SNAP
Administration

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Overview

This chapter details the overall administrative requirements of Iowa's Supplemental Nutrition Assistance Program (SNAP), including a list of definitions used in the program. The chapter explains the Department's administrative responsibilities, issuance of benefits by electronic benefit transfer, and the rights and responsibilities of SNAP participants, including program violations and how participants may use benefits. Also included are policies specific to facilities.

The policies and procedures in this chapter are based on the Food and Nutrition Act of 2008, as amended. The portion of the Code of Federal Regulations that interprets the Food and Nutrition Act is Title 7. Department rules in 441 Iowa Administrative Code Chapter 65 implement SNAP in Iowa.

Purpose and Organization of the Program

Legal reference: 7 CFR 271.4(a) and (b), 273.18

SNAP is a uniform nationwide program intended to promote the general welfare and safeguard the health and wellbeing of the nation's population by raising the levels of nutrition among low-income households.

The U.S. Department of Agriculture's Food and Nutrition Service (FNS) administers the program. FNS delegates to the Iowa Department of Health and Human Services the responsibility for the administration of the program within the state. These responsibilities include, but are not limited to:

- Certification of applicant households in compliance with federal regulations.
- Issuance, control, and accountability of SNAP.
- Program information activities.
- Developing and maintaining complaint procedures.
- Developing, conducting, and evaluating training.
- Conducting performance reporting reviews such as quality control and management evaluation.
- Submitting accurate and timely financial and program reports.
- Keeping records necessary to determine whether the program is conducted in compliance with federal regulations.

FNS also delegates to the state agency, subject to the standards in **7-H, Adjustments** the authority to handle any claim that results from fraudulent or nonfraudulent overissuances to participating households.

The state agency has the authority to:

- Determine the amount of a claim.
- Settle, adjust, or compromise a claim.
- Deny all or part of a claim.

Some of these responsibilities are delegated to the field offices, the central and field offices share some jointly, and some remain strictly a Central Office responsibility. Title 7 of the Employees' Manual explains the division of responsibilities and certification procedures.

Definitions

Legal reference: 7 CFR 271.2, 273.10(a)(ii), 441 IAC 65.1(234)

"Adequate notice" is a written notice that informs the household of:

- An action the Department is taking,
- The reason for the action,
- When the action is effective,
- The manual number, chapter number, and subheading supporting the action,
- The household's right to a fair hearing, and
- How the household can request continuing assistance when it requests a hearing.

Adequate notice must be given no later than:

- Before the action;
- On the date benefits are available; or
- At the time benefits would have been received had they not been terminated.

"Allotment" means the total value of benefits a household is authorized to receive during a month.

"Certification period" means the period for which households are certified to receive SNAP benefits.

"Communal dining facility" means a public or nonprofit private establishment, approved by FNS, which prepares and serves meals for elderly people or for Supplemental Security Income (SSI) recipients and their spouses. It includes:

- Senior citizen centers.
- Apartment buildings occupied primarily by elderly people or SSI households.
- Public or private nonprofit establishments (eating or otherwise) that feed elderly people or SSI recipients and their spouses.
- Federally subsidized housing for the elderly at which meals are prepared for and served to the residents.
- Private establishments that contract with a state or local agency to offer meals at concessional prices to elderly people or SSI recipients and their spouses.

"Date of entry" or **"date of admission"** means the date an alien was lawfully admitted for permanent residence in the United States, as established by the federal government.

"Disabled" means meeting the requirements under **Disabled Member** later in this chapter.

"Due date" means the date paperwork is due to HHS. If the normal due date lands on a weekend or state holiday, the due date is the next business day.

"EBT" means electronic benefits transfer, the method the Department uses to issue SNAP benefits.

"EBT card" means the magnetic plastic swipe card that SNAP participants use to access their benefits at retail outlets.

"EBT customer service" in Iowa is accessed for cardholders by calling 1-800-359-5802. Retailers access customer service by calling 1-800-414-1422.

"Elderly person" means a person 60 years of age or older.

"Emergency service" means faster processing. Households must meet certain criteria to be eligible for emergency service. Households eligible for emergency service must receive their benefits within seven days after the date of application.

"Enrolled in an institution of higher education" means a person enrolled in:

- A business, vocational, technical or trade school that normally requires a high school diploma or equivalency certificate for enrollment in the curriculum.
- A regular curriculum at a junior, community, two-year, or four-year college or university that offers degree programs, regardless of whether a high school diploma is required. This does not include special programs such as courses for English as a second language that are not part of the regular curriculum.

"EPPIC®" means Electronic Payment Processing and Information Control, which is a trademarked data processing system owned by Conduent, Iowa's EBT contractor. EPPIC® provides an interface between the Department and Conduent by transferring information from the Automated Benefit Calculation (ABC) system to Conduent. EPPIC® does not transmit information to ABC. (See **14-J** for more information on EPPIC®.)

"Federal fiscal year" means a period of 12 months beginning with each October 1 and ending with September 30 of the following calendar year.

"FIP" means the Family Investment Program, which is Iowa's Temporary Assistance for Needy Families (TANF) cash assistance program.

"FNS" means the Food and Nutrition Service of the United States Department of Agriculture, which is the federal agency that administers the Supplemental Nutrition Assistance Program.

The **"Food and Nutrition Act of 2008"** is the federal law that authorizes the Supplemental Nutrition Assistance program and was formerly known as the Food Stamp Act of 1977 (Public Law 95-113), including any subsequent amendments.

"General assistance" means:

- Cash or another form of assistance, excluding in-kind assistance,
- Which is financed by state or local funds,
- As part of a program that provides assistance to cover living expenses or other basic needs intended to promote the health or wellbeing of recipients.

This includes veterans' relief (other than assistance for burial expense of deceased veterans and their survivors), general relief, and Indian relief. General assistance means government, as opposed to private, funds administered on the state or local level.

"Homeless meal provider" means a public or private nonprofit establishment (e.g., soup kitchen, temporary shelter) that the local office approves, upon presentation of sufficient evidence, as serving meals to homeless persons.

"Homeless person" means a person who lacks a fixed and regular nighttime residence, or who will imminently lose their nighttime residence, or a person whose primary nighttime residence is one of the following:

- A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter).
- A halfway house or similar institution that provides temporary residence for persons intended to be institutionalized.
- A temporary accommodation in the home of another person. (The situation is no longer considered "temporary" after a person has lived in another person's home for 90 days.)
- A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby, or similar places).

"Initial application" means an application made by or on behalf of a household that:

- Is not certified on the date of the application or
- Has made an untimely application for recertification more than 30 days after the household's certification has expired.

"Initial month" means the first month the household is certified for SNAP following any break in participation. **Exception:** For migrant or seasonal farm worker households, "initial month" means the first month the household is certified following a break of at least one month in participation.

The initial month is the only month benefits are prorated.

"Intentional failure to comply":

- In the FIP or veteran pension program means when fraud is established by a court.
- In the SSI program means when the Social Security Administration verifies that the client committed fraud.

"Intentional program violation" (IPV) is any act that violates the Food and Nutrition Act, program regulations, or state statute relating to SNAP.

"IVR" means interactive voice response. An IVR is a dial-in inquiry system. Use of the system requires a touch-tone or digital phone. Iowa's EBT customer service is an IVR system. A customer service representative can be accessed through it.

"Liquid resources" means resources that can readily be converted into cash. Examples of liquid resources are: cash on hand, money in checking or savings accounts, credit union accounts, savings certificates, current market value of stocks and bonds, and nonrecurring lump sum payments.

"Manual voucher" is a paper form that is used to complete a SNAP transaction when a retailer's equipment is not working. Retailers that do not have equipment to accept an EBT card use only manual vouchers. Only FNS authorized retailers can use manual voucher forms.

"Maximum allotment" means the maximum amount of benefits a household can be authorized to receive during a month. The allotment is based on the Thrifty Food Plan.

"Meal delivery service" means a service provided by a political subdivision, a private nonprofit organization, or a private establishment with which the state or local government has contracted for the preparation and delivery of meals at concessional prices to:

- Elderly people and their spouses; and
- Persons who are physically or mentally handicapped or otherwise disabled such that the person is unable to prepare all meals adequately, and those persons' spouses.

"Meal service" is a firm authorized by FNS to accept SNAP as payment for prepared meals.

"Means-tested program" means a program that uses income and resource guidelines to determine eligibility. SSI and FIP are examples of means-tested programs. Social Security benefits and Unemployment Compensation are not means-tested programs.

"Medicaid" means medical assistance administered by the state.

"Migrant" means a person who moves on a regular basis to find work in harvesting crops or other agricultural activities.

"Minimum benefit" means the minimum monthly amount of benefits that one- and two-person households receive. The amount of the minimum benefit is equal to eight percent of the maximum monthly allotment for a one-person household. See **7-F, Exceptions to Benefit Level**.

"Nonliquid resources" means resources that cannot be easily converted into cash. Examples are personal property, licensed and unlicensed vehicles, buildings, land, and recreational property.

"Nonprofit cooperative food purchasing venture" means any private nonprofit association of consumers whose members pool their resources to buy food.

"Normal issuance cycle" is from the first of one calendar month to the first of the next calendar month for all eligible households. The required staggered issuance of SNAP does not alter this normal issuance cycle.

"Overissuance" means the amount by which benefits issued to a household exceed the amount it was eligible to receive.

"PAN" means the primary account number on the front of the EBT card.

"Parent" means a person who is the legal parent, natural parent, or stepparent of a child, and includes persons having parental control over a child.

"Parental control" means living with and fulfilling the role of a parent, financially or otherwise, for a child under age 18. A child is not under parental control if the child is married, because state law defines a married person as an adult.

"PIN" means personal identification number. For EBT, the PIN is a four-digit number that the cardholder enters into a point-of-sale device using the device's keypad to access the household's SNAP account.

"Primary cardholder" means the SNAP case name on the ABC system.

"Program" means the Supplemental Nutrition Assistance Program (SNAP) conducted under the Food and Nutrition Act and regulations.

"Project area" means the area designated by the state for program operations. In Iowa, the state as a whole has been designated as a single project area.

"Prospective budgeting" means that the assistance computation is based on an estimate of the income, expenses, and other circumstances that will exist in the certification period.

"Public assistance household" means a SNAP household in which at least one member is applying for or receiving assistance through the FIP or refugee cash assistance program.

"Seasonal farm worker" means a person who works on a farm or ranch on a seasonal basis when the work is generally within commuting distance of the person's home.

"Secondary cardholder" means a household member authorized by the primary cardholder to receive an EBT card on the household's SNAP account.

"Shelters for battered women and children" means public or private nonprofit residential facilities that serve battered women and their children. If a facility serves other people, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

Only shelters that function exclusively to serve battered women with or without children are included in this definition. Any residence that takes care of such women from time to time in addition to serving as a regular residence for others, such as a private home or boarding house, is not included unless a portion of the regular residence is reserved on a long-term basis to shelter battered women.

"Single parent" means a parent living with a child and not living with that child's other legal or natural parent, or not living with a spouse.

"Sponsor" means a person who executed an affidavit of support or similar agreement on behalf of an alien as a condition of the alien's entry or admission into the United States as a permanent resident.

"Sponsored alien" means those aliens lawfully admitted for permanent residence into the United States as described in **7-I, Specific Households and Participants**.

"Spouse" refers to either of two persons who have a valid marriage. This includes common-law marriage, as defined by the case law of the Iowa Supreme Court. The necessary elements of a common law marriage are:

- Intent and agreement to be married,
- Continuous cohabitation, and
- Public declaration that parties are married.

"State Income and Eligibility Verification System (IEVS)" means a system of information acquisition and exchange for purposes of income and eligibility verification which meets the requirements of Section 1137 of the Social Security Act.

"Supplemental Security Income (SSI)" means monthly cash payments made under the authority of one of the following:

- Title XVI of the Social Security Act, to the aged, blind, or disabled, or
- Section 1616(a) of the Social Security Act, or
- Section 212(a) of Public Law 93-66.

"Systematic Alien Verification for Entitlements (SAVE)" means the U.S. Citizenship and Immigration Services verification system HHS must use to verify the validity of documents provided by aliens applying for benefits.

"Thrifty Food Plan" means the diet required to feed a family of four persons consisting of a man and a woman 20 through 50 years of age, a child aged 6 through 8, and a child aged 9 through 11, as determined by the Secretary of the U.S. Department of Agriculture. The cost of this diet is the basis for allotments for all households, regardless of their actual composition, after household-size adjustments taking into account economies of scale and other adjustments as required by law.

"Timely notice" means a notice is given at least ten calendar days before the date the action is effective. For a mailed notice, the ten-day period begins on the day after mailing.

"Trafficking" means buying, stealing, or selling of electronic benefit transfer (EBT) cards. This includes trading benefits for firearms, ammunition, explosives, controlled substances, or anything other than eligible food. Trafficking is an IPV.

"Tribal TANF payments" means assistance that Native American Tribes may provide in place of assistance from the Family Investment Program (FIP.) Treat a person who receives Tribal TANF payments the same as a FIP recipient for purposes of determining:

- Categorical eligibility, see **7-C, Categorically Eligible FIP and SSI Households**
- Exemptions from work registration, see **7-C, Exemptions From Work Registration**
- Countable resources, see **7-D, Whose Resources to Count**

- Student eligibility, see **7-I, Eligible Students**

"Underissuance" means less benefits were issued than the household was entitled to receive.

"Untimely application for recertification" means an application filed after the date specified on the **Review/Recertification Eligibility Document**.

"U.S. Citizenship and Immigration Services" or **"USCIS"** means the U.S. Citizenship and Immigration Services of the Department of Homeland Security.

"Wholesale food concern" means an establishment that sells eligible food to retail food stores or to meal services for resale to households.

Disabled Member

"Disabled member" means a household member who meets at least one of the following:

- Receives SSI benefits under Title XVI of the Social Security Act (SSA) or disability or blindness payment under Titles I, II, X, XIV or XVI of the SSA.
- Receives federal or state supplemental benefits under section 1616(a) of the SSA and eligibility for benefits is based on the disability or blindness criteria under Title XVI of the SSA.
- Receives federal or state supplemental benefits under section 212(a) of Public Law 93-66.
- Receives disability retirement benefits from a governmental agency because of a disability considered permanent under Section 221(i) of the SSA.
- Is a veteran who, under Title 38 of the United States Code, either:
  - Has a disability rated or paid as total by the Veterans Administration, or
  - Is considered by the Veterans Administration to be in need of regular aid and attendance or to be permanently housebound.
- Is a surviving spouse of a veteran who, under Title 38 of the U.S. Code, either:
  - Is considered by the Veterans Administration to be in need of regular aid and attendance or to be permanently housebound, or
  - Receives or has been approved for compensation for a service-connected death or a pension benefit for a nonservice-connected death, and has a disability considered permanent under Section 221(i) of the SSA.

- Is a surviving child of a veteran who, under Title 38 of the U.S. Code, either:
  - Is considered to be permanently incapable of self-support, or
  - Receives or has been approved for compensation for a service-connected death or a pension benefit for a nonservice-connected death, and has a disability considered permanent under Section 221(i) of the SSA.
- Receives an annuity payment under Section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 and is determined eligible to receive Medicare by the Railroad Retirement Board, or receives an annuity payment under Section 2(a)(i)(v) of the Railroad Retirement Act of 1974 and is determined disabled based on criteria under Title XVI of the SSA.
- Receives interim assistance benefits pending the receipt of SSI, disability-related Medicaid, or state general assistance disability.

Responsibilities of the Department

The following sections explain administrative requirements for:

- Eligibility and benefit adjustments due to changes in FIP or federal benefits
- Eligibility and benefit adjustments due to changes in federal standards
- Bilingual materials and interpreters
- The SNAP complaint system
- Confidentiality of SNAP records
- The effect of receiving SNAP on eligibility for other assistance
- Nondiscrimination in awarding benefits and the process for complaints about discrimination
- Personnel
- Records and reports on certification and benefit issuance
- Verification of SNAP benefits for the Work Opportunity Tax Credit program

Adjustments Due to Changes in FIP or Federal Benefits

Legal reference: 7 CFR 273.12(e)(2), (3)

When the state makes an adjustment to public assistance:

- If the Department has at least 30 days advance knowledge of the amount of the adjustment, the Department must recompute SNAP benefits to be effective in the same month as the change in public assistance.

- If the Department does not have enough notice, the adjustment in SNAP benefits must be effective no later than the month after the change in public assistance.

Typically, these adjustments are done through a mass change to the ABC system, which automatically generates notices of decision to notify households of the change.

When there is a federal benefit payment overall adjustment, such as social security cost-of-living increases, the change must be implemented no later than the second allotment after the month the change occurs. See **14-B(8), COLA Processing** for more information.

If the household requests a hearing, benefits are continued at the former level only if the issue appealed is that the calculation is wrong.

Adjustments Due to Changes in Program Standards

Legal reference: 7 CFR 273.12(e)

The state or federal government may initiate changes that affect all SNAP cases, such as adjustments to:

- Income eligibility standards.
- Shelter and dependent care deductions.
- The maximum SNAP allotment.
- The standard deduction.
- The utility standard.

These adjustments are implemented prospectively for all households.

Bilingual Requirements

Legal reference: 7 CFR 272.4(b)

The Department must provide bilingual program information materials in the appropriate language for:

- Each project area with less than 2,000 low-income households, if approximately 100 or more of those households are of a single-language minority.
- Each project area with 2,000 or more low-income households, if approximately five percent or more of those households are of a single-language minority.
- An office that provides bilingual service as required below.

“Single-language minority” refers to households that speak the same non-English language and that do not contain adults fluent in English as a second language.

The Department must provide both certification materials in the appropriate language **and** bilingual staff or interpreters:

- In each individual certification office that provides service to an area containing approximately 100 single-language minority low-income households, **and**
- In each project area with less than 100 low-income households if a majority of those households are of a single-language minority.

Certification materials include the SNAP application form, the reporting changes form, and notices to households.

In areas with a seasonal influx of non-English-speaking people, bilingual materials and interpreters must be provided if the number of single-language minority low-income households moving into the area during the seasonal influx meets or exceeds the requirements stated above.

Complaint System

Legal reference: 7 CFR Parts 271 and 272, 441 IAC 65.16(234)

Federal regulations require a formal procedure for participants, potential participants, or concerned persons who have or have had problems resolving their concerns in dealing with the agency and choose to file a written complaint. It is not meant to preclude participants who contact the Department on a local or state level with an immediate concern or participants who do not wish to file a written report.

Complaints handled by this system do not include those that can be handled through an appeal hearing or through discrimination procedures. This complaint system is to be used when people have had problems resolving their concerns in dealing with the Department and want to file a written complaint based on unsatisfactory results.

Clients who want to file a complaint about SNAP are encouraged to complete *SNAP Complaint* form 470-0323 or 470-0323(S). If a complainant is on the phone or in person and doesn't want to complete the form themselves, HHS staff should complete the form on behalf of the client.

All forms of complaint immediately go to the appropriate Eligibility Determination Manager (EDM) to review the complaint and determine if any process or procedure wasn't followed or if there are other issues with the case file or benefits. The EDM will log the complaint on the SNAP Complaint field log.

If the information received by the EDM indicates the complainant's civil rights may have been infringed, all documentation is immediately forwarded to Community Access and Eligibility, Division of Economic Assistance, Bureau of Support and Training.

Appealable issues are referred to the Appeals Section.

Clients can also ask that FNS handle a complaint. Any complaint will be handled by FNS upon household request unless the complainant wants a hearing. Persons or agencies who want to file a complaint or program information from FNS may contact the FNS Regional Office.

Nondiscrimination Compliance

Legal reference: 7 CFR 272.6(a)

In accordance with federal civil rights law and USDA civil rights regulations and policies, Department employees and offices cannot discriminate against any applicant or participant in any aspect of program administration on the basis of race, color, national origin, sex (including gender identity and sexual orientation), religious creed, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity.

All offices administering SNAP must prominently display the poster **"…and Justice for All"** provided by USDA.

The following sections give more information on:

- Requirements for collecting data on households' racial or ethnic category
- The process for filing a discrimination complaint
- Requirements for the content and handling of complaints

Data Collection

Legal reference: 7 CFR 272.6(g)

Obtain data on households by ethnicity and race.

The ethnicity categories are:

- Hispanic or Latino
- Not Hispanic or Latino

The race categories are:

- White
- Black or African American
- Asian
- American Indian or Alaskan Native
- Native Hawaiian or Other Pacific Islander

Advise applicants that:

- The information is voluntary and will not affect eligibility or benefit levels.
- The reason for the information is to ensure that program benefits are distributed without regard to race, color, or national origin.

Filing a Discrimination Complaint

Legal reference: 7 CFR 272.6(b)

People who believe that they have been subject to discrimination may file a written complaint with:

- Iowa Department of Health and Human Services, 321 E. 12th St., Des Moines, IA 50319.
- Mail to: Food and Nutrition Service, USDA, 1320 Braddock Place, Room 334, Alexandria, VA 22314 or fax: (833) 256-1665 or (202) 690-7442 or email: FNScivilrightscomplaints@usda.gov.

If a person expresses an interest in filing a discrimination complaint, explain both the FNS and the Department nondiscrimination complaint systems. Advise the person within 10 days of the person's right to file a complaint in either or both systems. Explain what information is necessary for investigation.

Discrimination Complaint Requirements

Legal reference: 7 CFR 272.6(c) and (d)

Make every effort to have the complainant provide all of the following information, to assist with investigations:

- Name, address, email address, and phone number or other means of contacting the person alleging discrimination.
- The location and name of the organization or office that is accused of discriminatory practices.
- The nature of the incident or action or the aspect of program administration that led the person to allege discrimination.
- The reason for the alleged discrimination (race, color, national origin, sex (including gender identity and sexual orientation), religious creed, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity).
- The names and titles (if appropriate) and addresses of persons who may have knowledge of the alleged discriminatory act.
- Dates on which alleged discriminatory actions occurred.

Accept complaints even if all the above information is not supplied. (However, investigations will not be conducted unless the first four items are provided.)

If a complainant makes allegations verbally and is unable or is reluctant to put the allegations in writing, document the complaint in writing.

All forms of complaint immediately go to the appropriate Eligibility Determination Manager (EDM) to determine if the complainant's civil rights may have been infringed. All documentation is immediately forwarded to Community Access and Eligibility, Division of Economic Assistance, Bureau of Support and Training. Appealable issues are referred to the Appeals Section.

A complaint must be filed no later than 180 days from the date of the alleged discrimination. However, the time for filing may be extended by the Secretary of Agriculture.

Complaints processed at the state level are reported to FNS. The report contains:

- As much information as is available to the state agency.
- The findings of the investigation.
- If appropriate, the corrective action planned or taken.

Confidentiality

Legal reference: 7 CFR 272.1(c); Iowa Code Section 217.30

Use or disclosure of information from applicant or participant households exclusively for SNAP is restricted to the following people:

- People directly connected with the administration or enforcement of:
  - SNAP,
  - Family Investment Program (FIP),
  - Medicaid, or
  - Any state program administered under a plan approved under the Social Security Act that is required to participate in the state Income and Eligibility Verification System (IEVS).

  Release is limited to the extent that the information is useful in establishing or verifying eligibility or benefit amounts under those programs.
- People administering:
  - Social Security benefits,
  - Supplemental Security Income (SSI),
  - School Lunch,
  - Child Support,

- Food Distribution Programs and
- Any other federally aided means-tested program.

NOTE: State law limits release of information to purposes directly connected to the administration of Department programs and requires a written request and comparable standards of confidentiality.

- Employees of the Comptroller General's Office of the United States, for audit examination, upon written request.
- Any local, state, or federal law enforcement officials, upon written request, for the purpose of investigating an alleged violation of SNAP. The written request must include:
  - The identity and authority of the person requesting the information.
  - The violation being investigated.
  - The identity of the person on whom the information is requested.
- Any local, state, or federal law enforcement official who requests in writing information necessary in the investigation of a felony crime or a probation or parole violation. The information that can be provided is limited to the address, social security number, and any available photograph of:
  - A SNAP recipient who is fleeing to avoid prosecution, custody, or confinement for a felony crime or a violation of parole or probation, or
  - A member who has information about another household member who is under investigation for a felony crime or probation or parole violation.
- If the law enforcement officer provides documentation that there is a warrant for the arrest of the member for a felony, or a parole or probation violation, see **7-I, Fleeing Felons and Parole and Probation Violators**.
- Persons directly connected with the verification of immigration status of aliens applying for SNAP benefits, through the Systematic Alien Verification for Entitlements (SAVE) Program, to the extent the information is necessary to identify the individual for verification purposes.

Anyone authorized above to receive information must adequately protect the information against unauthorized disclosure.

A responsible member of the household, its currently authorized representative, or a person acting in its behalf, may request in writing to review the case file. Make materials available during regular business hours. Do not furnish information such as the names of persons who have given information about the household without the household's knowledge, or the nature or status of pending criminal prosecutions.

Keep information received through IEVS confidential. Release it only to:

- Persons about whom IEVS information is printed.
- The head of household.
- An authorized representative of the client who is acting on behalf of the client.
- Other state agencies administering programs participating in IEVS.
- The Department of Inspections, Appeals, and Licensing (DIAL).

Unauthorized disclosure of information received from the Social Security Administration or the Internal Revenue Service may be punishable by $5,000 fine, five years imprisonment, or both.

Social Security Numbers

Legal reference: 7 CFR 273.6(f)

The Department is authorized to use social security numbers (SSN) in the administration of SNAP.

To the extent determined necessary by the Secretary of Agriculture and the Secretary of Health and Human Services, state agencies have access to information regarding individual SNAP applicants and participants who receive SSI. This information should be used to help:

- Determine a household's eligibility to receive assistance.
- Determine the amount of assistance.
- Verify information given by the household.
- Prevent duplicate participation.
- Facilitate mass changes in federal benefits.
- Determine the accuracy and reliability of information given by households.

Effect of Receipt of SNAP on Other Benefits

Legal reference: 7 CFR 272.1(a)

Receipt of SNAP benefits cannot be the basis used to decrease any assistance otherwise provided to an individual or individuals.

Personnel

Legal reference: 7 CFR 272.4(a)

Only qualified merit employees can conduct the required applicant household interviews. FIP certification personnel are used to meet the interview requirements for FIP households applying for SNAP.

Exceptions: Volunteers and other nonmerit employees can conduct certification interviews or certify applicants for USDA-declared disaster victims. Also, see **7-B, Joint Application Process for SSI Households**.

