May 6th) to determine if the household is eligible for May and the remainder of the certification period. If eligible, the county office should leave the case closed and issue a restoration for May. Benefits are prorated for the month of May. The next month (June), the county office must reopen the case. The new application date becomes May 6th. The certification period will remain the same, March through February.

1707 Changes Reported During the Certification Period that Change the Reporting Requirements

A. Simplified Reporting to Six-Month Reporting

1. Increase in Benefits

If a household in which all adult household members are elderly or disabled with no earned income, reports a change during the certification period that causes a change in reporting requirements and increase in benefits, the household should be notified of the change in reporting requirements within 10 days. See [Section 1701](#). This change is effective the month following the month the household is notified. The automated system must be updated promptly to reflect this change in reporting requirements.

If there are more than six months remaining in the certification period, the household should receive a six-month report form.

For example: A simplified reporting household is certified from February through January. The household reports a change in April which triggers six-month reporting. Notification is sent to the household in April advising the household that effective May their household is required to six-month report. An automated notice will be mailed to the household in June (report month) if the coding is changed to six-month before June 15.

If there are less than six months remaining in the certification period, the household will not receive a six month report form. Six month reporting requirements as stated in [Section 1700](#) will apply. The automated system must be updated promptly to reflect this change in reporting requirements.

Simplified reporting households, which include a child that will become an adult (turns 19) during the certification period, will remain a simplified reporting household during the certification period unless the household voluntarily reports a change during the certification period or the agency otherwise becomes aware of a change that will trigger six-month reporting. These cases will not have to be tracked due to age changes that would result in six-month reporting during the certification.

2. Decrease in Benefits

If a household reports a change during the certification period that causes a change in reporting requirements and a decrease in benefits the household should be notified of the change in reporting requirements within 10 days. See [Section 1701](#). The change in reporting requirements will be effective the month following the month the household is notified. However, the decrease in benefits will not be effective until the six-month report is received or recertification, whichever is earlier. The automated system must be updated promptly to reflect this change in reporting requirements.

For example, a household in which all adult members are elderly or disabled with no earned income reported during the certification period that their 20 year-old son has moved into the home. He is working; his earnings will not cause the household to exceed the 130% of poverty level, but will cause a decrease in the household's allotment and the household to become six-month reporter. Within 10 days notify the household of the change in reporting requirements and update the automated system to reflect the change in reporting requirements. Do not include the son and his income until the six month report form is received or at recertification, whichever is earlier.

B. Six-Month Reporting to Simplified Reporting

1. Increase in Benefits

If a six-month reporting household reports a change during the certification period that causes a change in reporting requirements and an increase in benefits, the household should be notified of the change reporting requirements within 10 days. See [Section 1702](#). This change is effective the month following the month the household is notified. The automated system must be updated promptly to reflect this change in reporting requirements.

Six-month reporting households with members who become elderly (turn 60) during the certification period will remain in the six-month system until recertification unless the household voluntarily reports a change during the certification period or the agency otherwise becomes aware of a change that removes a household from six-month reporting prior to recertification. For example: A six-month reporting household with no earned income, whose only adult member becomes age 60 during the certification period. These particular cases will not have to be tracked due to the age change during the certification period.

For those households who no longer meet the six-month reporting criteria, the following actions shall be taken in addition to processing the change:

- a) The change in reporting requirements is effective the month following the month the household is notified.
- b) Within 10 days of the report, advise the household of the change in reporting requirements.
- c) Change the reporting status on SCI-II.

2. Decrease in Benefits

If a household reports a change during the certification period that causes a change in reporting requirements and a decrease in benefits the household should be notified of the change in reporting requirements within 10 days. See [Section 1702](#). The change in

reporting requirements will be effective the month following the month the household is notified. However, the decrease in benefits will not be effective until recertification. The automated system must be updated promptly to reflect this change in reporting requirements.

1708 Fair Hearings

All households are entitled to fair hearings in accordance with [Chapter 15](#).

