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Regulatory Analysis

Notice of Intended Action to be published: 441—Chapter 66 "Emergency Food Assistance Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 234.6

State or federal law(s) implemented by the rulemaking: Iowa Code section 234.12, 7 CFR Part 251, and 7 CFR Part 250

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

November 6, 2024 Microsoft Teams

2 to 3 p.m. Meeting ID: 238 807 808 374

Passcode: sCAuM5

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Victoria L. Daniels 321 East 12th Street Des Moines, Iowa 50319 Phone: 515.829.6021

Email: compliancerules@hhs.iowa.gov

Purpose and Summary

This proposed chapter sets forth household eligibility criteria for The Emergency Food Assistance Program (TEFAP) in Iowa.

Analysis of Impact

- 1. Persons affected by the proposed rulemaking:
- Classes of persons that will bear the costs of the proposed rulemaking:

None were identified.

• Classes of persons that will benefit from the proposed rulemaking:

Clients seeking emergency food assistance will benefit.

- 2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:
 - Quantitative description of impact:

There would not be a significant cost. The Department incurs personnel costs for the program. For state fiscal year 2023, an estimated 88,522 Iowa households received TEFAP foods.

• Qualitative description of impact:

These rules play an important role in providing clarity, consistency, and a legal basis for decisions made by the Department.

- 3. Costs to the State:
- Implementation and enforcement costs borne by the agency or any other agency:

The Department incurs personnel costs to execute the program.

• Anticipated effect on state revenues:

No effect on state revenues is anticipated beyond those already appropriated.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The absence of these rules could lead to lack of clarity or lack of clear legal authority.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

A less costly method has not been identified to achieve the purpose of this chapter.

- 6. Alternative methods considered by the agency:
- Description of any alternative methods that were seriously considered by the agency:

Much of the benefit is achieved through contract and internal documents. These portions of the chapter have been removed.

• Reasons why alternative methods were rejected in favor of the proposed rulemaking:

The household eligibility rules provide clarity, consistency, and a legal basis for decisions made by the Department.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
 - Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

None were identified.

Text of Proposed Rulemaking

ITEM 1. Rescind 441—Chapter 66 and adopt the following <u>new</u> chapter in lieu thereof:

CHAPTER 66 EMERGENCY FOOD ASSISTANCE PROGRAM

441—66.1(234) Definitions.

"Household" means a single individual living alone or a group of related or nonrelated individuals who live together, who are not boarders or residents of an institution, and who purchase and prepare food for home consumption.

"TEFAP" means The Emergency Food Assistance Program as authorized by the Emergency Food Assistance Act of 1983 as amended through PL 107-249, enacted October 23, 2002.

441—66.2(234) Household eligibility. Household eligibility is determined by residence, household size, and income.

66.2(1) *Residence.* Household members must be residing in the state of Iowa.

- **66.2(2)** Household size. Household size is determined by the number of people living in a dwelling, excluding boarders, as household is defined in rule 441—66.1(234).
- **66.2(3)** *Income eligibility.* All earned and unearned income of the household must be considered in determining eligibility.
- a. Income defined. Income means all income received by an individual from sources identified by the U.S. Census Bureau in computing median income and includes:
 - (1) Money wages or salary;
 - (2) Net income from nonfarm self-employment;
 - (3) Net income from farm self-employment;
 - (4) Dividends;
 - (5) Interest;
 - (6) Income from estates or trusts:
 - (7) Net rental income and royalties;
 - (8) Public assistance or welfare payments;
 - (9) Pensions and annuities;
 - (10) Workers' compensation;
 - (11) Alimony;
 - (12) Child support;
 - (13) Veterans' pensions;
 - (14) Social security;
 - (15) Railroad retirement;
 - (16) Supplemental security income;
 - (17) State or federal assistance;
 - (18) Veterans' benefits;
 - (19) Black lung benefits;
 - (20) All disability pensions;
 - (21) State supplementary assistance;
 - (22) Unemployment compensation benefits; and
 - (23) Income from minors under 16 years of age.
- b. Determination of income. Earned or unearned income is the gross annual, monthly, or weekly income.
 - (1) Biweekly income is to be multiplied by 2.15 to determine monthly income.
 - (2) Adjusted gross self-employment income will be averaged over a 12-month period.
 - (3) Income received from interest and dividends will be averaged over a 12-month period.
- (4) The amount of income that stops or starts during the month will be estimated based on the best information available.
- c. Income exclusions. When calculating total household income for this program, all income must be excluded that is specifically excluded for food assistance by federal statute, especially those sources listed in federal regulations at 7 CFR 273.9(c)(10) as amended to May 2, 2022.
- d. Income guidelines. Households are eligible for TEFAP when the countable household income is at or below 185 percent of the federal poverty guidelines. These federal guidelines are revised annually, effective every July 1.

These rules are intended to implement Iowa Code sections 234.6 and 234.12.