Only authorized employees of the Department, and federal employees involved in the administration of the program are permitted access to issuance documents.

Hours of Operation

Legal reference: 7 CFR 272.4(f)

The Department is responsible for determining the hours that SNAP offices are open. Adjust them if needed to ensure that working participants can be adequately served.

Volunteers

Legal reference: 7 CFR 272.4(a)(2)

Counties are encouraged to use volunteers in activities such as prescreening, assisting applicants in the application and certification process, and securing needed verification. Volunteers are not permitted access to issuance documents.

Individuals and organizations that are parties to a strike or lockout, and their facilities, cannot be used in the certification process, except as a source of verification for information supplied by the applicant.

Records and Reports

Legal reference: 7 CFR 272.1(e), (f)

The SNAP office must keep records and submit reports and other information as required by FNS.

Certification records must be available for review or audit by FNS or by the Department for a period of three years from the month of origin of the record. **In addition:**

- All fiscal records and accountable documents must be held for three years from the date of closure.
- Documents which support the establishment of the claim, including calculations and supporting documentation, must be retained for three years after the claim is **paid off**.

- Case records relating to IPVs must be retained until you receive reliable information that the subject has died, or until advised by FNS that the record may be permanently removed from the disqualified recipient database.

Certification records must include:

- Applications for certification or subsequent certification.
- Required FNS or Department forms.
- Worksheets used in the computation of income for eligibility and the basis of issuance documentation, including verification techniques employed by the worker.
- Copies of notices of adverse action and other notices sent to the client and the client's responses.
- Documentation of actions related to the fair hearing process.
- Fiscal adjustment, including claims, refunds, and credits for lost benefits.
- Any other data that affects a household's eligibility or basis of issuance.

Issuance records are all records and reports that relate to cash and SNAP accountability and must be retained until the Division of Compliance advises that the records can be destroyed.

Public Information

Legal reference: 7 CFR 272.1(d)

Federal regulations, federal procedures, corrective action plans, and the state plan of operation must be available upon request for examination by members of the public during office hours at the Central Office. Also, copies of the Employees' Manual must be available for examination upon request at each local office and the Central Office.

Program Informational Activities

Legal reference: 7 CFR 272.5(a), (b), 272.6(f), 273.2(c)(4), FNS Instructions 113-1

"Program informational activities" are those activities that convey information about the program (including household rights and responsibilities) to applicant and participant households through publications, telephone hot lines, and face-to-face contacts. This includes information about eligibility, benefits and services, the location of offices, and hours of service.

All offices must display:

- The nondiscrimination poster "*And Justice for All*," or a similar FNS-approved poster.
- Signs that explain application processing standards and the right to file an application on the day of initial contact.

All offices shall encourage program participants to participate in the Expanded Food and Nutrition Education Program (EFNEP). Offices should allow EFNEP personnel to distribute informational materials and speak with customers at the local office.

Work Opportunity Tax Credit

Legal reference: P.L.104-188, as amended by the Taxpayer Relief Act of 1997 (P.L. 105-34) under Section 51 of the Internal Revenue Code.

The Work Opportunity Tax Credit (WOTC) is designed to help people move from economic dependency to self-sufficiency by encouraging employers in the private sector to hire from targeted groups of job seekers with significant barriers to employment.

Iowa Workforce Development (IWD) administers WOTC. IWD verifies eligibility and issues certifications to employers. HHS shares eligibility and program participation information electronically with IWD. Refer all employer and recipient requests for WOTC eligibility verification to IWD.

Electronic Benefit Transfer

Legal reference: 7 CFR 274, 441 IAC 65.4(234)

All SNAP households receive benefits through Electronic Benefit Transfer (EBT).

This section explains procedures for:

- Interstate interoperability of EBT systems
- Authorizing SNAP
- Providing access to the food account
- Establishing cardholders
- Replacing EBT cards
- Handling EBT cards returned to the local office
- Handling reapplications from cardholders
- Deactivating an EBT card
- Handling changes in household composition when cards need to be deactivated or issued

EBT Card Interoperability

Legal reference: 7 CFR 274.8

“Interoperability” means SNAP benefits issued to an EBT recipient can be redeemed in any state. All retailers must be authorized by FNS to accept SNAP. The Iowa EBT card meets the requirements that allow it to be used in all places that accept SNAP anywhere in Iowa and in other states.

Authorizing SNAP

Legal reference: 7 CFR 274.2

When an application is approved for SNAP, ABC entries transmit the authorization to the EPPIC® system twice each business day. ABC entries approved prior to 9:50 a.m. are transmitted to EPPIC at 10:00 a.m. ABC entries approved after 9:50 a.m. transmit overnight. Upon receipt of the authorization, EPPIC® sets up an EBT SNAP account for the household. The EBT account is permanently established in EPPIC® and is connected to the specific ABC case number under which the application is approved.

If a SNAP case is closed and reopened under the same case number, the ABC entries to reopen the case will authorize a deposit of SNAP to the same account as was initially established for that case number. See **Changes in Household Composition** for guidance on managing household composition changes and cardholders on accounts.

The only way to open a new account is to establish a new ABC case number. A new account may be needed if the original household is not intact, and benefits are still available in the original account at the time a reapplication is approved.

The SNAP account does not close when the SNAP case closes. Cardholders can continue to use the account until benefits are exhausted. Once benefits are exhausted, the account remains open indefinitely on the EPPIC® system. Only HHS Central Office staff has the authority to close an account on EPPIC®.

Providing Access to the SNAP Account

Legal reference: 7 CFR 274.2

An Iowa EBT card is used to access the SNAP account. ABC entries to approve a new SNAP case will initiate the mailing of an Iowa EBT card to the primary cardholder authorized on the account. EPPIC® entries are required to issue replacement cards for the primary cardholder, or to issue any cards to secondary cardholders or authorized representatives. See policies in this chapter for when entries may or should be made directly to EPPIC® to establish a cardholder.

Each Iowa EBT card is issued to a specific individual and has its own unique PAN and is permanently connected to a SNAP case. The card cannot be connected to a new SNAP account. The PAN identifies who the cardholder is, and identifies which card made transactions on the food account.

A new Iowa EBT card is not issued for each monthly allotment of SNAP. All cards are valid until 2049 unless deactivated. If a cardholder still has the card, the card is still active, and the cardholder is reapproved for SNAP, the cardholder can access the assistance as soon as it becomes available.

Cardholders are discouraged from allowing others to use their Iowa EBT cards to buy food for the household. However, there is no penalty for doing so. SNAP used from an account cannot be replaced. EXCEPTION**:** See 7-H for when a household can appeal a request for replacement.

Selling or trading an EBT card is an illegal activity. If there is an indication that a cardholder sold or traded the Iowa EBT card, see Handling Complaints of Trafficking in this chapter.

Mailing EBT Cards

The EBT contractor mails all Iowa EBT cards on an EBT account to the household's address as entered on ABC/EPPIC. Cards issued to secondary cardholders and authorized representatives are entered in EPPIC only. If the authorized representative does not live at the household's address, it is the responsibility of the primary cardholder, not the Department, to give the authorized representative the card.

EBT cards are mailed within one business day following the ABC batch process that authorizes the card. Cards are mailed on business days. Consider the batch process, mailing time, and weekends or holidays when determining system entry dates to ensure timely processing of a case.

A household may move or visit out of state and need a new card mailed to them. Cards may be mailed to an address anywhere in or out of the state, as the household desires.

SNAP Availability Dates

Legal reference: 441 IAC 65.4(234)

SNAP issued on an uninterrupted monthly schedule is issued on the same date each month even if the date falls on a weekend or a holiday. SNAP availability dates are based on the first letter of the last name of the person who is the ABC case name. Availability dates are listed on the following chart:

Monthly SNAP Availability Schedule

First Letter of Last Name	Date Benefits Are Deposited
A – B	1st day of the month
C – D	2nd day of the month
E – G	3rd day of the month
H – I	4th day of the month
J – L	5th day of the month
M – O	6th day of the month
P – R	7th day of the month
S	8th day of the month
T – V	9th day of the month
W – Z	10th day of the month

Establishing Cardholders

Legal reference: 7 CFR 274.8 441 IAC 65.4(234)

Establishing who will be a household's cardholders is the first step to take when preparing to issue SNAP. There is no age requirement for who can receive an Iowa EBT card. If the household wants more than one card, it is entitled to them. A maximum number of three EBT cards can be active on an EBT account at any one time.

The requirements under Establishing a Secondary Cardholder or Authorized Representative must be met for a second or third person to receive an Iowa EBT card. Two cardholders information can be entered in EPPIC®.

The primary cardholder is established through entries to IABC. Secondary cardholders and authorized representatives are established in EPPIC®.

When opening a SNAP case or making changes because the household composition changed, make sure you intend to replace the current cardholders. If you do not wish to replace a current primary cardholder, remember that overwriting the current primary cardholder's information in ABC will deactivate the current primary cardholder's EBT card.

The following sections give more information on:

- The primary cardholder
- The secondary cardholder
- Authorized representatives
- Establishing secondary cardholders or authorized representatives
- Removing secondary cardholders or authorized representatives

The Primary Cardholder

The person who is established as the ABC case name is the primary cardholder. To prepare to set up your case, ask at the application interview who does the household's primary grocery shopping. Establish the primary grocery shopper as the ABC case name. Document in the case record the household's choice of grocery shopper.

Tell the person interviewed:

- The grocery shopper will receive the Iowa EBT card in the shopper's name and is the only one who should use it.
- If SNAP is lost (misused) or stolen from an EBT food account, the assistance will not be replaced.

EXCEPTION: See **7-H** for when a household can appeal a request for a replacement.

EBT follows the same rules that apply to credit cards and bank debit cards. The card owner signs the back of the card.

Generally, only the primary cardholder can add more cardholders to the household's food account. See **Emergency Authorized Representative** for exceptions.

If the primary cardholder leaves the home and the remaining household members still want benefits, you will need to determine how to handle the separation on a case-by-case basis depending on the circumstances of the household(s).

Undocumented Aliens and Other Ineligible Members

Legal reference: 7 CFR 273.2(n)(1)(i)

A person does not have to be eligible to receive SNAP with the household to receive an EBT card. When the only adult household member is an ineligible member, issue the Iowa EBT card to that member. If there is more than one ineligible adult, issue the card to the person who is the primary grocery shopper.

If the ineligible person is established on ABC as the case name and coded according to the instructions in **14-B-Appendix**, issue the Iowa EBT card through normal system entries.

Secondary Cardholders

A household may have more than one person who shops for groceries. A secondary cardholder is a member of the SNAP household authorized to receive an EBT card. The person can be an eligible or ineligible member.

Do not refuse requests for additional cardholders. However, the household should clearly understand that only a responsible person should be designated to receive an Iowa EBT card on the household's account.

See the policy **Authorized Representative** when a primary cardholder requests a person outside of the SNAP household as a cardholder on the household's account.

When a primary cardholder asks for additional EBT cards on the household's account, see the policy **Establishing a Secondary Cardholder or Authorized Representative**. No card can be issued until the requirements of this policy are met.

Authorized Representative

Legal reference: 7 CFR 273.2(n)

The household's primary cardholder may designate one or more authorized representatives to act on behalf of the household to:

- Apply for SNAP benefits, including applications for recertification.
- Receive an Iowa EBT card to use to buy food for the household.

The household may designate a separate authorized representative for each of these activities or may designate a single authorized representative for all activities.

When a household asks for an authorized representative on the application form, ask if the household wants the authorized representative to receive an EBT card. If a household wants an authorized representative to receive an Iowa EBT card to use on the household's account, the primary cardholder must make the request in writing. See **Establishing a Secondary Cardholder or Authorized Representative**.

When a household wants an authorized representative only to handle the household's business with HHS, inform the household that it is liable for any overissuance that results from wrong information given by the authorized representative. Do not issue an EBT card when the authorized representative's responsibilities are limited to handling business for the household with HHS.

The Department is required to assist households in obtaining an authorized representative to purchase the household's food when the household needs one but does not know someone to act in that capacity.

Always document the name of the authorized representative in the case record.

Who Cannot Be an Authorized Representative

Legal reference: 7 CFR 273.2(n)(4)(ii)

The following cannot be authorized representatives:

- Department employees involved in the certification or SNAP authorization process (unless the Field Eligibility Determination Director approves the designation in writing).
- Retailers authorized to accept SNAP (unless the Field Eligibility Determination Director approves the designation in writing).
- Homeless meal providers.
- People disqualified for fraud. People who are disqualified for fraud cannot be authorized representatives during the period of disqualification.

EXCEPTION: If the disqualified person is the only adult member of the SNAP household who can shop for food, and there is no one outside the household available who can be the authorized representative, the disqualified person can serve as an authorized representative. See **Undocumented Aliens and Other Ineligible Members**.

Person Representing Multiple Households

Legal reference: 7 CFR 273.2(n)(4)(ii)

An authorized representative is not limited in the number of households that the person can represent. If a single authorized representative is responsible for a large number of households, or if an employer is the authorized representative for migrants or seasonal farm workers, make sure that:

- The household has freely requested the assistance of the authorized representative.
- The household circumstances are correctly represented, and the household is receiving the correct amount in benefits.
- The authorized representative is properly using the SNAP.

Households That Have Guardians, Conservators or Payees

Households may have financial caretakers (guardians, conservators, or protective payees) for different reasons. Having a financial caretaker does not automatically mean the caretaker should receive an Iowa EBT card on the household's account.

Unless the household is incompetent to the degree that it cannot handle its affairs, or shop using EBT technology, the caretaker may not receive a card unless authorized by the primary cardholder.

- If a household has an organization as its financial caretaker and wants or legally must have an authorized representative to buy the household's food, the organization must name a person to act as the authorized representative. A **person** must receive the Iowa EBT card.
- If the household is not legally required to, but wants the financial caretaker as an authorized representative, the primary cardholder must ask in writing. See **Establishing a Secondary Cardholder or Authorized Representative**.

Emergency Authorized Representative

When an emergency prevents all of the cardholders on an EBT account from shopping for the household, an emergency authorized representative may need to be established; see instructions in **14-J** for adding a secondary cardholder.

It is not necessary for the household to complete the process under **Establishing a Secondary Cardholder or Authorized Representative** in an emergency. The primary cardholder can name the emergency authorized representative in writing or verbally.

If the emergency is such that the primary cardholder cannot designate an emergency authorized representative, someone else in the household may do so. If you designate an emergency FIP payee, also designate that person as the emergency authorized representative for SNAP.

If the primary cardholder who is the only adult in the home dies, an emergency cardholder may use the benefits for the remaining household members. See **7-G, Treatment of Remaining Household Members When Acting on Prisoner or Death Matches** for how to act on these cases.

Establishing a Secondary Cardholder or Authorized Representative

This policy does not apply to:

- Emergency authorized representatives.
- Households living in a facility.

If a household asks on the SNAP application (or in some other way) for an authorized representative to buy food for the household, tell the person who is interviewed that:

- The authorized cardholder will have complete access to all of the SNAP benefits in the household's account.
- The Department will not replace benefits used by the authorized cardholder.

- The primary cardholder must ask in writing by fully completing form **470-3983, Adding an EBT Cardholder**. The form must be:
  - Signed by both the primary cardholder and the secondary cardholder or authorized representative, and
  - Returned to the HHS local office.

Upon receipt of the completed form, issue an Iowa EBT card to the authorized cardholder.

Replacing Secondary Cardholders or Authorized Representatives

A primary cardholder can change authorized representatives or secondary cardholders at any time. Do not issue a card to the newly requested cardholder until the requirements under **Establishing a Secondary Cardholder or Authorized Representative** have been met.

If the primary cardholder wants the original cardholder to stay in place until the new cardholder is established, deactivate the original cardholder's Iowa EBT card when you put the new cardholder in place.

Authorized Representative's Request to Terminate

An authorized representative has the right to end the person's agreement to represent a household at any time. The authorized representative can deactivate the representative's own card by calling the EBT customer service number or by calling HHS.

If the authorized representative asks HHS to be removed as a cardholder, deactivate the person's card through EPPIC® entries.

If the household is not aware of the authorized representative's decision to stop representing the household, send a note to the household to ask if the household wants to designate a new authorized representative. Send the household a new form 470-3983, *Adding an EBT Cardholder*, in case the household needs a new authorized representative.

Disqualifying an Authorized Representative

Legal reference: 7 CFR 273.2(n)(4)(i)(C)

Disqualify an authorized representative who knowingly gives false information or improperly uses SNAP for up to one year. (This provision does not apply to facility authorized representatives.)

At least 30 days before the disqualification begins, send a written notice to the affected household and to the authorized representative. Include in the notice:

- The proposed action.
- The reason for the proposed action.

The household's right to request a hearing.

Replacement EBT Cards

There is no charge to the cardholder for replacement Iowa EBT cards and no limit on the number of replacements a cardholder can have. A cardholder can request a replacement card from the EBT customer service or from HHS. Do not refuse requests for a replacement card. If a cardholder requests a replacement, do not refer the cardholder to the EBT customer service to request the replacement card.

EBT customer service uses the information displayed on the EPPIC® system to verify a cardholder's identity. If a cardholder gives customer service information different than the information on EPPIC®, customer service will not replace the card. Example:

1. Household A has recently moved to another county. The cardholder gives customer service the new address when requesting a replacement card. HHS has not yet received or updated the address, so the information given by the cardholder and EPPIC® do not match. Customer service deactivates the lost or stolen card and refers the cardholder to HHS to get a replacement card.
2. Same as example 1, except that the household moves to Illinois. The response is the same. There is no prohibition against mailing EBT cards out of state.

If the SNAP case is open, update the information in ABC to reflect household changes. Issue a replacement card through EPPIC® entries.

ABC cannot be used to update information on EPPIC® when the SNAP case is closed. If the case is closed, update the information on ABC as appropriate. At the same time, update the information directly in EPPIC®. Issue the replacement card through EPPIC® entries.

Returned EBT Cards

Envelopes used to mail the EBT cards are printed with the return address of the EBT Contractor. Cards that are undeliverable will be returned to the EBT contractor and destroyed. The EBT contractor is responsible for handling the disposition of EBT cards returned to the EBT contractor. The HHS Central Office is responsible for handling the disposition of EBT cards returned to Central Office.

EBT Cards Returned to the Local Office

If someone other than law enforcement returns an Iowa EBT card, accept the card. See **Law Enforcement Returns a Card or Inquires About a Cardholder** if a law enforcement officer returns a card.

It is not necessary to write a receipt when an EBT card is received in a local office. Check the status of the card on EPPIC®. If the card is still active, cancel and destroy it.

Law Enforcement Returns a Card or Inquires About a Cardholder

Legal reference: 7 CFR 272.1(c)(1)(vi);(vii)

Law enforcement may come into possession of an EBT card in various ways. An EBT card could be found at or near the scene of a crime. Another person's EBT card could be in the possession of a person detained by law enforcement or found on a crime victim.

Law enforcement may request information about the cardholder or request the name of the cardholder. You cannot provide law enforcement with the name of a cardholder.

See **Confidentiality** for details about what information HHS can share with law enforcement. If a request from law enforcement exceeds the limits set under **Confidentiality**, refer the officer to submit their request to the Investigations Division of the Department of Inspections, Appeals, & Licensing (DIAL) at investigations@dia.iowa.gov.

If a law enforcement officer surrenders an Iowa EBT card to HHS, accept the card. Do not destroy the card.

If the card was returned as found, and it is not connected to a criminal investigation, follow the procedures under **EBT Cards Returned to the Local Office**.

If law enforcement indicates that the card is connected to a criminal investigation, immediately place the surrendered card in an envelope addressed to EFCB Bureau Chief, DIAL Investigations Division, 6200 Park Ave, Suite 100, Des Moines, IA 50321-1371.

Include a note with the card stating that law enforcement returned the card, when the card was returned, who returned it and any other pertinent information that may be of assistance to DIAL should law enforcement contact them for information about the cardholder. Immediately place the sealed envelope in the outgoing mail.

Reapplications for SNAP

If a household reapplies and you use the household's original ABC case number to act on the application, check to see if the same person is the household's grocery shopper. If so, and the person still has an active Iowa EBT card, do not issue another card. Issuing a new card will deactivate the card the person still has.

If the cardholder does not know if the card is active, check the card's status in the EPPIC® system. If the card is active, the cardholder can access the SNAP the morning after the ABC batch is passed to EPPIC® or when the benefits become available if held for later release.

If the same secondary cardholder or authorized representative still has an active card, do not issue another card. A new *Adding an EBT Cardholder*, form 470-3983, is not needed. Have the primary cardholder initial and date the original form to authorize leaving the second cardholder in place.

Deactivating an Iowa EBT Card

A cardholder can deactivate the cardholder's own card using EBT customer service or can ask HHS to deactivate the card.

Immediately act on all requests from a cardholder to deactivate a lost, stolen, or damaged Iowa EBT card. Also, immediately act on a primary cardholder's request to deactivate a secondary cardholder's or authorized representative's card. The request to deactivate a card does not need to be in writing.

Use EPPIC® to deactivate the card and issue a replacement if appropriate for the situation.

Never delay deactivating a card that is missing. The Department is liable for loss of SNAP from the time of the report of the missing card until it is deactivated. Do not refer someone back to the EBT customer service if the person calls HHS first to report a missing card. Deactivate the card through EPPIC® entries. Advise the person to call the EBT customer service right away the next time it happens.

If a cardholder leaves a voice mail message requesting the deactivation of a card, immediately upon retrieval of the voice mail, check EPPIC® to see if the card is still active. Do not assume that because the caller did not reach a person to ask for the deactivation that the caller took action to deactivate the card through EBT customer service. Deactivate the card through EPPIC® entries and issue a new one if appropriate.

Document the request for deactivation of the card, including the date of the request and the date and time the request was acted on.

EPPIC® tracks the date and time that cards are deactivated. Benefits accessed before the request to deactivate a card cannot be replaced. However, if a request is not timely acted on, benefits used by the secondary cardholder or authorized representative or a person who has unauthorized possession of a card during the delay may have to be replaced at the Department's expense. See **7-H, Request for Replacement of SNAP.**

An Iowa EBT card that is deactivated cannot be reactivated. If a cardholder finds a card that was reported as lost or stolen, it will not work.

Changes in Household Composition

Changes in a household's circumstances may affect who should continue to have access to the household's SNAP account. Changes in who should be a cardholder on a SNAP account need to be addressed on a case-by-case basis.

Follow normal policy when determining who is removed from the case and who will retain the case. If some members will retain the case for another program's benefits, those members should also retain the SNAP case. It also may be necessary to close the existing SNAP case and open new cases for newly created households.

When a Household Splits Up

It is up to the household to decide how to share the SNAP that was issued for the month in which the household split. If timely notice prevents removing members from a household until the following month, it is up to the household to decide how to share the assistance issued before members are removed.

If the primary cardholder is one of the members who will be removed from the case, a new head of household will be established on ABC. Issue an Iowa EBT card to the household's new primary cardholder. Issuance of a card to the new primary cardholder will automatically deactivate the original primary cardholder's card.

If the primary cardholder will retain the SNAP case, deactivate all Iowa EBT cards belonging to the members who will be canceled from the case.

Primary Cardholder Becomes Ineligible for SNAP

A cardholder's EBT card is still active even if the cardholder becomes ineligible for SNAP benefits and is removed from the case. Eligibility for benefits is not a consideration for determining who can be a cardholder. Do not deactivate a cardholder's card simply because the cardholder becomes an ineligible member.

Participant Use Of Benefits

The following sections explain:

- What SNAP can be used for
- Where SNAP can be used
- Penalties for misusing SNAP benefits
- Handling complaints of trafficking

What SNAP Can Be Used For

Legal reference: 7 CFR 271.2

SNAP can be used to buy all types of foods that are sold to be eaten at home. This includes snack foods, candy, ice, nonalcoholic beverages, soft drinks, and their bottle deposits. Tax cannot be charged on anything bought with SNAP.

SNAP can be used to buy meals served by meal providers if the meal provider is authorized to do so by FNS. Plants and seeds used to grow food can be purchased with SNAP.

SNAP cannot be used to buy foods that are already hot at the point of sale, foods meant to be eaten while the person is still in the store, vitamins, medicines, dietary supplements, pet foods, or any other nonfood item.

Where SNAP Can Be Used

Legal reference: 7 CFR 274.10(a-e), 278.1

SNAP can be used at any FNS-authorized retailer. Retailers that accept SNAP will display a sign. Retailers that may be authorized by FNS include:

- Bakery outlets
- Communal dining facilities
- Congregate meal sites
- Convenience stores
- Farmers markets
- Food cooperatives
- Grocery stores
- Group living arrangements
- Health food stores
- Meals on Wheels
- Meat markets
- Private nonprofit organizations or institutions providing drug and alcoholic treatment and rehabilitation programs
- Public or private nonprofit shelters that serve the homeless
- Roadside vendors
- Route sales
- Shelters for battered women and children
- Specialty stores such as pizza stores that prepare food to bake at home
- Stores that have food departments

Retailers Wanting to Accept EBT

Legal reference: 7 CFR 274.3

If a retail food store or other food vendor or provider asks about becoming authorized to accept SNAP, direct the establishment to the USDA website.

Penalties for Misusing SNAP

Legal reference: 7 CFR 271.5(a), (b) and (c); Sections 15(b) and (c) of the Food and Nutrition Act

Pursuant to Section 15(d) of the Food and Nutrition Act, the value of benefits provided through SNAP are an obligation of the United States within the meaning of 18 United States Code (USC) 8. The provisions of Title 18 of the United States Code, "Crimes and Criminal Procedure," relative to counterfeiting, misuse and alteration of obligation of the United States are applicable to EBT.

Per federal law, any unauthorized issuance, redemption, use, transfer, acquisition, alteration, possession, or presentation of coupons or authorizations to purchase food may subject any individual, partnership, corporation, or other legal entity to prosecution under Sections 15(b) and (c) of the Food and Nutrition Act or under any other applicable federal, state, or local law, regulation or ordinance.

People found guilty of an offense may be subject to fines and/or imprisonment. In addition to fines and imprisonment, the court may suspend any persons convicted of a felony or misdemeanor violation under either section from participation in SNAP for an additional period of up to 18 months.

Handling Complaints of Trafficking

Under federal law, trafficking is the buying, stealing, or selling of EBT cards. This includes trading benefits for firearms, ammunition, explosives, controlled substances, or anything other than eligible food.