1709 Recertification of Simplified Reporting Households

Six-month reporting households, like all other households, are subject to the normal policy for recertification. All information needed to establish the allotment for the first six months of the new certification period will be obtained during the recertification interview and established timeframes for application processing.

Households with no earned income and all adult members are elderly or disabled will be given a twelve-month certification period. These households are only required to report changes once every 12 months. All information needed to establish the allotment for the new certification period will be obtained during the recertification interview and established timeframes for application processing.

1710 Determining Eligibility and Allotments

A household's eligibility for participation in the food assistance program is based on current and anticipated circumstances related to all factors of eligibility.

The policies in [Chapter 10](#) for determining resources [Section 1001](#) and deductions [Section 1003](#) apply to six-month and simplified reporting households.

In the six-month reporting system, the income is anticipated for the first six months of the certification period based on the information/verification provided by the household, as determined at the time of the interview to be most representative of the income the household reasonably anticipates receiving during the first six months.

After the first six months, the information/verification provided on the six month report is used to anticipate household circumstances for the remainder of the certification period. Earned and unearned income for the report month is used as the basis to anticipate income for the remainder of the certification period, taking into account any changes indicated by the client on the six month report form or otherwise known to the agency.

For households with no earned income and all adult members are elderly or disabled, income is anticipated for twelve months based on the information/verification provided by the household, as determined at the time of the interview to be most representative of the income the household reasonably anticipates receiving.

All households must provide verification of earned and unearned income received in the thirty (30) days prior to the interview. This income should be budgeted, unless the income is not representative of the income the household expects to receive in the future. The eligibility worker must use prudent judgment in assisting the household in the determination of the representative income. Once the representative income is determined, income received more frequently than monthly may be converted to a monthly figure (using the appropriate conversion factor of 4.3,

2.15 or 2) and this converted income placed in the food assistance budget. Income from each source should be determined and converted separately.

In order to be considered reasonable, and therefore included in the food assistance budget, an estimated date of receipt and estimated amount of income must be known. The computations must be based on the best information available by the household applying known and logical factors. Any income which is uncertain, based on amount or receipt date, should not be included in the budget.

1711 Documentation of Case Records

The case record shall be documented sufficiently to substantiate the actions taken by the eligibility worker to anticipate and budget the income and resources known for the eligibility and allotment determination for each six months of the certification period. A statement shall be included to indicate that the income used is representative of income the household receives. The documentation should include computations used to arrive at the income included as well as any anticipated changes used to make adjustments in the allotment during each six months.

The case record for those households that are only required to report once every 12 months shall be documented sufficiently to substantiate the actions taken by the eligibility worker to anticipate and budget the income and resources known for the eligibility and allotment determination for the 12 month certification period.

The case record must also be documented when changes are reported or received in another manner. Any actions taken or not taken on these changes must be included in the documentation as outlined in [Section 1706](#).

DEPARTMENT OF HUMAN RESOURCES

Food Assistance Program Summarized Eligibility Requirements

If you have difficulty communicating with us because you do not speak English or have a disability, we can provide free language assistance or other aids and services to assist you. These services are available by phone or in person upon request.

Households applying for or receiving food assistance benefits must meet all applicable eligibility requirements based on food assistance policies. Time limits and requirements of other programs do not affect a household's eligibility for food assistance benefits. A household may still qualify for food assistance benefits even if eligibility ends in another program. Households must cooperate with the agency in establishing eligibility for food assistance. Failure to meet these requirements can result in a denial or termination of the food assistance case.