If you receive a complaint regarding selling, buying, or trading of EBT cards, refer the complaint to DIAL using form **470-5130, DHS Investigative Referral to DIA**

Participants In Drug and Alcohol Treatment Centers, Battered Women and Children Shelters, Homeless Shelters, or Group Living Arrangements

Legal reference: 7 CFR 273.11(e)(f)(g)(h)

People residing in the following types of centers may be eligible for SNAP:

- An approved drug or alcohol treatment program, and their children.
- An approved shelter for battered women and children.
- A public or private non-profit shelters for homeless persons.

The special procedures in this section for residents in shelters for battered women and children apply to persons living in private or public non-profit residential facilities that usually serve meals.

Shelters that do not serve meals as part of their normal services are not classified as institutions and may participate in SNAP as individual household units or as part of a group of individuals like any other household. They are not subject to the provisions described in this section.

Facility as Authorized Representative

Residents, and their children, of drug/alcohol treatment centers apply for, purchase, and use SNAP benefits with the facility acting as their authorized representative. Facility residents who are not regularly participating in a drug/alcohol treatment/rehabilitation program are not eligible under this provision to participate.

Residents in shelters for battered women and children may apply for benefits, receive EBT cards, and use the allotment on their own behalf. The facility does not have to be the authorized representative, unlike drug/alcohol treatment centers.

Homeless households may use their benefits to purchase prepared meals from homeless meal providers. Homeless meal providers may not act as authorized representatives for homeless recipients.

Approved Centers

Residents of drug or alcohol treatment and rehabilitation centers may be eligible for SNAP, regardless of whether or not the facility is an authorized retailer. If the center is an authorized retailer, no further verification of the facility's licensing is required.

If the center is not an authorized retailer, you must ask for verification that the facility is a nonprofit organization. If the facility is nonprofit, a current, valid Internal Revenue Service exemption must be provided for verification. Normally, the licensing agency determines the nonprofit status of the facility, and this determination can be used as verification.

Shelters for battered women and children must be public or private nonprofit residential facilities that serve battered women and children. If a facility serves other persons, part of the facility must be set aside on a long-term basis to serve only battered women and children.

To be eligible while living here, the center must either:

- Be an authorized retailer, or
- Have a status as a nonprofit organization. If they do, they should have a current certificate from the IRS.

Shelters for the homeless must be approved (licensed/certified) by an appropriate State or local agency or must be authorized by FNS as a retail food store. Such meal providers must be public or private nonprofit organizations as defined by the IRS and must serve meals that include food purchased by the provider.

Processing Participant Applications

Normal processing standards for eligibility decisions, acting on reported changes, and normal verification and documentation requirements apply to residents of these centers. For residents who meet emergency service criteria, you must ensure benefits are available no later than the seventh calendar day after the application date.

In addition to the normal processing standards, residents of these centers have the additional considerations listed below:

- Residents of treatment centers, if otherwise eligible and have no children residing in the center with them, must be certified for program participation as one-person households. If the child(ren) of the resident resides in the treatment center with them, the child(ren) must be certified as household member(s) in the resident's household.
- Residents of battered women and children's shelters may apply on their own or use the shelter or other person as an authorized representative.

  These shelter residents may have left a household that includes the person who abused them. The former household may already be certified for benefits and its certification may be based on a household size that included the woman and children who left. An application from a shelter resident who received benefits as a member of their former household may be certified as a separate household. The allotment would be based on the new household size.

  You must take action to ensure those household members are removed from the former household's benefits.

Special Conditions for Drug and Alcohol (DAA) Treatment Centers

When an individual residing at a DAA applies for SNAP, the application and benefits should be handled as follows:

- The center must apply on behalf of the residents.
- The center must receive the EBT card and training.
- The center may buy and prepare food for eligible residents on a group basis, or buy meals delivered to the individual residents.
- Both the resident and authorized representative should sign the application form
- The facility acting as authorized representative is liable for any misrepresentation or fraud which it knowingly commits in the certification of participants it is representing. Therefore, the facility must be knowledgeable about household circumstances and should review those circumstances with the participants before applying for benefits on the participants' behalf. The facility is responsible for:
  - Reporting required changes in participants' circumstances,
  - All losses or misuse of benefits held on behalf of participants, and
  - All over-issuances which occur while the participant is a resident of the facility.

Staff should report incidents of suspected misuse or misappropriation of benefits to Central Office staff for follow up with USDA. If the facility is disqualified by USDA as a retailer, or loses its license or certification, it may not serve as an authorized representative.

Residents Leaving DAAs

DAAs that have the household's EBT card must provide departing residents with their EBT card. If the resident leaves the center prior to the 16th of the month, the center must ensure that the household has at least one half of its monthly allotment available in the account.

If the household leaves without notifying the facility, the facility must send the household's EBT card to HHS FFWS/EBT 321 E. 12th St., Des Moines, IA 50319

By the 5th of each month these treatment centers are required to email a list to the Economic Assistance Unit of:

- Current residents and
- Residents who left the center in the past month.

These changes are sent to local offices for appropriate follow-up with the household regarding changes to their situation such as address, shelter and utility expenses, and household composition.

Group Living Arrangements

Legal reference: 7 CFR 273.11(f)

Residents of a group living arrangement may qualify for SNAP only if:

- The facility is a nonprofit agency that is licensed under regulations issued under section 1616(e) of the Social Security Act (or comparable standards) to serve no more than 16 total residents under a single license or certification, and
- The resident either is disabled or is a veteran or a surviving spouse of a veteran, as described below.

The only Iowa facility authorized as a group living arrangement is Mainstream Living in Des Moines. If a facility claims to be authorized as such, contact SPIRS.

Residents of Group Living Arrangement

After moving into a group living arrangement, a participant can continue to receive SNAP without an authorized representative if mentally and physically able to conduct business. If the facility determines that the person is mentally or physically incapable of handling the person's own affairs, the resident can continue to receive SNAP with a facility authorized representative.

Residents of group living facilities may apply for SNAP:

- For themselves, if the facility says they are physically and mentally able to handle their own affairs, or
- Through an authorized representative of their choosing, or
- Through a facility employee designated to act as the authorized representative for residents who are physically or mentally unable to apply for themselves. When the facility employee applies on behalf of a resident, the facility has determined the resident cannot apply independently.

A resident of a group living arrangement is always considered as a household of one when an employee of the group living arrangement is the resident's authorized representative. This is true even when the group buys and fixes food together.

If residents **are not** certified using the facility's employee as an authorized representative, the resident's household size is determined according to the policies in **7-C, Household Composition**.

Residents Who Do Not Use a Facility Authorized Representative

When the resident uses an authorized representative that is **not a facility** employee the resident may:

- Receive the EBT card; or
- Request that the authorized representative receive an EBT card or
- Receive an EBT card and also request one for the authorized representative.

Facility Responsibilities and Authorized Representatives

It is the responsibility of the facility to:

- Appoint employees to act as authorized representatives for residents.
- Monitor facility employees to ensure that no resident's SNAP is misused.

When a resident must have a facility employee to act as the resident's authorized representative, or chooses to use the facility authorized representative, the facility authorized representative must:

- Complete and sign the SNAP application.
- Report to HHS any changes in certified residents' circumstances according to the residents' reporting requirements.
- Report the loss of an EBT card immediately.
- Report any overissuance or misuse by facility employees of a resident's SNAP within ten days of occurrence.

The authorized representative or designated employee can use a resident's SNAP only for:

- Buying food for the resident.
- Buying delivered meals for the resident.
- Buying food to be served to the resident.

Use of SNAP

Group living arrangements are responsible for monitoring facility employees' actions in handling residents' SNAP when a facility employee is the residents' authorized representative.

When the facility employee is chosen by the resident or is required to be the resident's authorized representative:

- The facility can allow the residents to have and use their own EBT cards. The facility staff can assist residents in using their own cards. This option may be preferable for facilities that take residents on outings and help them shop for items of their choosing.
- The facility authorized representative can designate the resident's counselors, caretakers, or attendants to use the resident's own card and PIN for the resident. This option may be preferable for facilities that have residents who occasionally can go shopping or can demonstrate food likes and dislikes.
- The authorized representative can choose to receive a card on a resident's EBT account. With this option, do not also issue EBT cards to the residents in this situation unless the authorized representative requests it.

  This option may be preferable for facility residents who are not able to go on facility-initiated shopping trips or can't indicate food preferences so staff can shop for special items for them.

Resident Moves Out

When **any** resident receiving SNAP moves out of the facility, the facility authorized representative must:

- Notify HHS immediately; and
- Make the recipient aware of the reporting requirements for the program.

When a facility-designated authorized representative has their own EBT card to purchase food to be served to the resident, the authorized representative must return that EBT card to the local HHS office within three working days of the date the resident left.

Residents are entitled to the following amount of SNAP when they leave the facility:

- When a resident leaves before the 16th of the month, the resident is entitled to:
  - At least one-half of the allotment issued for that month, or
  - All of the unspent SNAP if less than half has been spent.
- When a resident's allotment was issued as a combined allotment, and the resident leaves before the start of the second month, the resident is entitled to all of the second month's SNAP. Examples:

1. Resident A receives $141 for April's allotment. Resident A moves out of the facility on April 14. Resident A's EBT account must have at least $70.50 left on the day of departure.
2. Resident B receives a combined allotment of $70 for March and $141 for April. Resident B moves out of the facility on April 12. Resident B's EBT account must have at least $70.50, one-half of the April assistance ($141 ÷ 2 = $70.50), left on the day of departure.
3. Resident C receives a combined allotment of $70 for March and $141 for April. Resident C moves out of the facility on March 29. Resident C's EBT account must have at least $141 (the entire amount of the April allotment) left on the day of departure. Also, any portion of the March allotment that was not accessed before the resident's departure must remain in the account.

Management Evaluation

Legal reference: 7 CFR 275.2 and 275.5

Management evaluation (ME) reviews are conducted to measure compliance with state manual policy, the SNAP state plan of operation, and any other USDA approved SNAP plans. The Bureau of Quality Assurance & Improvement completes the ME reviews.

The objectives of management evaluation as identified in regulations are to provide:

- A systematic method of monitoring and assessing program operations by field eligibility teams.
- A basis for field eligibility teams to improve and strengthen program operations by identifying and correcting deficiencies.

- A continuing flow of information between the field eligibility teams, Central Office, and FNS, necessary to develop the solutions to problems in program policy and procedures.

Federal regulations require that state agencies conduct reviews in a manner that will best measure compliance with each program requirement. Review procedures must be adequate to identify problems and the causes of those problems. Because the operational structure of field eligibility teams may differ, the procedure used to review these teams may also differ.

Local Office Responsibilities Relating to Management Evaluation

Legal reference: 7 CFR 275.5

The local office shall:

- Respond to data and case sampling requests.
- Make required adjustments, if any, to individual cases under corrective action.
- Submit a corrective action plan through the Eligibility Determination Manager (EDM) in response to the management evaluation report and recommendations. The corrective action plan will:
  - Describe corrective actions already taken and corrective actions planned for deficiencies cited in the management evaluation report.
  - Give time frames for any actions still to be implemented.

Management evaluation staff then reviews the response and requests further information or action when appropriate.

IOWA | Health and Human Services

Employees' Manual
Title 7, Chapter B

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SNAP Application Processing

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Overview

To apply for Supplemental Nutrition Assistance Program (SNAP), a household must file and complete an application, be interviewed, and verify certain information. This chapter covers the mechanics of the application process, emergency service, and processing standards. This chapter also provides information on authorized representatives, household reporting methods, and verification requirements.

Filing a SNAP Application

Legal reference: 7 CFR 273.2(a)-(c), 441 IAC 65.2(234)

Anyone can apply for assistance from the Department of Health and Human Services (HHS). The application process starts when a person files a valid application in an HHS local office. A valid application has a name, address, and signature.

Households can file an application at any HHS local office in Iowa. Households can apply either in person, through the mail, by fax, or electronically. Applications that are filed electronically or that are signed and then are faxed or are scanned and e-mailed do not have to be signed again. This includes applications signed by telephonic signature through the Iowa Food Bank Association.

Note: If an applicant prints a paper application and types information into it, the signature cannot be typed. This is different than an electronic signature because the client is not provided with the appropriate legal language to constitute a valid signature. If someone submits an application with a typed signature, you do not have a valid application. However, it would be good customer service to reach out to the client to give them an opportunity to add a hand-written signature to the form. If they do so, the application is valid from the date you receive the signed form.

Households can apply for SNAP using the *Food and Financial Support Application*, form 470-0462 or 470-0462(S). Applying through the self-service portal also constitutes completion of this application.

Tell clients applying for FIP that the requirements of applying for cash assistance do not apply to SNAP. Also inform households that getting SNAP benefits has no bearing on any other program's time limits.

To continue getting SNAP when the current certification period is about to end, a household must complete form 470-2881, *Review/Recertification Eligibility Document* (RRED), within 30 days after the end of the certification period.

The following sections explain procedures for:

- Handling a request for an application
- Determining the date of application
- Notifying and screening for emergency service
- Withdrawal of an application

Handling a Request for an Application

Legal reference: 7 CFR 273.2(c)(3) and (5)

Policy: Application forms must be available to anyone who wants one.

Procedure: Give an application to anyone who asks for one. Give form RC-0023 or RC-0023(S), *Things You Need to Give Us for SNAP*, with each application form.

Tell everyone who asks about applying for SNAP that:

- The application can be submitted on line, by mail or fax, or in person at the local HHS office. Offer to give or send out an application form that same day.
- An application should be submitted right away. The first month's benefits start from the date the office gets the application.
- Just the applicant's name, address, and signature blanks need be completed to turn in the application. Items left blank will need to be filled in later.
- A member of the household or authorized representative must be interviewed. Put a phone number on the application where the household can be reached for a telephone interview.
- Emergency service may be available. Go to Determining Eligibility for Emergency Service for details.
- After turning in an application an eligible household will get benefits within:
  - 7 days if eligible for emergency service.
  - 30 days if not eligible for emergency service.

Date of Application

Legal reference: 7 CFR 273.2(c)(1) and (2)

Policy: A SNAP application must be date-stamped when an HHS local office receives it. The date-stamp establishes the application's "filing date." The filing date is the first date for which an applicant can receive SNAP benefits based on a valid application. See Filing a SNAP Application for what is a valid application.

Procedure: Date-stamp applications delivered to an open HHS office with the same date on which a valid application is delivered.

Date-stamp applications delivered to a closed HHS office with the date of the next HHS full-time office workday.

When an application is left at a less-than-full-time office while it is closed, date-stamp it as received on the first day that is not a weekend or state holiday following the date that office was last open.

An electronic application is considered delivered to an HHS office when it is received by HHS. All electronic applications received by HHS while full-time offices are open must be date-stamped with the same date on which the application is received. All electronic applications received by HHS while full-time offices are closed must be date-stamped with the date of the next HHS full-time office workday.

Comment: If a household used the wrong application form to apply for SNAP, the date that form is date-stamped is the filing date. The household still must complete the correct application form to get benefits.

1. County A has a less-than-full-time office that is open only on Mondays and Wednesdays. The office was last open Wednesday, April 24. When the office reopens on Monday, April 29, all applications left under the door between the close of business April 24 and opening of business April 29 must be date-stamped as received on April 25.
2. HHS receives an electronic application on Sunday. Monday is a state holiday. When HHS full-time offices open Tuesday, the application is date-stamped as received Tuesday.

Notifying and Screening for Emergency Service

Legal reference: 7 CFR 273.2(i)(2)

Policy: Notify all applicant households about emergency service criteria. Screen all SNAP applications immediately upon receipt to determine if the household may be eligible for emergency service.

Procedure: You may notify households using an application insert or using your appointment letter.

- If your office chooses to notify by application insert, include:
  - Comm. 084, *Information on Emergency Service* with every English application, and
  - Comm. 084(S), *Informacion Sobre El Servicio De Emergencia* with every Spanish application.

- If your office chooses to notify by appointment letter:
  - The appointment letter must have a section on the front with the following wording:

    > Emergency Appointment: _____yes _____no
    > (See the attached information on emergency service.)

    Check "yes" or "no" to tell the household whether it may be entitled to emergency service.
  - You also must send the information about emergency service by:
    - Enclosing Comm. 084 or Comm. 084(S), or
    - Copying the Comm. 084 or Comm. 084(S) content on the back of the letter.

A receptionist, a volunteer, or any other employee shall screen to see if the household may be eligible for emergency services whenever:

- Someone comes into the office to apply, or
- One of the following applications is filed:
  - *Food and Financial Support Application*, form 470-0462 or 470-0462(S).
  - *Review/Recertification Eligibility Document* (form 470-2881), if filed **after the end** of a certification period.

Use the criteria under Determining Eligibility for Emergency Service to make this determination.

Comment: See Emergency Service for information on processing requirements for a household eligible for emergency service. Note that when you schedule the interview, keep in mind you have only until the seventh calendar day after the application was filed to:

- Interview the household,
- Approve benefits, and
- Have an electronic benefit transfer card in the household's hands.

Withdrawal of Application

Legal reference: 7 CFR 273.2(c)(6)

Policy: A household may voluntarily withdraw its application any time before eligibility is determined.

Procedure: When a household withdraws an application:

1. Contact the household to confirm the withdrawal.
2. Document in the case file the contact and the reason for withdrawal if the household gave a reason.
3. Issue a *Notice of Decision* denying the application.
4. Tell the household it can reapply at any time. If the household wants the application form back, make a copy for the case file and give the original to the household.

NOTE: Workers cannot make an eligibility determination prior to gathering all necessary verifications and making a formal eligibility determination. Therefore, workers cannot advise a client to withdraw an application or tell a client prior to their formal determination if they will or will not be eligible for SNAP benefits.

Authorized Representative

Legal reference: 7 CFR 273.2(n)

Policy: A household may name an authorized representative:

- When it completes the application for SNAP, or
- At a later date.

See 7-A, *Authorized Representative*.

If an authorized representative applies on behalf of a household, the household must still sign the application. This is where they are attesting to the accuracy of the information provided. The authorized representative should sign the application in the space allocated for a person who assisted in completion of the application.

In extreme situations in which the applicant cannot sign, such as due to incompetence or incapacity:

- The case should be documented with the reason why the household was unable to sign, and
- The household should be notified that it will be held liable for any overpayments resulting from erroneous information given by the authorized representative.

Legal guardians are different than authorized representatives. If somebody has a legal guardian, the guardian has been court appointed to act on behalf of that person. If legal guardianship has been established through the court, the signature of the guardian on the application is sufficient.

Interviews

Legal reference: 7 CFR 273.2(e)(1) and (3), 273.12(a)(3), 273.21(g)

Policy: All households must have an interview before being certified. Schedule a phone interview unless:

- You determine that a face-to-face interview is appropriate, or
- The household requests a face-to-face interview.
- Complete a home-based interview only upon request from the household when a hardship exists.

Schedule all interviews so that eligible households receive SNAP within:

- Seven days after they apply if identified as eligible for emergency service, or
- 30 days after they apply.

Procedure: Upon receipt of an application, attempt to contact the household by phone. If you make contact and they agree to do the interview immediately, do it then.

If contact isn't made with the household during the initial call:

- Schedule a phone interview by leaving the standard voicemail message at the phone number they provided.
- Give the household at least 24 hours advanced notice of the interview. For example, a worker calls a client at 10:30 a.m. on Monday but doesn't make contact and leaves a voicemail to schedule an interview. That interview can't be scheduled before 10:30 a.m. Tuesday.
- The timeframe for interviews cannot exceed a two-hour window of time. For example: 8 a.m. to 10 a.m.
- Document the specific date and time of the scheduled interview in WISE.

If the household doesn't have a phone, or a voicemail message can't be left at the phone number provided, an appointment letter must be mailed within one business day.

If a worker fails to attend an interview they scheduled with a household, the worker must schedule another interview and follow the same requirements for scheduling initial interviews. For example, a worker has a scheduled interview on Monday between 1-3 p.m. The worker is running behind and isn't able to call the household until 3:15 p.m. The calls to the household go to voicemail. In this situation, the worker needs to schedule another interview with the household, following the same requirements as initial interview scheduling. The worker cannot send a NOMI because the worker failed to attend the scheduled interview.

Comment: The interview is an official and confidential discussion of household circumstances. Don't send a request for verification prior to the interview. The purpose of the interview is to obtain the details of the household's situation so eligibility can be determined. After the interview, you will know what verification is needed.

The following sections explain:

- Standard voicemail messages
- How to conduct interviews
- Voter registration procedures during the interview
- Failure to attend the interview

Standard Voicemail Messages

There are two approved messages to leave on voicemail when scheduling an interview. The messages differ depending on whether a household qualifies for emergency services.

Non-Emergency Applications

"This is (worker name) with the HHS calling for (client name). A phone interview is required for your SNAP/FIP application. I will call you on (day of the week and date) between (two-hour timeframe) to hold the interview. If I can't reach you, your application may be denied. If this time does not work for you, please call me immediately so we can reschedule. Thank you."

REMEMBER: When calling for the scheduled interview, two attempts must be made (at least five minutes apart) and document before issuing a *Notice of Missed Interview (NOMI)* (522).

Emergency (Use only if interview must be completed the same day to meet timeframes.)

"This is (worker name) with the HHS calling for (client name). A phone interview is required for your SNAP application. From the information on your application, it looks like you may be eligible for Emergency SNAP. Please call me back today by 3:30 p.m. at (worker phone number) to complete your interview. If I don't hear from you by 3:30 p.m., I will call you on (the next business day) between (two-hour timeframe). If I can't reach you, your application may be denied. If this time does not work for you, please call me immediately so we can reschedule. Thank you."

REMEMBER: When calling the following day for the scheduled interview, two attempts must be made within the scheduled interview window (at least five minutes apart) and document before issuing a *NOMI* (522).

Conducting an Interview

Legal reference: 7 CFR 273.2(e)(1), 273.21(c), 273.12(b)(1)

Policy: An interview is required even if the application indicates that the household may be ineligible. The person interviewed can be the head of the household, the spouse, any responsible member of the household, or an authorized representative. Applicants may have anyone they want present during the interview.

Procedure: Call the applicant during the scheduled interview window. If there is no answer, wait at least five minutes and call again before issuing the required NOMI (522). You must document the specific date and times you attempted to reach the applicant.

- Review with the applicant all information and questions on the application.
- Ask if changes in household circumstances happened between the application date and the interview.
- Using the application, information gathered before the interview, and information learned during the interview, resolve any unclear, inconsistent, or incomplete information with the household.
- Explain:
  - Rights and responsibilities.
  - Electronic Benefit Transfer (EBT) and what is not allowable for purchase with EBT. See 7-A, *Participant Use of Benefits*.
  - How long it takes to process the application.
  - Prospective budgeting.
  - Reporting requirements and tell the household they will receive form 470-2960 or 470-2960(S), *Reporting SNAP Changes*, with the gross income limit that applies to the household.

For face-to-face interviews, you must also document whether it was the decision of the applicant or worker to conduct the interview in person.

Document the type of interview that is conducted on the Automated Benefit Calculation (ABC) system TD02 screen. See 14-B(5) for instructions.

Provide the client a copy of the pamphlet, Comm. 51, *Information Practices*, at time of application or interview and whenever the clients request it.

Failure to Attend the Interview

Legal reference: 7 CFR 273.2(e)(3)

Policy: If the household fails to attend the scheduled interview, notify the household that it missed its scheduled interview and that it is responsible for rescheduling.

Procedure: Give the household five additional minutes beyond the time scheduled regardless of if you are calling the household or they are required to call you.

If the household fails to attend a scheduled interview, send the **Notice of Missed Interview (NOMI)** (522) immediately and deny the application on the 30th day following the date of application. When the 30th day falls on a weekend or holiday, make system entries on the next working day. See Denying an Initial Application for additional information.

If the household contacts you in the 30-day application-processing period to pursue the application, you must schedule a second interview.

Voter Registration Procedures

Legal reference: 721 IAC Chapter 23

Policy: The Department is responsible for helping clients fill out **Voter Registration** forms and for mailing the forms to the county election office. All applications and RREDs include the website where clients can complete the **Voter Registration** form online and to contact their local office for more information about registering to vote.

Procedure: During an interview, ask the client if they want to register to vote. If they want to register and haven't filled out the voter registration form, answer the questions with them and mail the form for their signature. Be careful when helping the client that you do not influence the client's voter registration options in any way. No follow-up is necessary after the form is mailed.

Review the client's rights as listed on the form. If the client chooses not to check "yes" or "no," leave the section blank and consider that the client has chosen not to register to vote. If the client chooses not to sign the form, print the client's name and the date where indicated, and initial the form.

If there isn't an interview, and the client indicates they would like to register to vote on the electronic application, mail the form to the client and document your actions.

A voter registration form must be issued when a client reports an address change within Iowa.

See 6-Appendix for a copy of the **Voter Registration** form and office procedure instructions regarding processing the forms.

Household Reporting Requirements

Legal reference: 7 CFR 273.12(a)(vii), 273.12(a)(viii), and 441 IAC 65.5(234)

Policy: There are three changes a household must report while certified. These changes must be reported by the 10th day of the month after the month in which they occur. A household must report when:

- Its total gross income goes over the gross income limit for the household's size, or
- An able-bodied adult without dependents (ABAWD) stops working 80 hours, or
- Anyone in the household receives lottery or gambling winnings of $4,500 or more.

Once the household is informed of their reporting requirements during the interview, these are the requirements they must adhere to. This means households are not required to report changes that occur after the interview but prior to processing unless the change meets one of the requirements above. If the household does report a change prior to processing, the change must be acted on.

Procedure: At each interview, explain to the household how and when to report required changes. Tell the household that it must report these changes by the 10th day of the next month.

Explain this to the household every time you interview, at least once every 12 months. Explaining this carefully, whether you interview by phone or in person will help avoid household caused errors.

When conducting the interview:

- Explain what "gross income" is. Do not assume that everyone understands the difference between take-home pay and gross income. Explain that "gross" means the amount before any deductions are taken out. Repeat this point each time you interview.
- Tell the person you interview to keep the form, *Reporting SNAP Changes*, and to do the following at the end of each month:
  - Add up the gross income all household members received in the month. Make sure the household understands to include the income of the ineligible members, such as ineligible aliens.
  - If the household has self-employment income, explain that the amount of annualized income will be automatically entered on the form, and that amount must be added to other income.
  - Compare the household's total gross income for the month to the amount on the form.

- If the household's total gross income is over the amount on the form, report it by the 10th of next month.

Reporting Requirements for Categorically Eligible Households

Legal reference: 441 IAC 65.5(4)

Policy: Do not require categorically eligible households to report any income changes if the household reported income in excess of its gross income limit and remained eligible. Take appropriate action on all reported changes.

Comment: A categorically eligible household that reports income in excess of its gross limit is not required to report further income changes until recertification. This includes households that are over the gross limit at the time of application.

Tell the person you interview that:

- The household may report changes other than income if it wants to, and that appropriate action will be taken on all reports of changes, based on policies for acting on changes in 7-G.
- There are consequences if the household does not report if it goes over the limit:
  - The household might have to repay benefits if they do not report as required.
  - Not reporting changes on purpose could result in an Intentional Program Violation (IPV).
  - Quality Control might review the case to see if the household reported if it went over the gross income limit.

Verification

Legal reference: 7 CFR 273.2(f)(4), (5), and (6)

Verification is third-party information or documentation that confirms the accuracy of statements on the application. There are four sources of verification:

- Documentary evidence
- Collateral contacts
- Home visits
- The state Income and Eligibility Verification System (IEVS)

Households must verify certain eligibility factors to get SNAP. More specific verification information and requirements are in 7-C, 7-D, 7-E, 7-F, and 7-G. The household has the primary responsibility to explain its situation and provide documentary evidence to support its statements on the application. The household must also resolve any questionable information.

Document everything that supports the decision about the household's eligibility and benefit level. Your documentation needs to contain enough detail so that anyone reading it can understand what was decided and why. Documentation helps to support a decision and may point out inconsistencies in information given by the household.

Accept any reasonable documentary evidence from the household. Information from another source may disagree with statements made by the household. Give the household 10 days to resolve any discrepancy before determining eligibility or the benefit level.

When you request additional information from the household, document the date of the request, what information was requested, and the due date given to the household. You cannot cancel or deny a household for failure to provide information if the request is not documented in the case record, or if the household was not given 10 full days to provide verification.

Help the household get verification if the household asks for help. Do not deny or cancel the household when a person outside the household fails to provide information. For this policy, the following people are considered to be inside the household:

- An ineligible alien
- An ineligible student
- A SSI recipient in a cash-out state
- A person disqualified for intentional program violation
- A person disqualified for refusing to comply with a work requirement
- A person disqualified for failing to provide a social security number
- A person disqualified for failing to respond to a NAC match at application, RRED, or when adding a household member
- A person who is a probation or parole violator, or a fleeing felon
- A person who is ineligible for failing to meet the work requirements for people aged 18 to 50

The following sections explain:

- Documentary evidence
- Collateral contacts
- Home visits
- IEVS
- Mandatory verification at application

Documentary Evidence

Legal reference: 7 CFR 273.2(f)(4)(i)

Documentary evidence is a written confirmation of a household's circumstances. Wage stubs, utility bills, and rent receipts are examples of documentary evidence. Do not limit the form of verification to any single type of document.

Use documentary evidence as the main source of verification for everything except residency and household size. Use a collateral contact for these two items if documentary evidence is not readily available.

Collateral Contacts

Legal reference: 7 CFR 273.2(f)(4)(ii)

A collateral contact is an oral confirmation of a household's circumstances by someone outside the household. Use collateral contacts in situations where documentary evidence is not available or when the evidence is not complete enough to decide eligibility or the amount of benefits. Make collateral contacts either in person or over the telephone.

Select a collateral contact if the household does not choose one or chooses one that is unacceptable. Examples of acceptable collateral contacts are employers, social service agencies, migrant service agencies, neighbors of the household, or anyone who can be expected to give accurate third-party verification.

When talking with collateral contacts, disclose only the information necessary to get the verification. Avoid disclosing that the household has applied for SNAP. Do not suggest that the household is suspected of doing anything wrong. See **7-A, Confidentiality** for restrictions for disclosing household information.

Home Visits

Legal reference: 7 CFR 273.2(f)(4)(iii)

Use home visits as verification only when documentary evidence cannot be obtained, or when the evidence is not enough to make a determination of eligibility or benefit level. You must schedule the home visit in advance with the household.

State Income and Eligibility Verification System (IEVS)

Legal reference: 7 CFR 273.2(f)(7), 7 CFR 273.2(f)(9), 441 IAC 65.51

Through the State Income and Eligibility Verification System, state and federal agencies exchange computerized information. HHS exchanges information with the Social Security Administration, the Internal Revenue Service, and the Iowa Department of Employment

Services. SSI is verified through the State Data Exchange (SDX) or the Wire Third-Party Query System (WTPY). See 14-G, *Exchange of Data with Other Agencies* for further information on IEVS.

IEVS Information Considered Verified

Legal reference: 7 CFR 273.2(f)(9)(iii)

Social security benefits and unemployment insurance benefits are automatically verified when reported through IEVS. Further verification is not needed.

If other verified information about a person's Social Security, SSI, or unemployment benefits differs from IEVS data, resolve any discrepancy before eligibility or benefit levels are determined. When IEVS information does not affect eligibility or benefits, make a notation on the report and file it in the case record.

If you get IEVS information during the application process, use it to determine eligibility and benefits. Make a decision without IEVS information if waiting for it will cause you to go past the processing time limits.

IEVS Information Not Considered Verified

Legal reference: 7 CFR 273.2(f)(9)(iv)

The following information is available through IEVS, but is **not** automatically verified and is not to be used to determine eligibility and benefits:

- Unearned and earned income information from the Internal Revenue Service.
- Wage and pension information from Social Security Administration, the Iowa Department of Workforce Development, and any source in IEVS that is questionable.

These are indicators of income. Request verification of this information if it might affect eligibility or benefits and is not already verified.

Mandatory Verification at Application

Legal reference: 7 CFR 273.2(f)(1) and (f)(8)(i)(A), 441 IAC 65.19(14), 65.22(1), 65.26(3)

Verify the following at application if not previously verified or if previously verified, but now questionable. (See 7-B, *Questionable Information*.)

To verify:	Refer to:
Alien status	7-I, *Alien Status Verification Requirements*
Deductible expenses	7-E, *Deduction Verification Requirements*
Disability	7-B, *Verifying Disability*
Gross nonexempt income	7-E, *Income Verification Requirements*
Identity	7-B, *Verifying Identity*
Residency	7-C, *Residency*
SNAP duplicate assistance check	7-C, *Duplicate Assistance*
Social security number	7-C, *Verifying a Social Security Number*

The following sections give instructions on:

- Verifying identity
- Verifying disability
- Questionable information

Verifying Identity

Legal reference: 7 CFR 273.2(f)(1)(vii)

Verify the identity of the person applying for SNAP. When an authorized representative applies for the household, verify the identities of both the authorized representative and the head of the household.

If identity has previously been verified, verify it again only if it is questionable.

Accept any document that reasonably verifies identity. Some of the most common forms of identity verification include:

- Driver's license.
- Work or school ID.
- Social Security card.
- ID for health benefits.
- Voter registration card.

- Wage stubs.
- Birth certificate.
- Collateral contacts.

Verifying Disability

Legal reference: 7 CFR 273.2(f)(1)(viii)

Verify the disability of a household member. See **7-A, Disabled Member** for requirements for a determination of disability.

Households can verify disability by providing proof that they get benefits:

- Under Titles I, II, X, XIV, or XVI of the Social Security Act.
- From a Railroad Retirement disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare.
- As interim assistance pending for receipt of SSI or disability-related Medicaid.
- From the Veterans Administration (VA) that shows the person is:
  - A veteran receiving disability benefits from a disability (service-connected or non-service-connected) that is total or paid at the total rate from the VA, or
  - A disabled surviving spouse or disabled child of a veteran entitled to compensation or pension benefits due to the death of the veteran.

Questionable Information

Legal reference: 7 CFR 273.2(f)(2)(i)

Verify all factors of eligibility that are questionable if they affect the household's eligibility and benefit level. Examples of questionable information are:

- Information on the application that differs from statements made by the applicant.
- Information that is inconsistent with other information on the application or previous applications.
- Information that is inconsistent with information received from other sources.

When deciding if information is questionable, look at each household's individual circumstances, and allow the household a chance to explain the situation. Do not deny eligibility solely because information is questionable.

For example, if expenses exceed income, do not automatically deny an application. Give the household the opportunity to explain the situation. If the household cannot provide a reasonable explanation, ask for further verification of how the household is paying its bills. If the household does not provide the requested verification, deny or cancel assistance.

Processing Standards

Legal reference: 7 CFR 273.2(g)

Regulations require that applications be processed within a certain amount of time. Calculate this length of time from the date the household files an application. The first day of the processing period is the first calendar day after the date the application is filed.

All households eligible under emergency processing timeframes must have an EBT card and access to their SNAP benefits within seven calendar days of the date of their application. Allow two days for mail delivery when determining what date you must make system entries in order for the household to get benefits within seven calendar days. See Emergency Service.

All other eligible households must have an EBT card and access to their SNAP benefits within 30 days of the date of their application. Allow two days for mail delivery when determining what date you must make system entries in order for the household to get their benefits within 30 calendar days.

Households applying for recertification also have different processing time limits. See **7-G** for more information on these policies.

The following sections describe the requirements for:

- Approving an initial application
- Denying an initial application
- Dealing with delays in processing an application

Approving an Initial Application

Legal reference: 7 CFR 273.2(g)(1), 274.2(b)

Issue form 470-0485, 470-0486, or 470-0486(S), *Notice of Decision*, when approving an application. The notice must:

- State the amount of the allotment for the month of application and the current month.
- Indicate the amount of the allotment for the rest of the certification period.
- State the beginning and ending dates of the certification period.
- Contain information on how benefits were calculated.
- Inform the household that the amount of SNAP will vary if changes are anticipated at the time of certification.

If a household is ineligible for the month of application but eligible for following months, the notice must explain why. The notice must give the same information if benefits are approved for the month of application but denied for the next month. The notice must also include an explanation of the household's appeal rights, the telephone number of the local office, and if possible, the name of the person to contact for more information.

The following sections explain how to:

- Handle future changes reported at application
- Establish the length of the certification period
- Determine the effective date of benefits

Handling Future Changes Reported at Application

Policy: At application, a household may report a future change. Prior to certification, gather as much information and verification as possible. If you have all of the information and verification needed to act on the change, you must track the change and take action at the appropriate time. If the future change is not verified, no further tracking is required.

1. Household applies on June 8 and states their son Brandon will be starting college in the fall. You clarify that he starts classes on August 15 and will not meet student requirements while attending school. Approve the household, including Brandon. Set a reminder to remove him when he becomes an ineligible student. He is eligible for August, but must be removed from benefits starting in September because we have verified information that he will be an ineligible student.
2. Household applies on February 3 and states mom is on maternity leave but plans to return April 1. You verify employment, and it shows she last received income in January and is scheduled to return on April 1. Budget no income from this source for February or March. However, since we have verification that she is returning April 1, project income starting with the April benefit month.
3. Household applies August 10 and states dad is currently off work (unpaid) due to an injury. They hope he will be back to work by October, but neither the household nor the employer can verify a return date because it is dependent on the doctors releasing him. Approve the application, budgeting no income from this source. Since we don't have a verified return date, there is nothing to track. Remind the household of their responsibility to report when he returns if income exceeds the threshold.

Establishing the Certification Period

Legal reference: 7 CFR 273.10(f), 441 IAC 65.5(3)

Policy: Assign a certification period to all eligible households. Certification periods must always cover entire calendar months. Assign the longest certification possible based on the predictability of the household's circumstances.

Comment: The length of the certification period depends on the households' circumstances. Use the following chart to assign the longest certification period possible, based on the type of household and the predictability of the household's circumstances. No household may be certified for less than four months. Once the certification period has been established, it may not be shortened.

Household type:	Certification length is:
All adult members are at least age 60 or disabled and have no earned income	12 months
All others	6 months 4 month certification periods may be assigned for: ▪ Migrant farm worker households. ▪ Households that appear to be ineligible in the near future.

A household can be certified for a shorter period if necessary to match the SNAP recertification with the FIP review.

At initial application, the certification period begins with the first month the household is eligible. At recertification, the new certification period begins the month after the end of the previous certification.

A household cannot get benefits after its certification period expires unless it reapplies.

Effective Date of Benefits

Legal reference: 7 CFR 273.10(a), 273.2(h)

Prorate SNAP from the date of application, unless the household:

- Is already certified at the time of application. (See **7-C, Duplicate Assistance**.)
- Caused a delay in processing. (See Delays in Processing.)
- Is a seasonal farm worker or migrant household that got benefits in the month before the month of application.

Some states issue benefits for a fiscal month instead of a calendar month. A fiscal month overlaps two calendar months. In these cases, consider the benefits to be received in the first calendar month that the fiscal month covers.

If the household moves from one of these states and applies for benefits in Iowa, find out when the household last got benefits from that state. If the Iowa application is received in the second of the two months, the effective date is the date of application.

1. Household A got benefits in Illinois for the period of May 15 to June 14. These benefits are intended for the month of May. Household A applies for SNAP in Iowa on June 5. If the household is eligible, prorate benefits for the month of June from June 5.
2. Same as Example 1, but instead of applying in June, Household A applies on May 25. Since the household already received benefits for the month of May, the application is effective June 1.

If a household is ineligible for the month of application but eligible for following months, the notice must explain why. The notice must give the same information if benefits are approved for the month of application but denied for the next month.

The notice must include an explanation of the household's appeal rights, the telephone number of the office, and if possible, the name of the person to contact for more information.

Denying an Initial Application

Legal reference: 7 CFR 273.10(g)(1)(ii) and (iii), 273.2(g)(2)

Issue a *Notice of Decision*, using form 470-0485, 470-0486, or 470-0486(S), after determining the household is ineligible. This notice must include:

- An explanation of the reason for the denial.
- The manual chapter and subheading supporting the denial.
- The rule or regulation reference supporting the denial.
- The household's right to request an appeal.
- The toll free number of the office.
- If possible, the name of the person to contact for more information.

If the household did not appear for a scheduled interview and did not contact the office to reschedule within 30 days of the date of application, deny the application. Make system entries for the denial on the thirtieth day following the date of application. If the thirtieth day falls on a weekend or holiday, deny the application by making system entries the next working day.

When additional information or verification is needed, notify the household in writing what they must provide and give them 10 days to provide it. The 10-day period begins with the day after you issue the request. If the 10th day falls on a nonworking day or a legal holiday, extend the due date to the next working day for which there is regular mail service.

If the household fails to provide the missing verification by the due date, deny the application. You do not have to wait until the thirtieth day to deny an application for this reason.

NOTE: You must **reopen** the case if the household provides the missing verification within 60 days of the application date. Issue benefits from the date of the application if the household provides the verification within the first 30 days. If the household provides the verification during the second 30 days after application, issue benefits from the date the missing information is provided.

Delays in Processing

Legal reference: 7 CFR 273.2(h), 441 IAC 65.6(1), 65.6(2), 65.6(3)

A "delay in processing" occurs when:

- Eligibility cannot be determined within 30 days after the date of application.
- The household has not had the opportunity to participate within the 30-day processing period.

A delay in processing means there is a second 30-day time period to finish processing the application. How you determine eligibility depends on who caused the delay.

The following sections explain procedures for:

- Issuing a notice of pending status
- Delays caused by the household
- Delays caused by the county office
- Delays beyond 60 days

Notice of Pending Status

Legal reference: 7 CFR 273.10(g)(1)(iii)

When there is a delay in processing, send a notice of pending status on the thirtieth day following the date of application. If the thirtieth day falls on a weekend or holiday, make computer entries on the next working day.

When the household caused the delay in processing, use pending notice code 154 111, which tells the household:

> "It has been 30 days since you applied for SNAP. Your SNAP will not start on the date you applied because you did not give us the information we asked for within the first 30 days."

> ”Your application will be reopened if we receive your required verification within 60 days of the date of the application. Call your worker if you do not know what you still need to do. If the verification is not received within the 60 days of the date of the application, you must reapply.”

When the county office caused the delay in processing, use pending notice code 153, which tells the household:

> “We are working on your SNAP application. You have done all you need to do.”

Delays Caused by the Household

Legal reference: 7 CFR 273.2(h)(2), 441 IAC 65.6(1)

A delay in processing is the fault of the household if the household failed to complete the application process but you took all required action. See Delays Caused by the County Office for required action the county office must take.

The delay is the fault of the household when a household fails to appear for its interview, asks for another interview, and the rescheduled interview:

- Is scheduled after the 20th day but by the 30th day following the date the application was filed, but the household either does not appear or does appear but does not bring verification; or
- Is scheduled after the 30th day following the date the application was filed at the household’s request.

If the household takes the required action after the thirtieth day but before the sixtieth day following the date of application and is found:

- Eligible, prorate benefits from the date that the household took the action. The household is not eligible for any benefits for the first 30-day period. For example, if the household applies on May 1 but does not give the necessary verification until June 15, prorate benefits from June 15.
- Ineligible, send a *Notice of Decision* denying the application.

If the household does not do what it is supposed to do by the sixtieth day, deny the application on the sixtieth day. If the sixtieth day falls on a weekend or holiday, make computer entries on the next working day. Do not send a second notice when a notice of pending status was sent.

Delays Caused by the County Office

Legal reference: 7 CFR 273.2(h)(3)

The delay is the fault of the county office if the required actions were not taken, such as:

- Offering the household help in filling out the application.
- Helping the household obtain verification, if the household requests help.
- Allowing the household at least 10 days from the request to provide missing verification.
- Rescheduling a requested second interview within 30 days following the application date if the household failed to appear for the interview.

If the household is found eligible, issue benefits back to the date of application.

If household is found ineligible, send a *Notice of Decision* even when a notice of pending status was sent.

Delays Beyond 60 Days

Legal reference: 7 CFR 273.2(h)(4), 441 IAC 65.6(2) and 65.5(3)

When you cannot determine eligibility within 60 days, decide who caused the delay for each 30-day period.

- If the **household** is at fault for the delays in **both** the first and second 30-day periods, deny the application. The household must file a new application if it wants SNAP. Do **not** send a *Notice of Decision* if the household was sent a notice of pending status.
- If the **local office** is at fault for the delays in **both** the first and second 30-day periods and eligibility **cannot** be determined, send a *Notice of Decision* to deny the application, even when a notice of pending status was sent. Tell the household to file a new application. Also inform the household that it may be entitled to lost benefits back to the date of initial application.
- If the **local office** is at fault for delays in **both** the first and second 30-day periods, and eligibility **can** be determined, process the application. If the household is eligible, approve benefits back to the date of application.

  Determine the household's eligibility and benefits for the months following the 60-day period, until you reach a month of ineligibility or you cannot determine eligibility. Ask the household to file a new application when you reach a month for which you cannot determine eligibility or benefits.
- If the **household** is at fault for the delay in the **first** 30 days, and the **local office** is at fault for the delay in the **second** 30 days, process the application. If the household is ineligible, deny the application and send a *Notice of Decision*, even if a notice of pending status was sent.

If the household is eligible, approve benefits back to the date the household did what it needed to do. Determine the household's eligibility and benefits for the months following the 60-day period until you reach a month for which you determine the household is ineligible or you cannot determine eligibility.

Ask the household to file a new application when you reach a month for which you cannot determine eligibility or benefits.

- If the **local office** is at fault for the delay in completing the application process in the **first** 30 days, and the **household** is at fault for the delay in the **second** 30 days, deny the application. Send a *Notice of Decision* even if a notice of pending status was sent. The household must file a new application if it wants SNAP.

Emergency Service

Legal reference: 7 CFR 273.2(i)(2), 274.2(b)

Time limits for processing an application under emergency procedures are much shorter than those for normal processing. Determine the household's eligibility for emergency service at each initial application. The household does **not** have the option to decline emergency service.

A household can get emergency service only when the household meets one of the emergency criteria in the first month of the certification period. A household that is ineligible during the month of application can receive emergency service in the next month if it meets emergency criteria in that month. A new application is not needed.

There is no limit to the number of times a household can be certified under emergency procedures. EXCEPTION: To be eligible for emergency service, a household that was canceled for not providing postponed verification must either:

- Have been certified under normal processing time frames, or
- Have provided the previously postponed verification. However, a household cannot be required to provide verification that is no longer needed.

The following sections explain:

- Eligibility for emergency service
- Verification for emergency service application
- Determining emergency benefits
- Processing time frames for emergency service

Determining Eligibility for Emergency Service

Legal reference: 7 CFR 273.2(l)(1) and (3), 273.11(a), 274.2(b)

Policy: Provide emergency service to a household that:

- Has $100 or less in liquid resources and less than $150 in monthly gross income; **or**
- Has shelter costs (monthly rent or mortgage plus the applicable standard utility allowance) that are higher than its combined gross monthly income and total liquid resources; **or**
- Has at least one member who is a migrant or seasonal farm worker, is destitute, and has liquid resources of $100 or less. (See 7-I, *Emergency Services* for what "destitute" means.)

Procedure: When you determine how much a household has in gross monthly income:

- Do not count any excluded income. See 7-E.
- For self-employment, gross monthly income means the annualized monthly amount after self-employment expenses. See 7-I, *Self-Employed Households*, for self-employment income and expenses.

Verification for Emergency Benefits

Legal reference: 7 CFR 273.2(f)(1)(i); 273.2(i)(1), (2), and (4); 273.11(a); and 274.2(b)

Policy: You must verify the identity of the applicant. Any other verification can be postponed, this includes, but is not limited to, verification of alien status, student status, and pending DIAL investigations.

Procedure: Verify the applicant's identity using:

- A collateral contact (see Collateral Contacts), or
- Any other available source of proof (see Documentary Evidence).

You can postpone other verification for 30 days from the application date. See Verification for what is considered verification and what must be verified. Tell the household in writing what proof must be provided. Document in the case record what verification was postponed.

Comment: When you postpone verification of:

- A social security number, see 7-C, *Good Cause for Not Supplying a Social Security Number*.
- A migrant household's out-of-state information, more time may be allowed. See 7-I, *Migrants and Seasonal Farm Workers*.

Determining Emergency Benefits

Legal reference: 7 CFR 273.2(f)(1)(i); 273.2(i)(1), (2), and (4); 273.11(a); and 274.2(b)

Policy: Determine a household's emergency service benefits using:

- All verified information available to you, and
- The best available information for proof that was postponed. This includes information provided by the household such as income and expenses the household declares.

See 7-I, *Migrants and Seasonal Farm Workers* for income policies.

Emergency Service Processing Time Frames

Legal reference: 7 CFR 273.2(i)(3), (4), 274.2(b), 441 IAC 65.2(234)

Policy: A household eligible for emergency service is entitled to benefits by the seventh calendar day after the date the household submits its application.

Procedure: Start counting the seven calendar day processing time limit the day after the day the household submits its application. To make benefits available to an eligible household within this time limit, the household must have:

- An EBT card in its possession, and
- Benefits available in EPPIC™. See 14-J for information about EPPIC® and when benefits are available to the household.

Determine when you must make system entries.

- If the household already has an EBT card, system entries must update no later than the sixth day after the application date to be timely.

  If the household does not have an EBT card, system entries must update no later than the fourth day after the application date to account for one work day and two mail days.

- If the household already has an EBT card, system entries must update no later than the 29th day after the application date to be timely.

  If the household does not have an EBT card, system entries must update no later than the 27th day after the application date to account for one work day and two mail days.

If a household eligible for emergency service misses a scheduled interview, notify the household that it is responsible for rescheduling the interview.

The only situation that would cause a household to lose its right to emergency service is a missed interview. If the household does not contact you in time to allow you to issue benefits within the seven-day time limit the household, the household loses its right to emergency service. Process the application within 30 days of the application date.

Comment: When a household misses their interview and has lost their right to emergency service, it is still important to process the application as quickly as possible.

When you discover later in the application process that a household is eligible for emergency service:

- The seven-day time frame for providing benefits starts with the date of discovery.
- Document in the case record that the date of discovery is being used as the first day of the emergency service processing time limit.

Emergency Service Processing Time Frames

Application Date	ABC Entries By	Mail Time (2 days)
Monday	Thursday	Saturday/Monday
Tuesday	Thursday	Saturday/Monday
Wednesday	Friday	Tuesday/Wednesday
Thursday	Monday	Wednesday/Thursday
Friday	Tuesday	Thursday/Friday

The chart assumes:

- No holidays fall within the seven days,
- ABC entries were successfully updated in that night's batch process,
- The household needs an EBT card and the EBT card is mailed the next working day (M-F) after ABC entries are made.

Combined Allotments for Households Entitled to Emergency Service

Legal reference: 7 CFR 274.2(c)(2)

Policy: Issue both the initial month's prorated benefits and the next full month's benefits at the same time when a household:

- Files an initial application after the fifteenth of the month, and
- Is eligible for both the initial and following month.

Certification Notice and Postponed Verification

Legal reference: 7 CFR 273.2(i)(4)(iii)(B), 274.2(b)

Policy: Certify households who are approved for emergency services with a normal certification period. End the certification period if the household does not provide the postponed verification within 30 days after the application date.

NOTE: If the 30th day from the application date falls on a weekend, holiday, or date without regular mail service, the due date must be extended to the next workday.

Procedure: Make system entries according to instructions in 14-B(5), *Approving an Application* and *Emergency Services*. When you enter the limit date in the LIMIT field, a notice will be issued. This notice tells the household that SNAP will stop if the household does not turn in postponed proof by the 30th day from the application date.

If the household fails to provide all postponed proof, the case will automatically close based on the ABC limit date entries. Do not send another notice. The household was already notified that the certification period would end.

If the household provides all proof by the 30th day from the application date, remove the "limit date" entries from the LIMIT field. Make system entries based on the new information if necessary to affect future months' benefits.

- If the case has not closed, the household will continue to receive benefits for the rest of the certification period.
- If the case has already closed, make system entries to reopen and issue benefits for the second or third month, whichever is later. Make the entries:
  - Within five working days of the date verification is provided, or
  - In combined allotments, by the first working day of the second or third month.

After emergency service has been provided, you may receive verification indicating that the client should have gotten fewer benefits. Do not do a claim if the initial decision was based on the best information available to both you and the applicant.

1. The G household applies for SNAP on October 12. The household is eligible for emergency service. The G household must have its benefits and EBT card no later than the seventh calendar day, October 19.
2. Mr. C applies for SNAP on Monday, May 15. A phone interview is scheduled for May 16. Mr. C does not answer the phone for the interview.