TECHNICAL REQUIREMENTS

1. **Household Members.** The food assistance household is composed of individuals who live together and purchase and prepare their meals together for home consumption. Certain individuals, such as spouses and children under age 22, must be included in one food assistance household regardless of their method of buying food and preparing meals.
2. **Strikers.** Households with striking members shall be ineligible to participate in the Food Assistance Program, unless the household was eligible for benefits the day before the strike and is otherwise eligible at the time of application. However, the household shall not receive an increased allotment as a result of a decrease in income of the striking household member(s).
3. **Citizenship and Alien Status.** Citizenship/immigration information is used to determine eligibility for food assistance. Only U.S. citizens and eligible aliens may participate in the Food Assistance Program. Any household member who is not a citizen or permanent resident alien may be left out of your food assistance household. Providing citizenship/immigration information is voluntary. The Food Assistance Division will check with the U. S. Citizenship and Immigration Service (USCIS) only for those household members that you are asking for food assistance benefits. We will not check on the non-citizens you do not include in your food assistance household but their income may count in determining the eligibility and food assistance allotment for the other people included in the food assistance household. Failure to provide this information will result in ineligibility (no benefits) for these members.
4. **Social Security Numbers.** The collection of a Social Security Number (SSN) for each household member is authorized under the Food & Nutrition Act of 2008, as amended, 7 U.S.C. 2011-2036, to determine eligibility for food assistance. The Social Security Number is used in computer matching and program reviews or audits to make sure the household is eligible for the food assistance benefits it receives. The SSN will be used to check the identity of household members to prevent duplicate participation and to facilitate making changes. Providing a social security number for each household member is voluntary. However, failure to provide a SSN for each household member will result in disqualification of that member. You will still have to give information such as income for this member.

The household must furnish a Social Security Number for each household member that you are asking for food assistance benefits. If a household member does not have a number, s/he must apply for one.

5. **Residence.** Households must apply for food assistance in the county in which they live. They cannot receive food assistance in more than one county or state in a month.
6. **Work Requirements.** Unless exempt from work registration, each member of your household must meet the following work requirements:
 - must be registered for work
 - must not quit a job voluntarily
 - must not voluntarily reduce hours at a job
 - must accept a suitable job that is offered. (The job must be 30 hours weekly or equal to 30 hours X minimum wage).

If a non-exempt member of your household fails to meet work requirements, [s]he cannot get food assistance. This could reduce or stop your household's food assistance.

Able-Bodied Adults Without Dependents (ABAWDs)

People between the ages of 18 and 49 (under age 50) who have no children and are not disabled must meet other special work requirements if they want to get food assistance. Federal law calls these people "Able-Bodied Adults without Dependents," or "ABAWDs." They may have to work in order to get more than three months of food assistance in the period from Jan 2019 to Dec 2021. But there are exceptions to the three-month time limit. Someone between the ages of 18 and 49 (under age 50) can get food assistance for more than three months if the person meets any one of these exceptions:

1. The person works at least 80 hours a month.
2. The person receives disability benefits.
3. The person receives unemployment compensation.
4. Anyone who has applied for unemployment compensation but has not heard yet is also exempt while waiting for a decision.

Continued from page 1

5. The person who is not receiving disability but has a physical or mental problem that limits the work [s]he can do. This may have to be verified by a doctor or other medical professional.
6. The person is unfit for work. For example, chronic homelessness may be an indicator that someone is unfit for work.
7. There is a child in the home less than 18 years old
8. The person cares for an adult who is incapacitated
9. The person is pregnant.
10. The person gets Family Assistance and is in a Family Assistance work program.
11. The person goes to a job training program at least 80 hours a month.
12. The person volunteers at least 80 hours a month doing something that serves a public purpose.
13. The total amount of time the person spends each month working, going to training and volunteering is at least 80 hours a month.
14. The person goes to school at least half time.
15. The person goes to rehab for alcohol or drugs.
16. The person works at least 80 hours a month for non-monetary benefits. For example, the person works for free rent or utilities.

FINANCIAL REQUIREMENTS

7. **Income.** Income limits vary according to the household size. Households that contain no elderly or disabled individuals must meet both the gross (income before deduction) and the net income (income after allowable deductions) limits. Households that contain an elderly (age 60 or over) individual or a disabled individual must meet only the net income limits. See table below for both the net and gross income limits according to household size. Income includes wages, salaries, commissions, social security benefits, SSI, veteran’s benefits, child support, contributions, unemployment compensation, etc.