   On Wednesday, May 17, Mr. C calls and asks to reschedule his interview. There is still time to issue emergency benefits. Mr. C is entitled to be offered an interview for Wednesday or Thursday. System entries must be made by Thursday, May 18. This will allow Mr. C to get benefits by Monday, May 22.
3. Mr. B applies for SNAP on Monday, May 15. An interview is scheduled for May 16, but Mr. B does not appear. On Monday, May 22 (day seven), Mr. B calls and asks to reschedule his interview. Mr. B has lost his right to emergency service. His application will be processed under the normal 30-day processing standards whether he appears for an interview before the 30th day or not.
4. Mr. D applies for SNAP on Monday, May 15, and an interview is scheduled for May 16. Mr. D does not appear for the interview. On Thursday, May 18, Mr. C contacts the office to reschedule. The local office offers to interview in person or by phone that same afternoon in order to meet emergency service time limits. Mr. D says he is not available until Tuesday, May 23.

   At this point, the local office has done everything possible to ensure timely processing. When Mr. D's interview is conducted on May 23, he has forfeited his right to emergency service. His application will be processed under the normal 30-day time frames.
5. Ms. A files an application on Tuesday, May 9, listing $800 monthly income from work and $300 rent with no additional utility costs. The interview is scheduled for Wednesday, May 17. At the interview, Ms. A states that she has no income. The income she listed is her roommate's, and she buys and prepares food separately.

   The worker issues emergency SNAP and documents in the case file that May 17 is the date of discovery and the first day of the emergency processing time.
6. The M household files an application on the third Thursday in November. The household is eligible for emergency service. Because the seventh day falls on Thanksgiving, the SNAP allotment must be received by the Wednesday before Thanksgiving.

Public Assistance Households

Legal reference: 7 CFR 273.2(j), 441 IAC 65.13(2)

Households can apply for SNAP at the same time they apply for public assistance.

Unless the household has indicated that it does not want SNAP, all public assistance applications must be processed as SNAP applications with the same timelines and procedures as other SNAP applicants. If it is unclear if a household that files a public assistance application wants to apply for SNAP, either contact the household or ask during the interview.

Use only SNAP policies to process the SNAP part of a public assistance application. If the public assistance portion of the application is denied, continue to process the SNAP part. A new application is not needed.

Single Interview

Legal reference: 7 CFR 273.2(j)(1), 441 IAC 65.13(3)

When a household applies for both public assistance and SNAP at the same time, hold one interview for all programs. Do **not** make the household see a different IM worker or attend separate interviews for each program. After the interview, separate workers can process the application for the different programs.

Inform households applying for FIP that time limits and other requirements specific to FIP to not apply to SNAP.

Verification Procedures and Timeliness

Legal reference: 7 CFR 273.2(j)(1)

Use SNAP verification procedures for eligibility factors that affect only SNAP. When eligibility factors affect both public assistance and SNAP, you can use the same verification as used for other public assistance. However, if verification is requested you must give the household 10 days to provide it.

If there is enough verification at the end of 30 days to process SNAP but not enough to process public assistance, proceed with determining SNAP eligibility. Do not delay a decision solely to wait for the public assistance information. SNAP time limits still apply to the SNAP part of the application.

Joint Application Process for SSI Households

Legal reference: 7 CFR 273.2(k)(1)(i) and (iii), 441 IAC 65.13(1)

If **all** members of a household receive SSI, that household can choose to apply for SNAP at either the HHS local office, or at the Social Security Administration (SSA) office. A household can apply at the SSA office only if:

- It is **not** participating in SNAP,
- It has **not** applied for SNAP in the previous 30 days, and
- It does **not** have a SNAP application pending.

If the household chooses to apply at the HHS office, get necessary verification from the household, SDX, or BENDEX. Follow the same application procedures, including verification requirements, as for any other household.

If the household chooses to apply at the SSA office, SSA will forward the application to the HHS office in the county where the applicant lives. If the household lives in a county with a less-than-full-time office, the SSA will forward the application to the appropriate full-time office. In either case, SSA will send the application within one working day after receipt.

After receiving the application from SSA:

- Determine eligibility and issue SNAP to eligible SSI households within 30 days after the date the application is filed at SSA. If the household is eligible for emergency processing, the emergency time limits begin the day the HHS office gets the SNAP application.
- Determine eligibility and benefits based on information provided by SSA or by the household.
- Make a determination based on SNAP criteria.
- Certify the household according to the requirements of SNAP.

The following sections explain:

- Applications for people being released from public institutions
- Limits on additional interviews
- Emergency service screening
- Denial of an SSI application
- Case maintenance
- Recertification

Release Applications for Residents of Public Institutions

Legal reference: 7 CFR 273.1(e)(2)

Residents of public institutions can apply for SSI and SNAP before being released. The Social Security Administration will forward these applications to the appropriate HHS office and notify the office when the applicant is released. The application is considered filed on the date the applicant is released.

After receiving the application from SSA:

- Keep the application pended until the applicant is released from the institution.
- Get information about the client's circumstances from the SSA, the institution, or the client.

Process the application within the normal processing time limits. For households eligible for emergency processing, the seven-day time limit begins the day the applicant is released from the institution.

Consider these applicants categorically eligible **only** when they are approved for SSI **and** the applicant is released from the institution. If the SSA does not timely notify you of the date the client was released, restore benefits back to that date.

No Additional Interview

Legal reference: 7 CFR 273.2(k)(1)(i)

Households that file an application for SNAP through a Social Security Administration office are not required to attend an additional interview through HHS. Do not contact the household further to get information for SNAP certification unless:

- The application is incomplete, or
- Mandatory verification is missing, or
- Information on the application is questionable.

Contacting the household for these reasons is not considered a second SNAP certification interview.

When SSA takes an SSI application or redetermination over the telephone from a member of an SSI-only household, SSA also completes a SNAP application and interview. The household is not required to go through an HHS interview. Do not ask the household for further information, except as outlined above.

Emergency Service Screening

Legal reference: 7 CFR 273.2(k)(1)(i)

The Social Security Administration must screen all applications for possible emergency service on the day it gets the application. SSA will mark “Emergency Processing” on the first page of all applications that appear to be entitled to it.

Screen all applications from the SSA for possible emergency service. Do this on the day the application arrives at the local office.

The SSA tells these households that they may get benefits a few days sooner if they apply directly at the HHS office. The household can take the application from SSA to the HHS office for screening, an interview, and processing.

The seven-day processing time limit begins with the date the local office gets the signed application. However, if the applicant files an SSI and SNAP application before being released from a public institution, the seven days begin with the date of release.

Denial of SSI Application

Legal reference: 7 CFR 273.2(k)(1)(iii)

When SNAP eligibility or benefits may be affected because the SSI part of the joint application was denied, send the household a *Notice of Expiration*. In the notice, advise the household that:

- The certification period will expire at the end of the month after the month the notice is sent;
- The household must reapply if it wants to continue receiving SNAP, and
- The household may be able to have an out-of-office interview.

Case Maintenance

Legal reference: 7 CFR 273.2(k)(1)(iii), and (2)

Households must report changes in circumstances to the HHS local office. See 7-G reference for policies and procedures regarding changes. Monitor the results of the SSI determination through SDX and BENDEX. Take any required action within 10 days after learning of the SSI determination. You will get the information from either SDX, the household, the SSA, or from another source.

Restore benefits to the household whenever the local office or the SSA made an error in joint processing that caused the household to get less SNAP benefits than it should have gotten. See **7-H** for more information on restoring lost benefits.

Recertification

Households containing only SSI applicants or recipients can apply for SNAP recertification at an SSA office. Consider the application filed for normal processing purposes when the SSA receives a signed application.

SSA will forward the application to HHS to be processed as a recertification. If the household has no earned income, an interview is not required.

Ask the household for additional information only if the application is not completed, mandatory verification is missing, or information is questionable.

Approve or deny a timely application for recertification according to SNAP policies.

IOWA | Health and Human Services

Employees' Manual
Title 7, Chapter C

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SNAP Nonfinancial Eligibility

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Overview

This chapter explains who is included in a SNAP household (the "household concept") because the household concept is the basis for determining eligibility for SNAP.

This chapter also contains information about the nonfinancial requirements a household must meet to be eligible for SNAP. Nonfinancial requirements are factors like age, work requirements, and where a person lives.

Household Composition

The following sections explain policies on treatment of:

- Mandatory household members
- Nonmandatory members
- Ineligible household members
- Children under joint custody
- Elderly and disabled people
- Family-life homes
- Foster and pre-adoptive children

Mandatory Household Members

Mandatory household members include:

- Spouses living together
- Parents and children living together
- Children under parental control
- People who purchase and prepare food together

Spouses

Legal reference: 7 CFR 273.1(b)(1)(i)

Policy: Eligible spouses living together must be in the same SNAP household whether they eat together or not. This includes both legal and common-law spouses.

Parents and Children

Legal reference: 7 CFR 273.1(b)(1)(ii), 441 IAC 65.1(234)

Policy: Parents living with their children who are aged 21 and under must all be certified in the same SNAP household.

Procedure: Include a child age 21 and under in the parents' household even if the child routinely buys and fixes food separately from the parent **and**:

- Is married and living with the spouse, **or**
- Is a parent with a child in the home.

The term "parent" includes legal, natural, and stepparent. Consider a man the natural father if he:

- Was married to the mother at the time of the child's conception or birth (unless the court has declared this man **not** to be the father), or
- Has been declared by the court to be the father, even though not married to the mother at the time of the child's conception or birth, or
- Claims to be the father, **unless** the child already has another legal father as described above.

For SNAP purposes, the stepparent relationship ends with the death or divorce of the parent.

> Mr. V lives with his son Hank, 25, his daughter Wendy, 23, his son Mark, 19, and Mark's wife Nancy. Because of their conflicting schedules, all buy and fix their food separately.
>
> Hank and Wendy can each be a separate SNAP household. However, Mr. V, Mark, and Nancy must be in the same household, because Mark is not over age 21 and Nancy is Mark's spouse.

Children Under Parental Control

Legal reference: 7 CFR 273.1(b)(1)(iii), 441 IAC 65.24(234)

Policy: Eligible children under age 18 who are living with and under the parental control of another person must be in the same SNAP household as that person.

Procedure: Consider a person to be exercising "parental control," when the person fulfills the role of a parent, financially or otherwise. The person does not have to be related to the child.

EXCEPTIONS:

- Children are not under parental control if they are married, because state law defines them as adults.
- Foster children, along with their spouse or their children living with them, are not required to be in the foster parents' SNAP household, unless the household chooses to include them.

This is true even if they buy and fix food together with the foster parents. However, if the household excludes them, they cannot receive SNAP on a separate case.

People Who Purchase and Prepare Food Together

Legal reference: 7 CFR 273.1(a)

Policy: In addition to people who are mandatory household members based on relationship, people who live together and buy and fix the majority of their meals together must be in the same SNAP household.

Procedure: Explain the option to buy and fix meals separately and to be certified as a separate household.

Accept the household's statement regarding eating arrangements and document it in the case file.

Nonmandatory Members

Legal reference: 7 CFR 273.1(b)

Policy: "Nonmandatory members" are people who are not mandatory household members, as described above. They include:

- Roomers to whom the household provides lodging, but not meals, for compensation.
- Live-in attendants who provide medical care, housekeeping, child care, or other similar personal services. Live-in attendants can be separate households even if they buy, fix, and eat their food with the person for whom they are providing care.
- Other people who live with the household, but who do not routinely buy and fix their food with the household.

Procedure: Do not include nonmandatory members when determining the SNAP household's size, eligibility, or amount of benefits. (See **7-E, Nonmandatory Members' Income** for instructions.) If eligible, nonmandatory members can receive SNAP as a separate household.

Ineligible Members

Legal reference: 7 CFR 273.1(b)(7)

Policy: "Ineligible members" are people who would normally get SNAP with other members of the household but are not included because they are ineligible to participate for some reason. Ineligible members **cannot** participate in SNAP as separate households. The following people are ineligible household members:

- Ineligible aliens. See Citizenship and Alien Status in this chapter, and **7-I, Households with Alien Members**.
- Ineligible students. See **7-I, Students**.
- People who are disqualified for failing to provide a social security number. See Social Security Numbers.
- People who are disqualified for failing to respond to a NAC match. See **7-I, NAC Match Disqualifications**.
- People who are disqualified for intentional program violation. See **7-J, Intentional Program Violation**.
- Mandatory work registrants who are disqualified for not complying with work requirements. See Work Registration.
- Ineligible adults who are not disabled and don't have dependents (ABAWDs). See **7-I, Able-Bodied Adults Without Dependents (ABAWDs)**.
- Probation or parole violators and fleeing felons. See **7-I, Fleeing Felons and Parole and Probation Violators**.
- SSI recipients whose SNAP benefits were received as cash in a state that cashes out SNAP benefits to SSI recipients.
- Residents of institutions. (See Residents of Institutions for exceptions allowing institution residents to get SNAP benefits as separate households.)

Procedure: Consider the relationship of the ineligible member to others in the household when determining who else is a mandatory member. However, do not include an ineligible member when determining size of the eligible household, household eligibility, or the amount of benefits for the eligible household. For more information, see **7-I, Ineligible Household Members**.

Elderly Members Who Are Disabled

Legal reference: 7 CFR 273.1(b)(2)

Policy: Under certain conditions, a person who is both elderly and disabled can buy and fix food with others and still be a separate household. However, an elderly and disabled person still cannot be a separate household from people that are listed under Mandatory Household Members.

Procedure: Allow the elderly and disabled person to be a separate household when:

- The person is unable to buy and fix food independently because of a permanent disability. The disability can be physical or mental, disease-related, or non-disease-related. Determine disability by observing the person or through a statement from a physician or a licensed or certified psychologist saying that the person is unable to buy and fix food without help.
- The countable gross income of nonmandatory members living with the elderly and disabled person is at or less than 165% of the federal poverty level for the corresponding household size. The following chart gives the amount of monthly countable gross income that is 165% of poverty for the corresponding household size.

165% of the Poverty Level			
Number of People	Maximum Gross Monthly Income	Number of People	Maximum Gross Monthly Income
1	$2,071	5	$5,030
2	$2,811	6	$5,770
3	$3,551	7	$6,510
4	$4,290	8	$7,249
For each additional member, add $740			

Do not include the elderly and disabled person or that person's mandatory household members when determining the household size and income of the other people living in the household.

The other people in the household can get SNAP benefits separate from the elderly and disabled person only if the elderly and disabled person and that person's mandatory household members are eligible to get SNAP benefits separately. This does not mean that the elderly and disabled person must accept SNAP benefits, only that eligibility exists.

Mr. X is over 60 and gets SSI. He cannot buy or fix his own meals due to his permanent disability. Mr. X and his spouse, Mrs. X, live and eat with their son, aged 40; their daughter-in-law; and two grandchildren. The son, daughter-in-law, and grandchildren have gross income of $1,400 per month. This is less than 165% of poverty line for four people, so Mr. and Mrs. X can be considered a separate SNAP household.

Mr. and Mrs. X are eligible for SNAP, but don't choose to participate. Their son's family can get SNAP benefits as a separate household.

Children Under Joint Custody

Legal reference: 7 CFR 273.1

Policy: When a child is under joint physical custody and the child spends an equal amount of time in each household during a month, include the child in only one household for SNAP. The custodians decide in which household to include the child. If there are multiple children, there is no requirement that all of the children are included in the same SNAP household.

Mr. L and Ms. L are divorced and have 50/50 custody of their two children. They both apply for SNAP and would like to include one child in each SNAP household, to assist the parents in taking care of the children while in their care. This is acceptable.

If the parent who has children the majority of the time does not receive SNAP, the other parent may include them in their SNAP household if the children spend a significant amount of time there. If the parent with majority custody later applies, the children would have to be removed from the first household and included with the household in which they spend the majority of time.

Comment: Custodians might choose to have one parent apply for SNAP and another parent apply for a different program, such as Medicaid. Having active benefits for another program on a different case does not affect SNAP eligibility.

Family-Life Homes

Legal reference: 7 CFR 273.1(c)

Policy: Adults for whom a family-life home payment is made cannot get SNAP on their own. They are not members of the SNAP household unless the household wants to include them, even if they buy and fix food with other household members.

Foster and Pre-Adoptive Children

Legal reference: 7 CFR 273.1(b)(4)

Policy: Foster children and their spouse or children living with them are not required to be in the foster parents' SNAP household unless the household chooses to include them. This is true regardless of whether they buy and fix food together. If the household excludes them, they cannot receive SNAP on a separate case.

Similarly, the children for whom the pre-adoption payments are made are not members of the SNAP household unless the household wants to include them, even if they buy and fix food with other household members.

Comment: For the purpose of determining the SNAP household, children receiving payments through the Kinship Caregiver Payment (KCP) program are treated the same as other foster children.

Independent Living

Legal reference: 7 CFR 273.9(b)(2)(ii)

Policy: Children that live in an independent living arrangement and receive foster care payments can get SNAP on their own.

Subsidized Guardianship

Legal reference: 7 CFR 273.1(c)

Policy: Subsidized guardianship situations are like foster care. The children for whom the subsidized guardianship payments are made are not members of the SNAP household unless the household wants to include them, even if they buy and fix food with other household members.

Categorical Eligibility

Legal reference: 7 CFR 273.2(j)

Policy: When a household is "categorically eligible," certain eligibility factors are automatically considered to be met and verified for that household.

Categorical eligibility does **not** confer automatic eligibility for SNAP. With the exception of the requirements that are automatically met, these households still must meet all SNAP eligibility requirements to receive benefits.

Procedure: The following sections explain:

- Categorical Eligibility for FIP and SSI Households
- Categorical Eligibility for General Assistance (GA) Households
- Categorical Eligibility for Combination FIP or SSI and GA Households
- Categorical Eligibility for Households Eligible for the Promoting Healthy Marriage Program (PHMP)
- Eligibility Factors Met by Categorical Eligibility
- Categorical Eligibility Following Ineligibility Due to Lottery or Gambling Winnings
- Processing Delay for Categorical Eligibility Determination
- Reactivating the Application
- Zero-Benefit Cases
- Reporting Requirements for Categorically Eligible Households
- Review of Categorical Eligibility
- Claims

FIP and SSI Households

Legal reference: 7 CFR 273.2(j)(2)

Policy: Unless any member is disqualified because of a SNAP intentional program violation (IPV), a household is "categorically eligible" when all household members receive or are authorized to receive FIP or SSI benefits.

A household with a member disqualified for IPV cannot be categorically eligible even if the disqualified person does receive FIP or SSI.

Procedure: For purposes of determining categorical eligibility, consider a person to be receiving FIP or SSI benefits when:

- The needs of the person are included in the cash payment.
- A cash payment is not received because benefits are being recouped.
- Benefits are suspended.
- A cash payment is not being received because the amount is less than $10.
- A payment has been authorized but not yet received.
- The person is a SSI-related dependent person for whom State Supplementary Assistance payment is issued.

Comment: Do not consider a person who is ineligible for any reason other than an IPV when determining if the rest of the household is categorically eligible.

1. Mr. and Mrs. J both receive SSI. Mr. J is found to have committed an IPV and is disqualified from receiving SNAP benefits. Mrs. J continues to get SNAP benefits as a household of one, but is no longer categorically eligible. Since categorical eligibility does not apply, all SNAP policies must be examined.

   For example, resource limits are not automatically considered to be met, but Mr. and Mrs. J's resources remain exempt because they receive SSI. Mrs. J is disabled, so the gross income limit does not apply. However, because her household is not categorically eligible, the net income limit does apply when her SNAP eligibility and benefits are calculated.

2. Mr. and Mrs. B receive SNAP benefits. Mrs. B receives SSI. Mr. B is employed. The household does not meet categorical eligibility criteria.

   Mr. B quits his job without good cause and is canceled from the SNAP case. Mrs. B is now a household of one. She is categorically eligible because, for determining categorical eligibility, the only household member is an SSI recipient.

General Assistance (GA) Households

Legal reference: 7 CFR 273.2(j)

Policy: A household is categorically eligible when:

- All members of the household receive **ongoing** benefits from a state or local general assistance (GA) program, **and**
- The GA program's income and resource criteria are comparable to or more restrictive than the FIP, SSI, or SNAP income limits and gross income test, **and**
- The GA, other than in-kind assistance, is financed with state or local funds and is for living expenses or other basic needs intended to promote the health or well-being of recipients.

GA programs that provide emergency payments for only one month do **not** qualify a household as categorically eligible.

Comment: There may be GA programs in Iowa that meet the criteria to make SNAP households categorically eligible. However, none have been identified. If you have a situation in which a household that is not otherwise categorically eligible might be based on receipt of GA benefits, contact the SPIRS Help Desk.

Combination FIP or SSI and GA Households

Legal reference: 7 CFR 273.2(j)(4)(vii)

A household is categorically eligible when all of its members meet the categorical eligibility policies for and receive benefits from one of the following programs:

- FIP or SSI unless a member is ineligible for SNAP because of an IPV.
- General assistance from a GA program that meets criteria for categorical eligibility.

For combination households, see FIP and SSI Households and General Assistance (GA) Households to determine whether to consider benefits to be received from each program.

Households Eligible for the Promoting Healthy Marriage Program

Legal reference: 441 IAC 47.1(234), 47.2(234), and 65.39(234)

Policy: The Promoting Awareness of the Benefits of a Healthy Marriage Program (PHMP) uses funds from the Temporary Assistance to Needy Families (TANF) block grant to provide information about the benefits of a healthy and stable marriage. Households are categorically eligible for SNAP for any month in which they are eligible for the PHMP.

There is no resource limit for the PHMP. SNAP households are eligible for the PHMP if they meet **all** of the following criteria:

- Total gross countable SNAP income is at or below 160% of the federal poverty guidelines.
- No household member is currently disqualified due to an intentional program violation (IPV).
- All SNAP eligibility criteria other than resource limits and gross and net income limits are met.
- SNAP benefit amount is greater than zero. NOTE: Eligible one-member and two-member households are eligible for the “minimum benefit.”

Procedure: There is not a separate application for the PHMP. Eligibility for the PHMP is automatically determined whenever a household applies for SNAP. When you process the SNAP application, the ABC system will determine eligibility for the PHMP by comparing income to the chart below:

Household Size	Maximum Gross Monthly Income for PHMP	Household Size	Maximum Gross Monthly Income for PHMP
1	$2,008	5	$4,879
2	$2,727	6	$5,596
3	$3,444	7	$6,312
4	$4,160	8	$7,031
For each additional person, add $719			

The notice of decision issued by the ABC system to approve SNAP will include language approving the PHMP if the household qualifies. When PHMP eligibility exists, the ABC system will assign the same certification period for the PHMP as for SNAP.

If you manually issue an NOD to approve SNAP, include language about approval of the PHMP if eligible. Households who would like more information about a healthy marriage may request to have a copy of Comm. 390.

Whenever SNAP eligibility is recalculated in the ABC system, eligibility for the PHMP is automatically redetermined. If SNAP eligibility ends, eligibility for the PHMP will be terminated.

Comment:

1. Household A applies for SNAP. The two-member household has monthly gross countable SNAP income of $2,200 and meets all nonfinancial eligibility criteria. Because the household's income is within 160% of the federal poverty guidelines and the benefit amount would be greater than zero, the household is categorically eligible based on the PHMP.
2. Household B, which consists of three eligible members and an ineligible alien who has income, applies for SNAP. The household's countable monthly SNAP income after proration is $2,750, which is within 160% of federal poverty guidelines for a household of three.

   The household meets all nonfinancial eligibility criteria. If the household's benefit amount would be greater than zero, the household is categorically eligible based on the PHMP.

If you enter an IPV disqualification, the ABC system cancels the PHMP. Because the household's resources become countable when you impose the disqualification, review the case file and enter the household's countable resources on ABC.

Household C applies for SNAP and lists countable resources of $4300. The household meets income and other criteria to be PHMP-eligible. Because the household is PHMP-eligible, resources are not considered and SNAP is approved.

A household member is later disqualified due to an IPV. The household is no longer categorically eligible. The worker reviews the case file and enters $4300 countable resources on the ABC system to determine the C household's continued SNAP eligibility.

Eligibility Factors Met by Categorical Eligibility

Policy: Once a household is determined to be categorically eligible, which eligibility factors are considered automatically met depends on whether:

- The household is categorically eligible because all members receive FIP, SSI, or GA, or
- The household is categorically based on eligibility for the Promoting Healthy Marriage Program (PHMP).

If the household meets both of the above items, treat the household as categorically eligible based on receipt of FIP, SSI, or GA.

Categorical Eligibility Based on Receipt of FIP, SSI, or GA

Policy: When determining SNAP eligibility for categorically eligible FIP, SSI, or GA households, consider the following SNAP eligibility requirements met:

- Resource limits
- Gross and net income limits
- Residency information
- Sponsored alien information

Categorically eligible FIP and SSI households also:

- Do not have to provide social security number information.
- Are not subject to the transferred resources policy.

Categorical Eligibility Based Only on the PHMP

Policy: When determining SNAP eligibility for households that are categorically eligible only due to the PHMP, consider the following SNAP eligibility requirements met:

- Resource limits
- Gross and net income limits

Households categorically eligible based only on the PHMP must provide social security number, residency, and sponsored alien information.

Categorical Eligibility Following Ineligibility Due to Lottery or Gambling Winnings

Legal reference: 7 CFR 273.11(r)

Policy: A household who lost eligibility due to the receipt of lottery or gambling winnings remains ineligible until they meet regular income and resource limits. This means they cannot be considered categorically eligible until they are certified under regular SNAP rules.

Procedure: The system will accurately apply this policy when the household has been canceled due to lottery or gambling winnings. Once eligibility has been established under regular income and resource rules, categorical eligibility will be evaluated for subsequent months.

Processing Delay for Categorical Eligibility Determination

Legal reference: 7 CFR 273.2(j)(1)(iv), 273.10(d)(7)

Policy: If a household has a FIP application pending and SNAP eligibility is dependent on becoming categorically eligible based on FIP, temporarily postpone processing the SNAP application.

Procedure: Do not delay processing beyond the 30th day from the date of application. If the household meets criteria for emergency services, do not delay beyond the emergency services processing timeframes.

See Reactivating the Application if you deny SNAP prior to the FIP application being processed and FIP is later approved.

Comment: Do not delay processing the SNAP application if the household would otherwise be categorically eligible based on the PHMP.

Reactivating the Application

Legal reference: 7 CFR 273.2(j)(1)(v), 273.10(d)(7)

Policy: When SNAP is denied on a jointly filed application, reactivate the application if the household becomes categorically eligible because FIP, SSI, or GA is approved.

Procedure: Start benefits from the beginning of the period for which FIP, SSI, or GA is paid or from the original SNAP application date, whichever is later.

Determine eligibility and benefits using the original application and any other available information. Do **not** require the household to complete a new application or to attend another interview. Contact the household to:

- Discuss possible eligibility, and
- Determine if any changes have occurred.

Obtain any necessary verification.

Zero-Benefit Cases

Legal reference: 7 CFR 273.2(j)(2)(xi)

Policy: Deny categorically eligible households with three or more members when income causes SNAP benefit issuance to be zero.

Comment: The ABC system will deny households with three or more members if their benefit amount would be zero.

Reporting Requirements for Categorically Eligible Households

Legal reference: 441 IAC 65.5(4)

Policy: Do not require categorically eligible households to report any income changes if the household reported income in excess of its gross income limit and remained eligible. Take appropriate action on all reported changes.

Comment: A categorically eligible household that reports income in excess of its gross limit is not required to report further income changes until recertification. This includes households that are over the gross limit at the time of application.

Review of Categorical Eligibility

Legal reference: 7 CFR 273.2(j)(2)

Policy: When there is a change in household circumstances, review the case to see if the household has either gained or lost categorical eligibility.

Claims

Legal reference: 7 CFR 273.18

Policy: Categorical eligibility cannot be rescinded retroactively.

Procedure: Do not do a claim because a household should not have been categorically eligible. Do not establish a SNAP claim if it is discovered the household should not have been approved for FIP, SSI, GA, or PHMP.

Do a claim if changes in income were required to be reported for SNAP and would have affected the benefit level. Also complete a claim if incorrect deductions or household size were used.

Citizenship and Alien Status

Legal reference: 7 CFR 273.2(b), 273.4(a)

Policy: Only the following people can get SNAP benefits:

- United States citizens,
- Non-citizen nationals of the United States, and
- Aliens who hold an immigration status as an “eligible alien” for SNAP purposes.

Procedure: United States citizens are people born in one of the 50 states, the District of Columbia, Puerto Rico, Guam, Northern Mariana Islands, or the Virgin Islands. Non-citizen nationals are people born in American Samoa or the Swain Islands. Non-citizen nationals are the same as U.S. citizens for SNAP purposes.

Comment: A person who has been convicted of a felony does lose certain rights of citizenship. However, these people are still considered to be citizens for the purposes of SNAP.

See **7-I, Who Is An Eligible Alien** for who is an “eligible alien” for SNAP purposes. Also see 7-I, **Documentation of United States Citizenship by Birth** and **Documentation of Acquired Citizenship** for listings of the kind of documents that can be used as evidence of citizenship.

Cooperation

Legal reference: 7 CFR 273.2(d)(1) and (2)

Policy: In order to be determined eligible for SNAP, households must:

- Complete and sign the application form;
- Be interviewed;
- Verify certain information;

- Cooperate in any review of its eligibility, including reviews that are a result of a reported change or a recertification application; and
- Cooperate in any review done by Quality Control

Procedure: Deny or cancel any household that refuses to cooperate. To "refuse to cooperate," the household must be able to cooperate but clearly show that it will not take the necessary actions. Do not deny or cancel a household if there is a question about whether the household refused to cooperate or merely failed to cooperate.

To be denied for refusal to cooperate with the local office, a household must refuse to be interviewed, rather than just fail to appear for an interview.

The household may reapply, but it may not be determined eligible until it cooperates. See Cooperation with Quality Control, below, for more information.

Cooperation with Quality Control

Legal reference: 7 CFR 273.2(d)(2)

Policy: A household is ineligible if a member refuses to cooperate in any review of its eligibility done by quality control. The period of ineligibility is:

- 115 days from the end of the review period for reviews by state quality control staff **or**
- Seven months from the end of the review period for reviews by federal quality control staff.

The annual review period ends on September 30 of each year.

Procedure: A household terminated for refusal to cooperate with a quality control reviewer may reapply. If the noncooperating person is still a member of the household, do not determine the household eligible until **either**:

- The household cooperates with the quality control reviewer by attending an interview and providing required verification, or
- The period of ineligibility is over.

If the noncooperating person moves to a new household, the ineligibility applies to the new household.

Comment: Ineligibility due to noncooperation with quality control is not treated like a sanction or disqualification. Follow instructions in **14-B(5), Closing Case for Non-Cooperation With QC**.

Duplicate Assistance

Legal reference: 7 CFR 273.3, 87 FR 59633

Policy: A person can receive SNAP in only one household at a time. EXCEPTIONS: Residents of shelters for battered women and children who get SNAP as a member of the same household as the batterer may get duplicate SNAP.

It is **not** duplicate assistance when:

- A person moves from one household to another, **and**
- The person's benefits on the previous case are subject to a claim because they were issued in error, and
- The person is added to the new household for the same month.

National Accuracy Clearinghouse (NAC):

NAC is a mandatory look-up at application, RRED, and the addition of a new household member. NAC is used to check for duplicate SNAP assistance. If a NAC match is found, you must verify that the matched individual's SNAP benefits closed in the other state.

Send an RFI to the household to obtain verification that their SNAP benefits closed in the other state. Use the appropriate "NAC Match" selection so the household understands this request is based on a data match we received.

RFI language explains that if we don't hear from the household, the matched individual(s) will be removed from SNAP. If the household doesn't respond, cancel the household member(s) identified on the NAC match using the corresponding "you did not respond to the notice of match results" reason code (individual or case reason). Don't cancel the entire case unless the individual(s) from the NAC match is/are the only household member(s), in which case it would appropriate for the case to be closed.

See 7-I for additional details and for information about how to treat the income, resources, and deductions of these matched household members.

Note: NAC matches received during the certification period that were initiated by another state are treated differently than the matches initiated by Iowa at application, recertification, and when adding a household member. For more information on how to treat NAC matches initiated by another state, see 7-G.

NAC information can only be used for preventing duplicate participation in SNAP. The information cannot be used for other purposes or programs.

Investigations

Legal reference: 481 IAC 72.1(10A), 72.2(10A), 72.4(10A)

Policy: The purpose of an investigation is to prevent households from fraudulently receiving benefits or determine if households previously received benefits incorrectly. HHS contracts with the Iowa Department of Inspections, Appeals, and Licensing (DIAL) to conduct investigations.

Complete investigations on applicant, participant, or past recipient households, as explained below:

- Application/Recertification investigations occur at the time of application or recertification, and include applications to add a member to an ongoing household. Complete these investigations before an eligibility determination to prevent households from receiving benefits to which they are not entitled.
- Ongoing/Closed investigations occur on a household that is currently participating or has received benefits in the past. These are initiated if HHS believes the household may have provided incorrect or incomplete information that led to the receipt of benefits to which the household were not entitled. Use these findings to determine whether the household's current benefit level needs to be adjusted or past benefits are subject to overpayment.

It is important to remember that DIAL does not determine eligibility. DIAL investigates and provides their findings, but HHS is responsible for using that information to determine eligibility based on policy.

Procedure: Before referring a case for investigation, take a prudent-person approach to the information the client gives you. Allow the household an opportunity to explain the situation or resolve any questionable information. If you still find the information to be questionable, refer the case to DIAL using form **470-5130, DHS Investigative Referral to DIA**.

Once the referral is received, DIAL will conduct an investigation. It is the responsibility of the investigator to gather information and state the findings. DIAL will close the investigation and provide a written investigative report with the findings to HHS within the following timeframes:

- For application investigations, within 10 working days.
- For ongoing investigations, within 90 working days.

Because application investigations are done before making a benefit determination, there is a shorter timeframe to ensure HHS is able to meet processing standards. This means application investigations may not be as thorough as ongoing investigations. If a more thorough investigation is warranted, the case should be re-referred as an ongoing investigation after the application is processed.

Any time you still have questionable information or may be missing something, regardless of if it is an application or ongoing investigation, re-refer the case to DIAL for a more complete investigation. Re-referring the case may be done in one of two ways:

- Complete a new referral form **470-5130, DHS Investigative Referral to DIA**. If you do this, be sure to note that a recent investigation was completed along with the name of the investigator, so that DIAL can assign it to the appropriate investigator.
- Contact the investigator directly and explain what information is still needed. Although a closed investigation cannot be reopened, DIAL will open a new investigation to get the additional information based on the re-referral.

It is important to make sure you get a complete report with all of your questions resolved. If the case goes to appeal or an intentional program violation (IPV) is pursued, you must have complete evidence to support your actions. At your request, the DIAL investigator will attend appeal or IPV hearings and testify to the information gathered. It is strongly recommended that you request the investigator's presence any time you have a hearing based on evidence provided.

After an investigative report is sent to HHS, it is the responsibility of the worker to consider the information in the report to help determine eligibility and establish any appropriate overpayments based on policy. HHS also uses this information to determine whether to pursue an IPV, as explained in **7-J**. The evidence in the findings of the investigative report is considered verified information.

Once HHS has determined how the findings of the report affect the case, take any necessary action. Within 30 days of taking these actions, HHS is responsible for completing form **470-5129, DHS Investigative Referral Follow-Up to DIA** to inform DIAL of the outcome of the findings. This completes the process.

Comment: Once DIAL provides an investigative report to HHS, DIAL considers the case to be closed.

SNAP Trafficking

Policy: "Trafficking" means buying or selling of electronic benefit transfer (EBT) cards. This includes trading benefits for firearms, ammunition, explosives, controlled substances or anything other than eligible food. Trafficking is an intentional program violation.

Procedure: Refer complaints of SNAP trafficking to DIAL using form **470-5130, DHS Investigative Referral to DIA**. However, these types of IPVs are handled by DIAL and have different procedures once the referral is done.

When DIAL is finished with a trafficking investigation, a copy of the investigative report and evidence is uploaded into the Worker Information System Exchange (WISE). HHS does not take any other action unless DIAL has a founded trafficking IPV and a sanction needs to be imposed.

Residency

Legal reference: 7 CFR 273.3

Policy: Verify that a household is living in Iowa. EXCEPTIONS: People are exempt from the residency verification requirement if they are:

- Homeless,
- Migrant farm workers, or
- New arrivals to Iowa.

Procedure: Accept any document or collateral contact that reasonably proves the applicant's residency. This could include documents used to verify other information, such as rent payments, mortgage payments, and utility expenses. Do not verify residence again unless it becomes questionable.

Comment: The household does not need to be living in a fixed residence to be living in Iowa. For example, if a person lives in a car or at a campsite, the person still meets the residency requirements. The household does not need to plan on living in Iowa permanently, but a person who is just on vacation does not meet the residency requirement.

Residents of Institutions

Legal reference: 7 CFR 273.1(b), 273.11(e), (f), 271.2

Policy: People who live in institutions that furnish meals are not eligible for SNAP, with the following exceptions:

- 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.
- People who are eligible as described under **7-A, Meal Providers That Accept SNAP**.

Comment: People are ineligible if they live in an institution that serves them over 50% of three meals a day as part of the institution's normal services.

Dormitory students are not eligible for SNAP when the institution serves them a majority of their meals. Dormitory students who purchase a plan that does not serve a majority of their meals or don't purchase a meal plan can receive SNAP if otherwise eligible.

People who are hospital patients for a full calendar month are not eligible for SNAP.

People who are in jail or prison for more than 30 days are not eligible for SNAP. The Department may become aware of this when:

- An automated match is made and reported on the **Prisoner Match Report, S470X438-A**,
- The household reports it, or
- A third party or any other source reports it.

Procedure: If verified information is received that someone has been a resident of an institution (medical facility, jail, or prison) for:

- Less than 30 days, but expected to last more than 30 days; cancel them for being out of the home, not for being a resident of an institution
- More than 30 days; cancel them for being a resident of an institution.

Take no action if the person has not left the home yet. If the report is not from a verified source or prisoner match report, no immediate action is taken. See **7-G** for acting on changes, including prisoner match reports.

1. Household A is receiving SNAP. On May 3, Angelica calls to report that her spouse Alexander has been arrested and is in jail. She explains that it is a minor offense and he will be released by the end of the week. Because Alexander has not and will not be out of the home for more than 30 days, no further action is necessary.
2. Household B is receiving SNAP. On June 22, Brandon calls to report that Bella has been in prison since May 1 and is expected to be there for approximately six months. Since Bella has been out of the home for more than 30 days, and the report by the household is considered verified upon receipt, Bella is removed from the SNAP household effective August 1 (to allow for timely notice) because she is a resident of an institution.
3. Household C is receiving SNAP. During the certification period, the worker receives information from an unverified third-party source that Charlie is in jail.

   Because this is not something the household is required to report, no action is taken. If the household later voluntarily reports it, or it appears on a prisoner match report, take appropriate action following policies for acting on changes. It is considered a verified report if made by someone in the SNAP household.

4. Household D is receiving SNAP. During the certification period, Dolores calls to report that her child Devin reported to jail last week and their sentence is for 90 days. Since Devin has not been incarcerated for at least 30 days when Dolores calls, Devin cannot be canceled for being a resident of an institution. However, Devin should be canceled for no longer living in the home (allowing for timely notice) since Devin is expected to be out of the home for at least 30 days.
5. Household E is receiving SNAP. During the certification period, Erwin calls to report his spouse is expected to leave the home the following week to enter a medical facility. This future change is not verified upon receipt because Erwin's spouse has not left the home yet. Explain to Erwin that he can call back once his spouse has left the home, but he is not required to report the change and no action can be taken today. Do not send an RFI to request further verification of the change. Do not set an event to follow-up on the change.

Social Security Numbers

Legal reference: 7 CFR 273.6(a), (b)(2)(ii), Policy Letter 98-03 Att. 1

Policy: Before being certified, a household applying for SNAP must:

- Give the social security number of each household member aged seven months or older, or
- Provide proof that the person has applied for a number.

A certified household must give the social security number or apply for a number before a person aged seven months or older is added to the household.

EXCEPTION: If a household refuses to provide a social security number for any household member based on a sincere religious objection, a social security number cannot be required as a condition of eligibility.

However, you may check with the Social Security Administration to see if the household members already have social security numbers, and may use any existing social security numbers for verification and matching purposes without further notice to the household.

Persons Under Seven Months Old

Legal reference: 7 CFR 273.6(b)(4)

Policy: Households applying for assistance do not have to provide a social security number or proof of application for members who are under seven months of age. The household must provide the social security number or proof of application for the number at the next recertification or when the baby is seven months old, whichever is later.

When a participating household reports the birth of a baby, the household must provide the social security number or proof of application for the number at the next recertification or when the baby is seven months old or older, whichever is later.

Comment: A household can have good cause for failure to provide a social security number or proof of application for a number. See Good Cause for Not Supplying a Social Security Number.

Persons Seven Months Old or Older

Legal reference: 7 CFR 273.6(b)(4)

Policy: A newly applying household must provide either a social security number or a receipt of application for the number for each household member who is seven months of age or older. When an ongoing household is adding a person who is seven months of age or older, the household must provide either a social security number or a receipt of application for the number for that person.

Obtaining a Social Security Number

Legal reference: 7 CFR 273.6(a), 6(b)(2)(ii)

Policy: When a household member needs to apply for a social security number, tell the household where to file the application, form SS-5, and that the Social Security Administration requires proof of age, identity, and citizenship or alien status.

A household can also apply for a social security number for a newborn at the hospital through the “Enumeration at Birth” project.

The Social Security Administration issues form **SSA-5028, Proof of Application** as proof that the person has applied for a social security number. The Social Security Administration will notify the Department after the social security number has been assigned if form SS-5 is filled out according to instructions in **14-G Appendix**.

Verifying a Social Security Number

Legal reference: 7 CFR 273.2(f)

Policy: If a social security cannot be verified, the client has ten days to either:

- Apply for a new number and give proof of application (form SSA-5028), **or**
- Provide information to resolve the discrepancy.

Procedure: Verify social security numbers with the Social Security Administration by entering the number into the ABC system.

Verify application for a social security number for a person aged seven months or older with either:

- Form **SSA-5028, Proof of Application**.
- Form **SSA-2853, Information About When You Will Receive Your Baby's Social Security Card**.

Do not delay certification just because a social security number has not been verified.

For qualified aliens who are not authorized to work in the U.S., follow procedures using form **470-5745, Enumeration Referral**.

Good Cause for Not Supplying a Social Security Number

Legal reference: 7 CFR 273.6(d), 273.2(i)

Policy: Good cause for not supplying a social security number exists when:

- A household can prove that it gave a complete application with needed documentation to the Social Security Administration, but a number has not been received.
- A household has made a good faith effort to get the Social Security Administration the needed documents to apply.

Procedure: Offer to help a person applying for a social security number who is unable to get the documents the Social Security Administration needs. Illness, lack of transportation, or temporary absence do not count as good cause, because the applicant has the option to mail the application in rather than apply in person.

If good cause for not supplying the number exists for a person aged seven months old or older, allow the person to get SNAP, including emergency SNAP, for the month of application plus one more month. The person must supply a social security number by the end of the second month or be disqualified, unless good cause continues to exist. Reexamine good cause on a monthly basis.

Failure to Give or Apply for a Social Security Number

Legal reference: 7 CFR 273.6(c)

Policy: If a household member refuses or fails to give or apply for a social security number of a household member aged seven months old or older without good cause, the person who does not have the social security number is ineligible.

Only the person who does not have a social security number is ineligible—not the entire household. The disqualified household member is ineligible until a social security number is received and verified.

Strikers

Legal reference: 7 CFR 273.1(e), 441 IAC 65.17(234)

Policy: Special procedures apply to households that have a member who is on strike.

Procedure: Processing an application from a household in which one or more of the members may be on strike is a three-step process.

1. Determine if the person is a striker. If a household member is **not** considered a striker, no special procedures apply. The following people are **not** considered strikers:
   - A person affected by a lockout. A lockout occurs when an employer closes the workplace in order to resist demands of employees.
   - A person who goes on strike who was exempt from the work registration requirements the day before the strike. (This provision does not apply to people who were exempt from work registration only because they are employed.)
   - A person unable to work as a result of striking employees (e.g., truck drivers left with nothing to deliver).
   - A person who is not participating in a strike. A person is not participating in a strike if the person meets all of the following conditions:
     - The person is not picketing and does not intend to picket during the strike,
     - The person does not draw strike pay, and
     - The person either crosses the picket line and goes to work or provides a signed statement indicating the person is willing to return to work but does not want to cross the picket line for fear of injury, death, or trauma from harassment. The service area manager determines if such a risk to the person's physical or emotional well-being exists.
2. If a household member **is** considered a striker, determine if the household would have been eligible the day before the strike occurred. Use the household membership on which current eligibility will be based. If the household would **not** have been eligible, deny the application.
3. If the household **would** have been eligible before the strike **and** is otherwise eligible at the time of application:
   - Compare the striker's income before the strike to the striker's current income.
   - Add the higher of the two amounts to the current income of non-striking members during the month of application.

   Continue to count income according to this method for each month in which a member is on strike. The higher amount is used because households cannot receive an increased allotment because of a decrease in the income of the striking members of the household.

4. To determine eligibility in comparison to the net income eligibility standard, use deductions for the month of application the same as for any other household member. Whether you are using the striker's pre-strike earnings or current income, allow the earnings deduction if appropriate. Approve the application if the household is eligible.

   When the striker returns to work and the household remains eligible, continue to use this calculation until full regular paychecks are received and considered.

Work Registration

Legal reference: 7 CFR 273.7(j)

Policy: SNAP applicants and recipients are mandatory work registrants unless they qualify for an exemption listed under Exemptions From Work Registration. A mandatory work registrant (MWR) is required to meet the work requirements listed under Work Requirements for MWRs to be eligible for SNAP benefits.

Procedure: Determine the work registration status of:

- Each household member at application and recertification.
- A new member who is joining an ongoing household. See Changing from Exempt to MWR for when a new member must be registered for work.
- Members of a certified household when a change in household circumstances may also change the work registration status of the members. See Changing from Exempt to MWR and Changing from MWR to Exempt for instructions.

When determining work registration status, all individuals must be screened for all possible exemptions from work registration. The exemption that would be effective for the longest period of time must be applied.

Enter the work registration status of each household member on the ABC system each time it is determined. Use the following codes to enter the person's status in the TD03 WR field:

3 Mandatory work registrant, not an able-bodied adult without dependents (ABAWD)
4 FIP recipient
9 Exempt from work registration and ABAWD work requirements
E Potential ABAWD, only exempt from MWR and ABAWD due to earnings
F Central Office use only
L Mandatory work registrant and ABAWD who is not meeting the work requirement
V Mandatory work registrant and ABAWD who meets the work requirement

Exemptions from Work Registration

Legal reference: 7 CFR 273.7(b), 441 IAC 65.28(2)(a-h)

Policy: A person is exempt from mandatory work registration if the person is:

- Under age 16.
- Aged 16 or 17 and is not the head of the household. The head of household is the person that shows on ABC as the case name.
- Aged 60 years or older.
- Physically or mentally unfit for work. The person's condition can be either temporary or permanent. If the person's disability is not readily apparent, you may ask for verification. Verification can include proof such as:
  - A statement from a licensed health care professional, or
  - Proof that the person is receiving temporary or permanent disability benefits from the government or a private source.
- A FIP recipient or a refugee receiving Refugee Cash Assistance (RCA).
- Caring for a dependent child under age six or an incapacitated person. The person must agree to register for work as part of the next scheduled recertification after the child's sixth birthday, unless another exemption applies. The child or incapacitated person doesn't have to be in the client's SNAP household or live with the client for the client to be eligible for this exemption. However, the client cannot be exempt for caring for a child under six or an incapacitated person as part of their job (their work hours or earnings may qualify them for an exemption; see below).

  More than one person cannot claim responsibility for the care of the same child. If there are two or more children in a household, each adult can claim the responsibility for the care of different children. For example, in a household with two adults and two children, both adults can be exempt if they each claim responsibility for the care of a different child.
- Receiving job insurance benefits (JIB) or registered for work as part of the JIB application process (unemployment compensation).

  NOTE: This exemption does not apply to union members who are laid off and expect to be recalled, because they are **not** required to register for work when they apply for JIB. Once they start to receive JIB benefits, union members are exempt from work registration.
- Working for pay at least 30 hours per week or receiving gross weekly earnings at least equal to the federal minimum wage multiplied by 30 hours. Effective July 24, 2009, the federal minimum wage rate is $7.25 per hour.

When hours of work fluctuate, average the hours for a period of time that allows a reasonable estimate of the hours expected to be worked per week. Working for an in-kind benefit, such as working off rent, does not provide an exemption from work registration.

- Working at self-employment and receiving net earnings at least equal to the federal minimum wage multiplied by 30 hours.
- Working at self-employment for at least 30 hours per week, regardless of the amount of money earned. A statement from the person is sufficient documentation of hours of work. Home-schooling a child at least 30 hours a week is considered self-employment for the purpose of this exemption.
- A migrant and seasonal farm worker who is under contract or similar agreement with an employer or crew chief to start work within 30 days.
- Participating in a drug addiction or alcoholic treatment rehabilitation program. Participation can be either as a resident of the center or on an outpatient basis.
- An applicant for both SSI and SNAP who filed a joint application at the Social Security office. If the person filed for SSI, but applied for SNAP separately at HHS, do not use this exemption. Instead, determine if the exemption for "physically or mentally unfit for work" applies.

  This exemption continues while the person is waiting for a decision about SSI eligibility. "Waiting for a decision" does not include the period of time during which a person is appealing a denial of the SSI application.

  If the person becomes eligible for SSI, the exemption continues as long as the person continues to be eligible for SSI. If the Social Security Administration finds that person is **not** eligible for SSI, the exemption ends. This includes a person who is appealing a denial.

  A person who is found ineligible for SSI still may be exempt from work registration under the exemption for being "physically or mentally unfit for work." Determine if the person meets this exemption or a different exemption status within two months of notification of ineligibility for SSI.
- A person enrolled at least half-time in any recognized school, training program, or institution of higher education. Students enrolled at least half-time in an institution of higher education must meet the student eligibility requirements in **7-I**.

  This exemption continues during all school terms, vacations, and breaks when the student intends to register for at least half time for the next school term. The exemption ends when the person:

  - Graduates.
  - Is suspended.
  - Is expelled.

- Drops out.
- Has completed a regular school term and does not intend to register for the next normal school term.

1. Travis is an 18 year old full-time high school student. He is not subject to student requirements (see 7-I). Because Travis is enrolled at least half-time in high school, he is exempt from MWR and therefore exempt from ABAWD work requirements.
2. Taylor attends a CDL program through DMACC. She attends this program half-time. A person enrolled in an occupational training program is not considered to be enrolled in an institution of higher education and therefore is not subject to student requirements (see 7-I). Because Taylor is enrolled half-time in this training program, she is exempt from MWR and therefore exempt from the ABAWD work requirements.
3. Bey is full-time college student at the University of Iowa and taking credit classes working toward an undergraduate degree. Bey is subject to student eligibility requirements in 7-I and is only exempt from MWR if she meets the student eligibility requirements.

Work Registration Process

Legal reference: 7 CFR 273.7(c), 7 CFR 273.7(c)(1)(ii)

Policy: By signing the application or recertification form, a SNAP applicant or recipient is considered to be registered for work. However, work requirements apply only to mandatory work registrants (MWRs) in the household.

Procedure: Explain at the interview:

- What work requirements are,
- The rights and responsibilities of MWRs, and
- The penalties for failing to comply with Work Requirements for MWRs.

Form **470-5674** or **470-5674(S), SNAP Work Rules** will automatically be sent to the household. Document that the form was given to the household and that you verbally explained the work requirements to the household. The oral explanation of work requirements can be found in the WISE narrative template link.

For desk RREDs, there's no requirement to verbally explain their work requirements. The **SNAP Work Rules** form will automatically be mailed to household based on the WR coding in the system. See Changing from Exempt to MWR for the process to register new MWR members who join certified households.

The work registration status of a household member may change during the certification period. When a change is reported that may affect mandatory work registration status of a household member, begin by following the policies in 7-G for acting on changes to determine whether the reported change requires immediate action.

If the change requires action, see the policies Changing From Exempt to MWR and Changing From MWR to Exempt. These policies provide the process to change the mandatory work registration status of certified household members. If the change doesn't require action based on the household's reporting requirements, hold the information and take appropriate action at the next recertification.

Changing From Exempt to MWR

Legal reference: 7 CFR 273.7(b), 7 CFR 273.7(c)(1)(ii)

When a household reports a change in circumstances that results in a member losing an exemption from mandatory work registration or when a new member joining the household is subject to work rules, the system automatically mails form **470-5674** or **470-5674(S), SNAP Work Rules**, to the individual. If issuing a manual NOD, give or mail form **470-5674** or **470-5674(S), SNAP Work Rules**, right away to the person who is subject to the work rules. You must also provide a verbal explanation of the work requirements to the member who lost the exemption or the new household member subject to the work requirements as noted above. This includes when a person's status changes from MWR exempt to ABAWD or potential ABAWD. See **7-I, ABAWD Status Notification**.