Monthly Income Eligibility Limits Effective 10/1/2021 - 9/30/2022

Household Size	Gross Income Limits	Net Income Limits
1	\$1,396	\$1,074
2	\$1,888	\$1,452
3	\$2,379	\$1,830
4	\$2,871	\$2,209
5	\$3,363	\$2,587
6	\$3,855	\$2,965
7	\$4,347	\$3,344
8	\$4,839	\$3,722
Each Additional Member	\$492	\$379

8. **Deductions.** Only the following are allowable deductions for food assistance:
 - Standard Deduction. The standard deduction will vary according to household size. The minimum amount for household sizes 1 through 3 is \$167.00. It is \$181 for a household size of 4. It is \$212 for a household size of 5. The maximum amount allowed is \$243 for a household of six and above.
 - Earned Income Deduction. This deduction is 20% of the gross earned income.
 - Self-Employment Deduction. Households with self-employment income are entitled to a standard deduction of 40% of the gross proceeds from the self-employment income as a cost of doing business.
 - Medical Deduction. Elderly and/or disabled individuals may be entitled to a medical deduction for out-of-pocket medical expenses they incur in excess of \$35 per month. Verification may be required.
 - Dependent Care. The costs incurred for the care of a child or other dependent in order for a household member to work, seek employment, attend training, or pursue education that is preparatory for employment.
 - Child Support. Legally obligated child support paid by a household member to or for a nonhousehold member.
 - Shelter Costs. These costs include rent, mortgage, property taxes, insurance on the structure, utilities, etc.
9. **Resources.** The maximum allowable resource limits for households that contain a disqualified member shall not exceed \$2,500 (\$3,750 for households containing an elderly or disabled member). Resources include cash on hand, bank accounts, stocks, savings bonds, lottery, and gambling winnings of \$3,500 or more, etc.

OTHER

10. **Application Processing.** The application process includes completing an application, filing the form in the county in which the household lives, being interviewed, and having certain information verified. Households that meet the following criteria will have their application acted on within 7 calendar days: households with less than \$150 in monthly gross income and their liquid resources, such as cash or checking/savings' accounts are less than \$100; the household's monthly rent/mortgage and utilities are more than the household's gross monthly income and liquid resources; the household is a destitute migrant or seasonal farmworker with less than \$100 in liquid resources.

All other households shall have their application acted upon within 30 days from the date they apply.

11. **Confidentiality and Disclosure of Information.** All information given to the Department is confidential and any use or disclosure will be made only for certain limited purposes allowed under State or Federal laws and regulations. Such purposes include, but are not limited to, establishing eligibility, determining benefit amount and providing services to applicants and recipients. Information about how long you have received food assistance will be released to the State Employment Service for purposes of qualifying your employer for the Work Opportunity Tax Credit (WOTC).

12. **Allotment Amounts.** The amount of food assistance a household actually receives depends on the number of people in the food assistance household and the amount of their net income. See table below for the maximum food assistance allotments by household size.

Maximum Monthly Allotments Effective 10/01/21

Household Size	Maximum Food Assistance Allotment
1	\$250
2	\$459
3	\$658
4	\$835
5	\$992
6	\$1,190
7	\$1,316
8	\$1,504
Each Additional Person	\$188

13. **Authorized Representative.** The head of household, spouse, or other responsible household member may designate an authorized representative to act on behalf of the household. This person may apply for benefits, obtain the benefits and/or use the benefits for the food assistance household.

14. **Simplified Reporting.** Some households have to report their household situation semi-annually on a six-month report form. These households have to report on a six-month basis regardless of whether there have been any changes in their situation. Required Reportable Changes: (1) If the household's income increases to more than the maximum income level for their household size; (2) ABAWDs work hours fall below 20 hours per week, average 80 hours per month; (3) Lottery and gambling winnings of \$3500 or more.