Make the system entry to show the person's mandatory work registration status.

Changing From MWR to Exempt

Legal reference: 441 IAC 65.28(5)

When a change is reported during the household's certification period that indicates a person has become exempt from work registration, act on the change.

- If verification is **not** necessary in order to allow the exemption, make the system entry right away to change the person to exempt.
- If verification **is** necessary to allow the exemption, give the household 10 days to verify the circumstances keep the person coded on the system as an MWR until the verification is returned. Make the system entries to show the person's exempt status when you receive the verification.

Do not cancel a person for the sole reason that the person fails to verify an exemption from work registration. If this happens, keep the person coded as an MWR on the system until you receive verification.

If a work requirement violation happens while the person is coded as an MWR, be sure to give the person another opportunity to verify the claimed exemption, if necessary to avoid disqualification.

Work Requirements for MWRs

Legal reference: 7 CFR 273.7(a), 441 IAC 65.28(6), 65.27(234)

Policy: Unless they have good cause to not do so, to be eligible for SNAP benefits MWRs must:

- Not voluntarily quit a job that provides at least 30 hours of work weekly.
- Work at least 30 hours a week if their employer offers at least 30 hours a week.

Procedure: See Voluntary Quit to determine if a job loss is a voluntary quit. See Reduction in Work Effort to determine if a reduction in work effort has happened.

Verifying a Claim of Good Cause for Not Complying

Legal reference: 7 CFR 273.7(i)(3) and 273.7(i)(4), 441 IAC 65.28(17), 65.28(12), and 65.27(234)

Policy: Do not disqualify an MWR for committing a work requirement violation when the person has good cause for not complying. A person has good cause for not complying when:

- There were circumstances beyond the person's control. Examples include the person's illness, illness of another household member requiring the person's presence, a household emergency, the lack of transportation, or the lack of adequate child care for children ages 6 through 11. The household determines if adequate child care or transportation is available.
- The job was unsuitable. See Determining if Employment Is Suitable for reasons that make a job unsuitable.
- The employment became unsuitable after the person accepted the job. See Determining if Employment Is Suitable to determine if the job was unsuitable.
- There was discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin, or political beliefs.
- The work demands or conditions make it unreasonable to continue employment, such as working without being paid on schedule.
- A person leaves employment to accept another job or enroll at least half time in a recognized school, training program, or institution of higher education.
- A person leaves employment because another household member accepted a job or enrolled at least half time in a recognized school, training program, or institution of higher education in another county or state, causing the household to move.

- A person under age 60 resigns and it is recognized by the employer as retirement.
- A person accepts a genuine job offer that provides at least 30 hours a week, or weekly earnings at least equal to the federal minimum wage times 30 hours, and which because of circumstances beyond the control of the person either:
  - Did not materialize, or
  - Resulted in employment of less than 30 hours a week or pay of weekly earnings of less than federal minimum wage times 30.
- A person leaves a type of employment that, due to its nature, requires workers to frequently move from one employer to another. Examples include migrant farm labor, or construction work.
- The job quit was not a voluntary quit. See Voluntary Quit to determine if a voluntary quit occurred.
- The reduction in hours of work was not a reduction of work effort. See Reduction in Work Effort to determine if the person reduced his or her work effort.

Procedure: Always consider all the facts and circumstances when an MWR claims good cause for failing to comply with work requirements. When a good cause reason is based on circumstances beyond a person's control, the person's statement is sufficient verification.

Document the person's claim of good cause in the case record. In the case of a voluntary quit, include information such as that submitted by the household member involved, the employer, employee associations, union representatives, and grievance committees or organizations.

If you cannot obtain requested proof to dispute an MWR's claim of good cause, grant the person good cause and do not deny or cancel SNAP benefits. This most often occurs when the person quits due to discrimination or unreasonable demands made by the employer, or when the employer cannot be located.

Determining if Employment Is Suitable

Legal reference: 7 CFR 273.7(h), 441 IAC 65.28(15)

Policy: Failure to continue employment is grounds for disqualification only if the employment is suitable.

Procedure: Consider employment unsuitable if:

- The wage offered is less than:
  - The applicable federal or state minimum wage (whichever is higher), or
  - 80 percent of the federal minimum wage, if neither the federal nor state minimum wage is applicable.

- The job is on a piece-rate basis and the average hourly earnings are less than the hourly wage as defined above.
- The person must join, resign from, or refrain from joining any legitimate labor organization to get or keep the job.
- The job offered is at a site currently subject to a strike or lockout, unless the strike has been enjoined under Section 208 of the Labor-Management Relations Act (commonly known as the Taft-Hartley Act), or unless an injunction has been issued under Section 10 of the Railway Labor Act.
- The distance from the person's home to the place of employment is unreasonable, considering the expected wage and the time and cost of commuting. The person makes this determination.
- Daily commuting time exceeds two hours per day, not including taking a child to and from a child care facility. When a household move results in more than two hours commuting time the job is unsuitable. This includes moves within the state as well as from state to state. This applies whether a person leaves a job before or after the move.
- The distance to the place of employment is too far to walk, and neither public nor private transportation is available to get the person to the job site. The person makes this determination.
- The household member involved can show, or you become aware of, any of the following:
  - There is an unreasonable degree of health and safety risk.
  - The person is physically or mentally unfit to perform the job, as documented by medical evidence or by reliable information from other sources.
  - The job is offered within the first 30 days of registration and is not in the person's major field of experience.
  - The working hours or nature of the job interferes with the person's religious observances, convictions, or beliefs.

Voluntary Quit

Legal reference: 7 CFR 273.7(j)

Policy: Mandatory work registrants are not eligible for SNAP benefits when they voluntarily quit a job that provided 30 hours a week of work **or** weekly earnings at least equivalent to the federal minimum wage multiplied by 30 hours.

Procedure: Consider it "voluntary quit" when:

- A person quits suitable employment voluntarily without good cause. See the policies Verifying a Claim of Good Cause for Not Complying and Determining if Employment Is Suitable to determine if the person had good cause to quit.

- An employee of the federal, state, or local government is fired because of participating in a strike against the employer. Good cause provisions do not apply to this situation.

Comment: It is **not** a voluntary quit when a person:

- Terminates a self-employment enterprise.
- Resigns at the demand of the employer.
- Does not reenlist in the military.

Reduction in Work Effort

Legal reference: 7 CFR 273.7(j)

Policy: Mandatory work registrants are not eligible for SNAP when they voluntarily and without good cause reduce their work effort to working less than 30 hours a week. This policy applies to both employed and self-employed individuals.

Procedure: Do not apply this policy to jobs that provided less than 30 hours of work per week before the reduction. Do **not** use the minimum wage equivalency to determine the number of hours a person works for the purpose of applying this policy.

It is not a reduction in work effort when a person reduces hours of work:

- But not to less than 30 hours per week, or
- At the demand of the employer, or
- To less than 30 hours per week on a temporary basis. A person may temporarily reduce hours of work for reasons like vacation or personal business.

Disqualification for MWR Work Violations

Legal reference: 7 CFR 273.7(f)

Policy: Mandatory work registrants are not eligible when within 30 days before the date of applying, after applying, or while certified for SNAP benefits, they without good cause:

- Voluntarily quit a job. See Voluntary Quit for what constitutes a voluntary quit.
- Voluntarily commit a reduction in work effort. See Reduction in Work Effort to determine if a reduction in hours of work is a reduction in work effort.

Procedure: Apply a penalty only to the person who committed the violation. For the appropriate penalty, see Disqualification Periods.

If acting on an application, do not delay benefits beyond the normal application processing times solely to determine a possible voluntary quit or a reduction in work effort.

If you receive verification that a person committed a voluntary quit or reduction in work effort after the person has already been certified for SNAP benefits, apply the appropriate disqualification period. Do not do a claim for the SNAP benefits the person received before the disqualification was imposed.

Send the household a notice denying the person's benefits and informing the household of:

- The type of violation, voluntary quit or reduction in work effort.
- The length of disqualification period.
- Its right to reapply at the end of the disqualification period.
- Its right to request a fair hearing.

Do not disqualify applicants or people certified for SNAP benefits who:

- Become exempt from work registration before the disqualification period is imposed.
- Were exempt from work registration when the work requirement violation happened, unless they were exempt only because of being employed at least 30 hours a week (or having equivalent earnings).

Do not disqualify people who voluntarily quit or reduce work to less than 30 hours weekly while not certified for SNAP when they join a participating household.

Disqualification Periods

Legal reference: 7 CFR 273.7(f)

Policy: Disqualification periods are the same for all violations of work requirements. The length of disqualification to apply depends on how many times an MWR has failed to comply with one of the requirements.

Procedure: A disqualification period is set for a minimum number of months for the first and each subsequent violation. However, the minimum disqualification period is extended at the end of the set period of months until the person complies with the requirement that was failed. The disqualification periods are:

- For the first violation: 2 months or until the person complies, whichever is later.
- For the second violation: 3 months or until the person complies, whichever is later.
- For the third and subsequent violations: 6 months or until the person complies, whichever is later.

See Ending a Disqualification for how a disqualified person can become eligible for SNAP benefits after a disqualification period has been implemented.

Applying a Disqualification

Legal reference: 7 CFR 273.7

Policy: If the disqualified person is a member of an ongoing household, issue a **Notice of Decision** within ten days after you determine it is appropriate to apply a sanction. The first month of the disqualification period is the month after the end of the timely notice period.

Procedure: A notice of adverse action is required when a household's certification ends before or at the same time as the adverse action notice period would end, and the household has not been recertified. Start the disqualification period with the month after the last month of certification.

If you find out about a violation when the household's case is closed, begin the disqualification with the month you find out.

When disqualifying a member of a household that is certified but in canceled status, hand-issue a notice of adverse action and give timely notice.

If a household that is not certified applies for certification while a member's disqualification is in place, deny the person's benefits and approve benefits for the eligible members of the household.

If a person's benefits are continued pending a fair hearing and your decision is upheld, begin the sanction the first month after the hearing is decided, allowing timely notice. The benefits received while a hearing is pending are not subject to a claim.

When you discover that a disqualification period was not timely implemented, impose the disqualification period after giving timely notice. Benefits issued during the period of time that the disqualification period should have been in place are not subject to a claim.

Ending a Disqualification

Legal reference: 7 CFR 273.7(e)

Policy: There are two ways that an MWR who has been disqualified for a work requirement violation can get SNAP benefits again. A disqualified person can become eligible again by:

- Becoming exempt from work registration for any reason listed under Exemptions from Work Registration, or

- Serving the minimum disqualification period **and** complying with the failed requirement. If the person has not complied with the requirement that was failed by the time the minimum disqualification period ends, the disqualification remains in effect until the person does comply with the requirement that was failed.

Procedure: A disqualified person complies by:

- Getting a new job that is comparable in salary **or** in hours to the job that was quit, if disqualified for a voluntarily quit.

  NOTE: If the new job provides at least 30 hours per week or pays gross weekly wages of at least the federal minimum wage times 30 hours, the person becomes exempt from work registration and does not have to serve the minimum disqualification period. See below.

- Increasing hours of work to 30 or more, if disqualified for a reduction of work effort. NOTE: When the hours of work increase to 30 or more, or gross weekly wages increase to at least the federal minimum wage times 30 hours, the person becomes exempt from work registration and does not have to serve the minimum disqualification period.

Do not implement the disqualification period if before the effective date of the disqualification period the person either:

- Complies with the failed requirement, or
- Becomes exempt from work registration for any reason.

Reinstate the person's benefits if necessary.

When the disqualification period of a person who is a member of a certified household ends for any reason, add the person back into the household starting with the month following the month in which the disqualification ended. If the disqualified person is not a member of a certified household, the person must file a new application to get benefits again.

1. Mr. M is disqualified for a minimum of two months for voluntarily reducing his hours of work to less than 30 hours per week. The disqualification period starts on March 1. The rest of his household remains certified.

   On March 14, Mr. M starts a new job working 30 hours per week. He is now exempt from work registration, because he is working 30 hours a week. Mr. M is added back to the eligible household effective April 1.

2. Same situation as Example 1, except that Mr. M does not start his new job until May 14. He is added back to the eligible household effective June 1, for a total of three months of disqualification.

SNAP Resources

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Overview

This chapter describes how resources are used when determining eligibility. The first sections explain resources limits and countable resources, including whose resources to consider, what resources to consider, and how to handle jointly owned resources.

The next section is an alphabetical listing of excluded resources, followed by a section on how to treat vehicles. The penalties for deliberately transferring resources in order to qualify for SNAP are in the last section of the chapter.

Resource Limits

Legal reference: 7 CFR 273.8(b) and (c), 441 IAC 65.30(2)

Except for categorically eligible households, households are not eligible for SNAP if all countable resources total more than:

- $4,500 for all households with one or more eligible members who are disabled or aged 60 or older. (If the only member disabled or aged 60 or older is a disqualified member, the limit is $3,000.) See 7-A, *Disabled Member*.
- $3,000 for all other households.

Resource limits do not apply to categorically eligible households. See 7-C, *Categorical Eligibility*, for information on categorical eligibility.

Households cannot have countable resources over the applicable limit unless the household is categorically eligible.

All households who were previously disqualified for receiving substantial lottery or gambling winnings remain ineligible until they meet the resource limits listed above. Categorical eligibility cannot be applied to these households until they have regained eligibility based on regular resource limits.

Countable Resources

Information about determining what resources are countable is organized into the following sections:

- Whose resources to count
- What resources to count
- Verifying resources
- Joint ownerships

Whose Resources to Count

Legal reference: 7 CFR 273.1(a) and (b), 273.8(i), 273.11(c) and (d); 441 IAC 65.30(3)

Count the resources of the following people as being entirely available to the eligible household:

- All eligible members of the household who do not receive FIP or SSI. The policy in 7-C, *FIP and SSI Households* describes when FIP or SSI benefits are considered to be received.
- The portion of an alien's sponsor and sponsor's spouse that is attributed to the alien. See 7-I, *Sponsored Aliens*.

Resource policies apply the same to an ineligible member's resources as they do for eligible members. Resources that are excluded for eligible household members are also excluded for ineligible members.

Count the entire value of the following ineligible members' resources towards the eligible household's resource limit:

- Ineligible aliens. See 7-I, *Households with Alien Members*.
- Ineligible ABAWDS. See 7-I, *Able-Bodied Adults Without Dependents (ABAWDS)*.
- People disqualified for intentional program violation. See 7-J, *Intentional Program Violation*.
- People disqualified for failure to provide a social security number. See 7-C, *Social Security Numbers*.
- People disqualified for failing to comply with a mandatory work registrant requirement. See 7-C, *Work Requirements for MWRs*.
- Probation or parole violators and fleeing felons. See 7-I, *Fleeing Felons and Parole and Probation Violators*.
- Residents of institutions. See Chapter 7-C, *Residents of Institutions*.
- NAC matched individuals who fail to respond to the NAC match at application, recertification, or the addition of a new household member. See 7-I, *Ineligible Aliens, Ineligible ABAWDs, SSN Disqualifications, NAC Match Disqualifications*.

For households living in a shelter for battered women and children, see Inaccessible Resources.

Do **not** count the resources of the following people as being available to the eligible household:

- Anyone who receives FIP or SSI. To determine when to consider FIP or SSI benefits as received, see 7-C, *FIP and SSI Households*.

> Mr. and Mrs. A have two children. Each child owns several savings bonds. The cash value of the savings bonds is $1,000 for each child. One of the children receives SSI. The household has no other resources. Do not count the $1,000 cash value that is owned by the child who is an SSI recipient. The A household has $1,000 in countable resources.

- Ineligible students. (See 7-I, *Students*, for who is an ineligible student.)
- Boarders who are not included in the SNAP household. (See 7-I, *Boarders*.)
- Roomers who do not buy and fix food with the household. (See 7-C, *Nonmandatory Members*.)
- Live-in attendants who are not included in the SNAP household. (See 7-C, *Nonmandatory Members.*)
- Other people who live with the household, but are not mandatory household members and do not buy and fix meals with the household. (See 7-C, *Household Composition*.)

What Resources to Count

Legal reference: 7 CFR 273.8(c)

Count all liquid and nonliquid resources towards a household's applicable resource limit, unless listed under Excluded Resources. Money cannot be counted as both income and a resource in the same month.

Liquid Resources

Legal reference: 7 CFR 273.8(c), 273.9(c)(9)

Liquid resources are those resources the household can easily convert to cash. Examples include:

- Cash on hand
- Checking accounts
- Savings accounts
- Current market value of stocks and bonds
- Certificates of deposit
- Gift cards that are not store-specific, which can be spent like cash and used anywhere

Nonliquid Resources

Legal reference: 7 CFR 273.8(c)

Nonliquid resources are resources that cannot be easily converted to cash. Examples include:

- Personal property
- Land
- Buildings
- Vehicles
- Recreational property
- Other property not listed under Excluded Resources

Nonrecurring Lump Sum

Legal reference: 7 CFR 273.8(c)

Count nonrecurring lump sums as a resource unless excluded by federal law. See Other Excluded Federal Payments. For examples of nonrecurring lump sums, see 7-E, *Types of Income: Lump Sum (Nonrecurring)*.

Recreational and Vacation Property

Legal reference: 7 CFR 273.8(c)

Count the equity value of property primarily used for recreational or vacation purposes. Examples of recreational and vacation property are:

- Canoes, rowboats, or kayaks
- Travel trailers and nonmotorized campers
- Vacation homes
- Mobile homes used for vacation or recreational purposes

Motor homes are not treated under this policy. Motor homes are vehicles. See the Vehicles policy later in this chapter.

Verifying Resources

Legal reference: 7 CFR 273.2(f)(2), 273.8(b)

Ask for verification of any questionable resources. Examples of sources of verification are bank statements, statements from realtors, records from the county assessor's office, and real estate broker listings. (To verify the value of a vehicle, see Vehicles.)

If you think a payment may be excluded as a resource due to its funding source, contact the agency that issued the payment. Ask the agency for the source of the funding.

Document the amount of the household's countable resources in the case record. Give enough detail to support the basis of the eligibility decision.

Joint Ownership

Legal reference: 7 CFR 273.8(d), 441 IAC 65.30(234)

Determine what share of a jointly owned resource is owned by the client. Count the client's share towards the household's resource limit, unless:

- The household can establish that all or part of the resource is not available, in which case count only the part that is available to the household; **or**
- The resource cannot be divided, and the household's access to the resource depends upon the approval of the joint owner who will not allow the household access to the resource; **or**
- The resources are jointly owned by people living in a shelter for battered women and children and a person still living in the abuser's household, and the resources are controlled by the person still living in the abuser's household.

When a resource is jointly owned by two or more persons, assume that each person owns an equal share, unless this was not the intent of the people who own the resource. This includes resources jointly owned by a FIP or SSI recipient and a person who is not a FIP or SSI recipient. In this situation, do not count the share of the resource that belongs to the FIP or SSI recipient towards the household's resource limit.

1. Ms. J gets SNAP benefits separately from her roommate Ms. B. They have a joint checking account with a $3,000 balance. Ms. B is a FIP recipient. Ms. J is not. The intent of Ms. J and Ms. B is that half of the money in the checking account belongs to each person. $1,500 counts towards Ms. J's resource limit.
2. Ms. W, age 56, is legally blind. She lives alone and buys and fixes her own meals, but she is no longer able to see well enough to write personal checks. Ms. W's daughter, Ms. F, writes the checks for her mother, so Ms. F's name is on the checking account. This account is not considered to be a resource to Ms. F, because the intent of the relationship is that the money is to be used exclusively for Ms. W.

A vehicle is jointly owned whether the words "and" or "or" appear on the registration or title. Both people own the vehicle equally unless that is not the intent of the owners. To determine the value of a jointly held vehicle, follow the policies under Vehicles later in this chapter.

Commingled Funds

Legal reference: 7 CFR 273.8(f)

When excluded funds are commingled in an account with countable funds, the excluded funds retain their exclusion for six months from the date they are commingled, with the exception of:

- Income that has been prorated, such as self-employment. This type of prorated income remains excluded as a resource for the entire period of time it is prorated. See 7-I, *Self-Employed Households*.
- Earned income tax credits (EITC). EITC is excluded for a specific period of time, regardless of whether the money is commingled in an account with countable funds. See Earned Income Tax Credits (EITC) for the period of time that EITC is excluded.

Determining the Equity Value of a Resource

Legal reference: 7 CFR 273.8(c)

Count the equity value of countable resources toward a household's applicable resource limit. The equity value of a resource is the fair market value minus the amount owed on the resource.

See Vehicles later in this chapter for information on determining the resource value of vehicles.

Excluded Resources

Legal reference: 7 CFR 273.8(e)

Some resources are always excluded in determining SNAP eligibility.

Achieving a Better Life Experience (ABLE) Accounts 7 CFR 273.8(e)(2)(ii)	Exclude the value of ABLE accounts, which are tax-favored savings accounts established to provide secure funding for disability-related expenses.
Burial Plot 7 CFR 273.8(e)(2)	Exclude one burial plot for each household member.
Burial Trusts 7 CFR 273.8(e)(2)	See Funeral Agreements.

Cafeteria or Flexible Benefit Plans
7 CFR 273.8(e)(2)

Exclude the value of a cafeteria plan to the extent that the household cannot withdraw funds.

Some employers offer employees "cafeteria plans" or "flexible benefit plans." Under these kinds of plans, the household has the employer withhold money and pay certain expenses such as child care and medical expenses as vendor payments to third parties when the expenses are incurred. Under most of these plans, the household cannot withdraw any of the money and if any amount is left over at the end of the year, the household loses the money.

Conservatorship Funds
7 CFR 273.8(e)8

Treat conservatorship funds the same as an irrevocable trust in determining whether the funds are accessible. See Trust Funds.

Crime Victims Payments
Public Law 103-322

Exclude payments from a crime victim compensation program that is funded under the Victim's of Crime Act of 1984.

Current Month's Income
7 CFR 273.8(e)

Exclude a household's income for the current month as a resource even if deposited into a checking or savings account. The current month's income is counted as income not a resource.

To determine resources when processing an application, subtract all income actually received (net income) in the month, up to and including the date of interview, from countable liquid resources as of the date of interview.

> Household P has $900 in a savings account and $900 in a checking account (total resources = $1,800). The household received $400 in wages during the current month. This amount is excluded, leaving $1,400 in countable resources.

Deferred Compensation Plans
7 CFR 273.8(e)(2)

See Pension Plans and Retirement Accounts.

Disaster and Emergency Assistance Payments
Public Law 100-707, Section 105
7 CFR 273.8(e)(7)

Exclude any disaster and emergency assistance payments as provided under the Disaster Relief Act of 1974, and amended by Public Law 100-107, the Disaster Relief and Emergency Assistance Amendments of 1988. This applies to:

- Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local government, and disaster assistance organizations. Examples are HUD payments through the Individual and Family Grant (IFG) program and Small Business Administration disaster loans or grants.
- Government money the household receives to fix a home damaged by a disaster, if the money must be used for its intended purpose to avoid legal sanction.
- Disaster unemployment benefits provided under the 1988 amendments to the Disaster Relief Act of 1974. Under this Act, unemployment benefits are provided to persons who are out of work due to a major disaster, including self-employed persons and others who are not covered under regular unemployment insurance benefits.
- Payments provided by the Federal Emergency Management Agency (FEMA), including payments from the Individual and Family Grant Assistance payments made under Section 408 of the Disaster Relief Act of 1974.

Earned Income Tax Credit (EITC)
7 CFR 273.8(e)(12)
Public Law 111-312

Exclude for 12 months all EITC payments received as part of a federal tax refund between January 1, 2010, and December 31, 2012, as directed by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P. L. 111-312).

For EITC payments not excluded by that law:

- Exclude federal EITC payments for the month of receipt and the next month, if the person was not getting SNAP at the time of receipt.
- Exclude federal, state or local EITC payments for up to 12 months from the date of receipt if the person was getting SNAP at the time of receipt. Apply the exclusion as long as SNAP participation continues, up to a maximum of 12 months.

  NOTE: The exclusion ends if there is a break in participation of more than one month.

Education Accounts
Public Law 110-246, Section 4104(b)

Exclude funds in a qualified tuition program described in section 529 of the Internal Revenue Code of 1986 or in a Coverdell Education Savings Account under section 530 of the Internal Revenue Code. Examples are the College Savings Iowa 529 Plan, other states' 529 plans, and Coverdell accounts (sometimes referred to as Coverdale).

Money that a household puts into regular accounts that do not receive tax-preferred treatment is not excluded.

Education Assistance
441 IAC 65.30(5)

See 7-I, *Students: Resources*.

Energy Assistance Payments
7 CFR 273.8(e)(14)

Exclude payments funded through the Department of Health and Human Services Low-Income Energy Assistance Program.

Funeral Agreements
7 CFR 273.8(e)(2)

Exclude the value of one funeral agreement, such as a burial trust or funeral contract, per household member.

Gift Cards (Store-Specific)
7 CFR 273.8(e)(2)

Exclude the value of store-specific gift cards.

Homestead
7 CFR 273.8(e)(1)

Exclude the home the household lives in and the surrounding property. This exclusion also applies when the household intends to return but is temporarily away from home because of:

- Employment.
- Training for future employment.
- Illness.
- Conditions that made the home and lot uninhabitable due to a casualty or natural disaster.

For the purposes of this exclusion, "surrounding property" is property that the house is on and all other property that is not separated by property owned by someone else. If the household's property is separated by a public road or other right-of-way, exclude the household's property that lies on both sides of the public road or right-of-way.

Homestead (Cont.)

When property owned by someone else divides the household's property, count that part of the household's property that is separated from the home and lot by the other person's property.

Exclude the value of a partially completed home, unless the household owns or is buying a home elsewhere. Exclude only one home at a time, unless the additional home is excluded for a reason listed somewhere else in this chapter.

Exclude the value of a lot upon which the household is planning to build, if the household does not already own or is purchasing a home.

A household may own two houses that are located on contiguous property. Unless the second home is excluded under another policy in this chapter, exclude only the home the household lives in and all surrounding property that is not separated from the home by property owned by others.

Buildings, other than homes, on contiguous property are excluded even if they could be rented.