15. **Fair Hearings.** A household not satisfied with agency action affecting its participation in the Food Assistance Program has the right to request a fair hearing within 90 days of the action being appealed. The request may be made orally or in writing to the County Department of Human Resources, Food Assistance Office or to the Department of Human Resources, Food Assistance Division, S. Gordon Persons Building, 50 N. Ripley Street, Montgomery, Alabama 36130-4000, telephone (334) 242-1700. The household's case may be presented by a household member or a representative, such as a legal counsel, a relative, a friend or other spokesperson. To obtain free legal advice, contact Legal Services Alabama statewide intake toll-free number at 1-866-456-4995 or at their statewide online intake website at WWW.ALABAMA.LEGALHELP.ORG.

16. **Ineligible Individuals.** The following individuals are ineligible to receive food assistance:

- Anyone who is fleeing to avoid prosecution, custody, or confinement after a felony conviction under the law.
- Anyone in violation of his/her parole/probation.
- Anyone found guilty by a court of using food assistance benefits to buy firearms, ammunition, or explosives. These individuals are permanently disqualified from receiving food assistance benefits.
- Anyone using food assistance benefits to buy illegal drugs may be disqualified from receiving food assistance from 2 years to permanently.
- You may be ineligible if you are convicted after August 22, 1996 of a felony under Federal or State law for possession, use or distribution of a controlled drug substance.
- Anyone found guilty by a court of buying or selling food assistance benefits of \$500 or more. These individuals are permanently disqualified from receiving food assistance.

- Anyone who misrepresents his identity or residence in order to receive multiple food assistance benefits simultaneously. These individuals are ineligible to receive food assistance benefits for 10 years from the date of conviction.
 - Anyone found guilty of an intentional program violation (IPV) through an Administrative Disqualification Hearing or by a Federal, State, or local court or signed a hearing waiver, will be ineligible for food assistance for 12 months for first violation, 24 months for the second violation and permanently for the third violation. These individuals may also be fined or imprisoned or both, and may be subject to federal prosecution and penalties.
 - Anyone physically and mentally fit between the ages of 18 and 50 enrolled in an institution of higher education, who does not meet certain eligible student criteria.
 - Anyone who does not meet citizenship or alien status requirements.
 - Anyone who refuses or fails without good cause to provide a social security number.
 - Anyone disqualified for not complying with work requirements. This includes voluntarily quitting a job or reducing the number of hours worked without good cause.
 - Anyone disqualified for violating program regulations.
 - Any household that refuses to cooperate with Quality Control.
17. **Claims & Trafficking.** Households must report correct information about their situation. Households must use their benefits to buy eligible food for their personal use. There are penalties that can be applied to the household including a requirement to repay benefits received incorrectly. If a household member intentionally provides false information, sells or tries to sell or trade benefits, buys ineligible items such as alcoholic drinks, or tobacco, or pay on credit accounts or gives away or sells an EBT card, there are other penalties that can be applied including disqualification from the program from one year to permanent and prosecution in court.
18. **Voter Registration.** If you are not registered to vote where you live now, you may register to vote during the Food Assistance application process. We can help you with the application or you may choose to fill out the application in private. Your decision to register or decline to register to vote does not affect the decision about your Food Assistance application or any benefits you might receive. If you believe that someone has interfered with your right to register or to decline to register to vote, your right to privacy in deciding whether to register or in applying to register to vote, or your right to choose your own political party or other political preference, you may file a complaint with the Secretary of State, Alabama State Capitol, 600 Dexter Avenue Suite E-210, Montgomery, AL 36130.

USDA Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, sex, religious creed, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity in any program or activity conducted or funded by USDA.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.), should contact the Agency (State or local) where they applied for benefits. Individuals who are deaf, hard of hearing or have speech disabilities may contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, (AD-3027) found online at: <http://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint>, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

(1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.