Household Goods and Personal Effects
7 CFR 273.8(e)(2)

Exclude the value of household goods and personal effects without regard to their value. "Household goods" are items used in and about the house in connection with home occupancy. They are items used to maintain the home as well as to accommodate, comfort and entertain the occupants.

"Personal effects" are the belongings of household members, including items like clothing, books, grooming aids, jewelry, hobby equipment and similar items.

HUD Family Self-Sufficiency Program
7 CFR 273.8(e)(8)

Funds held in a family self-sufficiency escrow account are excluded as long as they are held in the account. When a family self-sufficiency escrow account is released to a household, see Nonrecurring Lump Sum in this chapter.

Inaccessible Resources
7 CFR 273.8(e)

Do not count resources that are inaccessible to the household. Examples of inaccessible resources include:

- Security deposits on rental property or utilities.
- Property in probate.
- The unpaid portion of loans owed to a household.

Inaccessible Resources (Cont.)

- Real property that the household is trying to sell at a reasonable price but is still unsold. To verify that a property is being sold at a reasonable price, use collateral contacts and documentation such as newspaper ads or real estate broker listings.
- Resources of a person who lives in a shelter for battered women and children if access depends on the agreement of a joint owner who still lives in the abuser's household.
- Certain trust funds. (See Trust Funds, later in this chapter.)
- Any resource which, if sold or otherwise disposed of, would produce a profit of $1,500 or less after the estimated costs of sale or disposition. This exclusion does not apply to stocks, bonds or other negotiable financial instruments.

Indian Gambling Operations
7 CFR 273.8(e)

Indian gambling operation payments when made to children are generally placed directly into an inaccessible trust. The amount held in the inaccessible trust fund is excluded as a resource.

Indian Tribal Land
7 CFR 273.8(e)(10)

Exclude land that is held jointly with the tribe or land that can only be sold with the approval of the Bureau of Indian Affairs.

Indian Tribal Judgment Funds
7 CFR 273.8(e)

Indian tribal judgment payments come from funds distributed as a result of judgment awards from breaches of treaty provisions and funds held in trust by the Secretary of the Interior from the sale or lease of oil, gas, and other tribal trust assets such as land. Indian Tribal Judgment Funds are **not** payments from Indian gambling operations. They include:

- Payments received under the Alaska Native Claims Settlement Act or the Sac and Fox Indian Claims Agreement.
- Payments received by certain Indian tribal members under Public Law 94-114, Section 6, regarding submarginal land held in trust by the United States.
- Payments of relocation assistance to members of the Hopi and Navajo Tribes under Public Law 93-531.
- Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (Public Law 94-540).

Indian Tribal Judgment Funds (Cont.)

- Payments received by the Confederated Tribes and Bands of the Yakim Indian Nation and the Apache Tribe of the Mescalero Reservation from the Indian Claims Commission (Public Law 95-433, Section 2).
- Payments to the Passamaguoddy Tribe and the Penobscot Nation or any of their members pursuant to the Maine Indian Claims Settlement Act of 1980 (Public Law 96-420, Section 5).

Exclude payments of $2,000 or less for each household member per payment per calendar year. Exempt payments of any amount that is placed in an inaccessible trust.

Totally exclude from resources, purchases of $2,000 or less made solely with funds distributed after December 31, 1981, but before January 12, 1983 (P.L. 93-134, P.L. 97-458 and P.L. 98-64).

Individual Development Accounts (IDA)
P.L. 104-193,
P.L. 105-285,
P.L. 106-554.

Exclude funds in an IDA account. An IDA is an optional, interest-bearing account much like an IRA (but it is not a pension plan).

IDAs encourage clients to save for long term goals without the savings affecting eligibility or benefit amount.

IDAs are established and managed by DHS-approved organizations. IDAs are opened in financial institutions and are set up in an individual's name. Any Iowan whose family income is below 200% of the federal poverty level and who lives in an area where there is an IDA project can open an IDA.

Installment Sales Contracts
7 CFR 273.8(e)(6)

Exclude the value of installment contracts for land or buildings sold at a price consistent with the fair market value of the property.

Leased Vehicles
7 CFR 273.8(e)

A leased vehicle is not a resource to a household during the period of the contract, even if part of the lease payments are applied to the principal. Consider as a resource only any gain or benefit that is realized by a household at the end of the lease contract.

Life Insurance Policy's Cash Value
7 CFR 273.8(e)(2)

Exclude the cash value of a life insurance policy.

Loans
7 CFR 273.8(e)

Exempt only loans that are taken for business purposes and that the household is legally prohibited from using for a reason other than for the business.

> An employer does not have enough money to pay his employees. The employer takes out a loan for the purpose of meeting his payroll obligations. The lender has a legal restriction placed on the loan that restricts the money from being used for purposes other than the employer paying the employees' wages. This loan is exempt as a resource.

Mopeds
7 CFR 273.8(e)(2)

Exclude mopeds that meet the following criteria:

- A two- or three-wheeled vehicle.
- With an engine having a displacement no greater than 50 cubic centimeters (50cc).
- Not capable of operating at a speed in excess of 25 miles per hour on level ground without assistance.
- Identified by the letter R on the license or title.

Nonliquid Assets Under Lien
7 CFR 273.8(e)(15)

Exclude the value of nonliquid assets which are under a lien or security agreement that was placed as a condition for a business loan, if the security or lien agreement prohibits the household from selling the assets.

Other Excluded Federal Payments
7 CFR 273.8(e)(11)

The following is a listing of some of the resources that are excluded for SNAP by express provision of federal statute. There are additional resources that are excluded by federal statute, but they are not listed because they occur rarely or do not exist in Iowa.

- Federal tax refunds are excluded for 12 months, based on the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Public Law 111-312) through 2012, and made permanent by the American Taxpayer Relief Act of 2012.
- Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Public Law 91-646, Section 216).

Other Excluded Federal Payments (Cont.)

- 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 (Public Law 95-524), but not payments from the Young Adults Conservation Corps under that Act.

  Other payments under the Comprehensive Employment and Training Act (CETA) are not exempt from consideration as resources.
- Payments made to certain United States citizens of Japanese ancestry, resident Japanese aliens, and certain Aleuts under Public Law 100-383, "Wartime Relocation of Civilians."
- Payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.).
- Payments made under the Radiation Exposure Compensation Act. (Public Law 101-425)
- Payments made for children who suffer from birth defects and whose mothers are Vietnam veterans. (Public Law 106-419)
- Benefits received from the Special Supplemental Food Program for Women, Infants, and Children (WIC).

Pension Plans and Retirement Accounts
7 CFR 273.8(e)(2), Public Law 110-246, Section 4104(b)

Exclude all pension plans whether the funds were contributed by the employer or the employee. Exclude the funds as long as they remain in a pension plan, even if accessible, regardless of whether the person is still employed. Also exclude retirement accounts.

Some examples of excluded pension plans and retirement accounts are:

- 401K plans
- Individual Retirement Accounts (IRAs), including Roth IRAs
- Keogh plans
- Deferred compensation plans

Retirement Accounts (Cont.)	▪ 457(b) plans ▪ Iowa Public Employees Retirement System (IPERS) When a person withdraws funds from an excluded pension plan or retirement account, the money is income in the month it is received.
Pets and Property Used for the Pet 7 CFR 273.8(e)(2)	Exclude the value of pets and property used for the pet, such as saddles, bridles, or leashes.
Prorated Income 7 CFR 273.8(e)(9)	Do not count prorated income as a resource in any of the months for which it was prorated. See 7-I for more information on prorated income of people who are self-employed.
Property Producing Income Consistent With Fair Market Value 7 CFR 273.8(e)(4)	Exclude the value of property, such as rental property, that produces income consistent with its fair market value. This is true even when the property produces the income on a seasonal basis. "Producing income consistent with fair market value" means the gross income received is similar to like properties in the area. For example, monthly rental amounts are generally similar in the same area for similar living quarters. If the property does not produce income consistent with its fair market value, count the equity value toward the resource limit, unless the property could be exempt under another policy. Also, see 7-I, *Self-Employed Households*.
Property Sold Under Installment Contract 7 CFR 273.8(e)(6)	Exclude property that has been sold under an installment contract. Also, see Nonliquid Assets Under Lien.
Property Necessary to Maintain Excluded Vehicles 7 CFR 273.8(e)(16)	Exclude property necessary to maintain an excluded vehicle, as listed. Exclude only that portion of real property directly used for maintenance. For example, when part of a piece of land is used for storage or repair of the vehicle, exclude only that part, not the entire piece of land. This exclusion applies only to property necessary to maintain a vehicle used for one of the following purposes: ▪ To produce income for more than 50 percent of the time it is used.

Property Necessary to Maintain Excluded Vehicles (Cont.)

- To produce income consistent with its fair market value, even if used only on a seasonal basis.
- For long distance travel (other than daily commuting) essential to the employment of a household member or another person whose resources are considered available to the household.
- Is used as the household's home.
- Is needed to carry the primary source of fuel for heating.
- Is needed to carry water for home use.
- To transport a physically disabled person who is a household member or whose resources are considered available to the household.

Property Necessary for Employment
7 CFR 273.8(e)(5)

Exclude property necessary for the employment or self-employment of a household member. See 7-I, *Self-Employed Households*.

Trust Funds
7 CFR 273.8(e)(8)

Exclude trust funds and income from trust funds if they are not accessible to the household. If it is not clear that a trust is accessible or inaccessible, send in a request for clarification to the DHS central office.

For a trust to be considered inaccessible to the household, all of the following criteria must be met:

- It must be anticipated that during the certification period:
  - The trust arrangement is not likely to cease, and
  - No household member has the authority to revoke the trust arrangement or change the beneficiary.
- The trustee who handles the trust must be either:
  - A court appointee who has court-imposed limitations placed on the use of funds that meet the requirements of this section, or
  - An institution, court, corporation, or organization that is not owned by or under the control of a household member.
- Trust investments must not directly involve or help any business or corporation under the control, direction, or influence of a household member.

Trust Funds (Cont.)

- The irrevocable trust must be established either:
  - From nonhousehold funds by a nonhousehold member, or
  - From the household's own funds, if the trustee uses the funds solely to:
    - Make investments on behalf of the trust, or
    - Pay the educational expenses of any person named by the household creating the trust, or
    - Pay the medical expenses of any person named by the household creating the trust.

US Savings Bonds
7 CFR 273.8(e)

Exclude the value of US Savings Bonds that cannot be cashed in. For bonds that can be cashed, count as a resource the amount the bond is worth at the time resources are being determined, not the face value of the bond.

Vehicles

Legal reference: 7 CFR 273.8(f)

A motor vehicle may be:

- Excluded as a resource.
- Counted according to its equity value.
- Counted according to its excess fair market value over $4,650.
- Counted according to either its excess fair market value over $4,650 or its equity value, whichever is higher.

The **fair market** value is the current value of the vehicle. The **equity** value of a vehicle is the fair market value minus encumbrances.

Discussion on determining and counting the value of motor vehicles is organized as follows:

- Excluded motor vehicles
- Determining the fair market value of a motor vehicle
- Determining the countable value of a motor vehicle
- Jointly owned vehicles

Excluded Motor Vehicles

Legal reference: 7 CFR 273.8(e)

Exclude the entire value of one motor vehicle for each SNAP household. See 4-D, *Vehicles* for examples of motor vehicles.

Exclude the entire value of any remaining licensed vehicle if it:

- Is used to produce income.
- Produces annual income consistent with its fair market value. Allow the exclusion even if the work is seasonal.
- Is used for long distance travel (other than daily commuting) that is essential to employment. This may be employment of a household member or another person whose resources count. Examples include traveling salesmen, or migrants following the migrant stream.
- Is needed to transport a physically disabled person who is a household member or whose resources count. The physical disability can be either temporary or permanent. If the disability is questionable, a doctor's statement can be used as verification. **NOTE:** This exclusion does not apply to mental disabilities.

  Exclude only one vehicle per physically disabled person. The vehicle does not need to be specially equipped to be excluded. Transportation of the person can be for any reason, not just for medical treatment.
- Is used as the household's home.
- Is needed to carry the primary source of fuel for heating.
- Is needed to carry water for home use.
- Would produce a profit of $1, 500 or less, if sold.

Continue to allow the first three exclusions during periods of temporary unemployment, such as when a taxi driver is ill.

These exclusions also apply to vehicles on Indian reservations that do not require a license for vehicles driven by tribal members.

Determining the Fair Market Value

Fair market value is usually found in "blue books," like the National Automobile Dealers' Association (NADA) ***Used Car Guide***.

When using this source to determine fair market value, use the wholesale or trade-in value, not the retail value. Do not increase the value because of low mileage or optional equipment. Do not count special equipment to accommodate the handicapped as increased value.

If a new vehicle is not yet listed in the blue book, use another reputable assessment, such as a new car dealership, to determine fair market value.

If the vehicle is no longer listed, accept the estimated value given by the household, unless there is reason to believe the estimated value is not accurate and the value will affect eligibility.

When the estimate is questionable, the household must verify the value of the vehicle using a reputable source (such as an appraisal or a newspaper ad for a like vehicle). Proof of the value of classic cars, antiques, or custom-built cars must be from a reliable source.

Ask the household to get proof of the value of any vehicle that is in less than average condition. Vehicles with body damage or engine problems may be worth less than the blue book value.

If you use an Internet blue book web site to verify the fair market value of a vehicle, print a copy of the information as documentation for the case file. The information you use when the verification is made will not be available on the web site at the time of a QC review.

Determining the Countable Value of a Vehicle

Legal reference: 7 CFR 273.8(f)(1)&(2)

For **unlicensed** vehicles, count only the **equity** value. Unlicensed vehicles include vehicles on Indian reservations that do not require a license for vehicles driven by tribal members.

For leased vehicles, see Leased Vehicles under Excluded Resources.

To determine the countable value of **licensed** vehicles that are not excluded under Excluded Motor Vehicles:

1. Appraise each vehicle individually to see if it has excess fair market value (over $4,650).
2. Count the excess fair market value over $4,650 as a resource for:
   - One vehicle for each adult household member.
   - Any other vehicle a household member under age 18 drives to or from work, to training or education in preparation for work, or to look for work.

   Do not consider the equity value for these vehicles. (Continue to exclude the equity value for vehicles of household members under age 18 during periods of temporary unemployment or when a household member is unemployed because of a strike.)
3. Determine the equity value of the remaining vehicles. Compare the equity value to the amount of the fair market value that is over $4,650. Count as a resource the higher of the excess fair market value over $4,650 or the equity value.

Flow Chart On The Treatment of Licensed Vehicles

Exclude these vehicles from consideration.

- One vehicle per household.
- Would give a profit of $1,500 or less if sold?
- Are used:
  - For income producing purposes?
  - For long distance business travel?
  - For annually producing income consistent with fair market value?
  - As the household home?
  - To carry the primary source of heating or water for the household?
  - To transport a physically disabled member?

Are there any remaining vehicles in the category of:

- One vehicle for each adult household member?
- A vehicle used by a household member under the age of 18 for transportation to and from work, training, or education to prepare for work?

↓ **Yes** ↓

Evaluate these vehicles for fair market value over $4,650. Apply excess to resources.

↓ **No** ↓

Evaluate all remaining vehicles for fair market value over $4,650 and equity. Apply the greater amount of equity value or the fair market value over $4,650 to the household's resources.

EXAMPLE:

A household with two adult members owns five vehicles, as follows:

- Vehicle A has a fair market value of $6,000 and an equity value of $4,000.
- Vehicle B has a fair market value of $4,600 and an equity value of $2,000.
- Vehicle C has a fair market value of $4,800 and an equity value of $3,500.
- Vehicle D is a licensed motorcycle. It has a fair market value of $2,000 and equity value of $700.
- Vehicle E is a licensed motor home. It has a fair market value of $5,500 and an equity value of $1,600.

Calculate the value to count towards the resource limit as follows:

Vehicle	Excess Fair Market Value	Equity Value
A	Excluded	Excluded
B	$ 0(4,600 - 4,650)	Excluded
C	$150(4,800 - 4,650)	Excluded
D	$ 0(2,000 - 4,650)	$ 700
E	$850(5,500 - 4,650)	$1,600

Vehicle A is excluded as one vehicle per household.

Exclude the equity value of vehicle B and C as one vehicle for each adult household member.

Vehicle D is excluded as a resource because the sale of the vehicle would give the household $1,500 or less.

Vehicle E must have the equity value counted.

Thus, apply the following toward the household's resource limit:

Vehicle	Excess Fair Market Value	Equity Value		Countable Value
A	Excluded	Excluded	0	Excluded
B	$ 0	Excluded	$ 0	Countable value of B
C	$ 150	Excluded	$ 150	Fair Market value of C
D	$ 0	$ 700	$ 0	Excluded
E	$ 850	$ 1,600	$1,600	Equity value of E
		Total Applied:	$ 1,750	Total countable value

Jointly Owned Vehicles

Legal reference: 7 CFR 273.8

If a vehicle is owned by more than one person, first see Joint Ownership earlier in this chapter to decide the household's share of the value of the vehicle. Then use the following policies to decide how much of the value of the household's share of the vehicle is countable as a resource.

When using the **equity value** policy, only the household's share of the vehicle's equity is considered.

When using the **fair market value** policy, subtract $4,650 only once per vehicle, regardless of the number of owners. This means you first subtract $4,650 from the fair market value of the vehicle before determining the household's share to count.

> Mr. M and Ms. K get SNAP together. Ms. K is an SSI recipient. Mr. M is not. They have two cars titled in both of their names. One car is exempt. The fair market value of the remaining car is $8,600. $8,600 minus $4,650 = $3,950. The owners' intent is that each person has equal shares of ownership in the car. $3,950 divided by 2 = $1,975. $1,975 is the amount that can be attributed as the excess fair market value towards the household's resource limit.

Transferred Resources

Legal reference: 7 CFR 273.8(h)

A transfer of resources may be either:

- Allowable or
- Disqualifying.

Allowable Transfers

Legal reference: 7 CFR 273.8(h)

Allowable transfers involve resources that:

- Belong to a FIP or SSI recipient.
- Would not otherwise affect eligibility.
- Are sold or traded at, or near, fair market value.
- Are transferred between members of the same household, including ineligible aliens or disqualified persons.

- Are transferred for reasons other than to qualify or attempt to qualify for SNAP. An example is a parent putting money in an educational trust fund (as described in Trust Funds).

Disqualifying Transfers

Legal reference: 7 CFR 273.8(h)

The transfer of resources policy does **not** apply to categorically eligible FIP and SSI recipients. See *7-C, FIP and SSI Households*.

For all other people, disqualify the entire household if:

- A person whose resources are considered as countable towards the household deliberately transfers resources within the three-month period immediately preceding the date on the SNAP application, **and**
- The transfer was done solely to qualify the household for SNAP.

Also disqualify a certified household if a transfer was done solely for the household to remain eligible for SNAP.

For applicant households, disqualification can last up to 12 months, beginning with the month of application. If the household is currently receiving SNAP, begin the disqualification period with the month following the month in which the timely notice period expires, unless the household has requested a hearing and continuation of benefits.

Determining the length of the disqualification period involves several steps:

1. Add the nonexempt transferred resource to the other countable resources of the household.
2. Subtract the resource limit for the particular household from the new amount to find the “amount in excess of the resource limit.”
3. Use the following chart to determine the period of disqualification:

Amount in Excess of Resource Limit	Period of Disqualification
	1 month
$ 0 - 249.99	3 months
$ 250 - 999.99	6 months
$ 1,000 - 2,999.99	9 months
$ 3,000 - 4,999.99	12 months
$ 5,000 or more	

A one-person household with $1,750 in a bank account transferred ownership of a car used for work and worth $5,000 to try to qualify for SNAP. The first $4,650 of the car's value is exempt, leaving $350 to apply toward the resource limit. The household's resource limit at the time of application was $2,000. Calculate the disqualification period as follows:

$350 value of the transferred resource (countable value of the car) + $1,750 bank account = $2,100. $2,100 - $2,000 (resource limit) = $100 in excess of the resource limit.

Based on the chart, the household must be disqualified for one month.

Send a *Notice of Decision* to disqualify the household if you determine that the household deliberately transferred resources to qualify or try to qualify for SNAP. Include in the notice the reason for the disqualification and how long the disqualification will last.

Change the disqualification period if you did not determine the period correctly. However, a change in household circumstances cannot change or end the disqualification period.

Employees' Manual
Title 7, Chapter E

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SNAP Income

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Overview

This chapter describes:

- Income verification requirements.
- Types of income that are counted for SNAP.
- Deductions allowed from the income.

Use this chapter in conjunction with **7-F, Budgeting** and **7-I, Specific Households and Participants** to determine eligibility and benefit levels.

Income Verification Requirements

Legal reference: 7 CFR 273.2(f)

Households must verify all gross countable income except Family Investment Program (FIP) grants. Types of verification include:

- **Form 470-2844** or **470-2844(S), Employer's Statement of Earnings**
- Wage stubs
- Statements from the employer
- Award letters
- Self-employment records or tax forms
- Legal documents
- Bank statements
- Household's records of tip income

NOTE: Do not use WAGE screens as verification. Past quarterly income cannot be used to determine a monthly amount for a projection.

Verify gross countable income:

- At application,
- At recertification,
- When new income is reported, and
- When income changes.

When a source other than a household member fails to cooperate in supplying needed verification and no other source is available, determine the amount of income based on client-provided information. Do this only as a last resort. Document verification or why information was not verified. See **7-B, Verification** for a list of people who are considered part of the household for verification purposes.

Types of Income

Legal reference: 7 CFR 273.9(b)

Income means all income from any source. Income is either earned, unearned, or excluded. Most income is counted in the month the household receives it. Exceptions to this are interest income, student income, some self-employment income, and some contract income. Student and self-employment income are covered in **7-I, Specific Households and Participants**.

The following sections list in alphabetical order the most frequent types of income and how to treat them. The headings list legal references and, in parentheses, whether the income is unearned, earned, or excluded.

Achieving a Better Life Experience (ABLE) Payments (Excluded) 7 CFR 273.9(c)(10)	Do not count payments made from ABLE accounts.
Adoption Subsidy (UNEARNED) 7 CFR 273.9(b)(2)(i)	Count adoption subsidies as unearned income. Adoption subsidies are payments made to adoptive parents. These payments come from federal funds, and are based on need. Exclude adoption subsidy payments when the payment is a reimbursement for expenses like child care or medical expenses. Exclude pre-adoption subsidy payments as income if the child is **not** included in the SNAP household. Count the pre-adoption subsidy payment as income if the child is included in the SNAP household. These payments are treated the same as foster care payments.
Alimony Payments (Unearned) 7 CFR 273.9(b)(2)(iii), 273.9(b)(5)(i)	Count as unearned income any alimony payments the household gets from someone outside the household, excluding any fees withheld. See Costs Withheld from Unearned Income.
AmeriCorps Payments (Excluded) 7 CFR 273.9(c)(10) PL 101-610	Do not count any payment a household receives from AmeriCorps as income. These payments are excluded under Public Law 101-610 are excluded as income.

AmeriCorps Vista
(Earned or Excluded)
7 CFR
273.9(b)(1)(iv),
273.9(c)(10)(iii)

AmeriCorps Vista payments are not always excluded as income. See VISTA Payments.

Annuities
(Unearned)
7 CFR 273.9(b)(2)
and 273.10(c)(3)

Count payments from an annuity as unearned income. Annuities should be averaged over the period of time they are intended to cover. For example, annuities that are paid annually should be averaged over 12 months.

Assistance Payments
(Unearned)
7 CFR 273.9(b)(2)(i)

Count assistance payments as unearned income unless the payment is excluded under a specific policy. Assistance payments are payments based on need that the household gets from federal or federally aided public assistance programs or other assistance programs. Examples are:

- FIP
- Supplemental Security Income (SSI)
- State Supplementary Assistance
- Adoption subsidy
- Veterans Assistance
- Indian relief
- General assistance

Count these payments even if the assistance is given in the form of a vendor payment. Also count the payment even if the program requires the client to work without pay in order to be eligible.

Do **not** count assistance from a program that provides only in-kind assistance (gives the client food rather than a vendor payment, for example).

Do **not** count these payments if they are exempt under another policy. For example, do not count reimbursements for expenses like transportation, child care, or medical care, or payments that are a loan. See Reimbursements.

See specific topics throughout this chapter for more information.

Blind Training Allowance (Excluded) 7 CFR 273.9(c)(5)	Exclude as income a training allowance issued by the Department for the blind to cover the cost of training, such as tuition, books, transportation, lodging away from home, and other related items.
Blood Plasma Sale (Earned) 7 CFR 273.9(b)(1)	Count income from the sale of blood plasma as earned income. The plasma center is considered the employer.
Boarding House Income	Income from a boarding house is earned self-employment income. See **7-I, Boarders and Commercial Boarding Houses** for more information.
Bonus (Earned, Unearned or Excluded) 7 CFR 273.9(b)(1) and (2); 273.9(c)	If a bonus is received while the person is employed, it is earned income. If a bonus is received after employment has ended and is paid in: ▪ A single payment, it is excluded as a nonrecurring lump sum. ▪ More than one payment, it is unearned income. Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.
Bottle and Can Refund (Earned and Excluded) 7 CFR 273.9(b)(1)	Count as earned income the money obtained from collecting and refunding or selling bottles or cans. Exclude money obtained from refunding bottles or cans purchased by the household.
Cafeteria or Flexible Benefit Plans (Earned) 7 CFR 273.9(b)(1)	"Cafeteria" or flexible benefit plans use either the employee's or employer's money to pay certain expenses, such as child care, medical expenses, health insurance, annual leave, or sick leave. (These benefits are not displayed in the same way on all pay stubs. The best source of information regarding them is the employer.)

Cafeteria or Flexible Benefit Plans (Cont.)

Count as earned income the employee's gross wages, including any amount withheld for these plans, even if the employee loses any money left over at the end of the year.

Count as earned income any cash an employee receives of the employer's money because the employee did not use all of the money for benefits covered by the plan.

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

Cash Donations (Excluded or Unearned)
7 CFR 273.9(c)(12)

Exclude cash donations based on need when the household gets them from one or more private, nonprofit, charitable organizations. Do **not** exclude more than $300 per federal fiscal quarter. Count any amount over the $300 limit as unearned income. The federal fiscal quarters are:

- January 1 through March 31
- April 1 through June 30
- July 1 through September 30
- October 1 through December 31

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

> Mr. A received $100 cash in June and $300 cash in July from the Salvation Army. Because the donations occurred in different federal fiscal quarters, both donations are excluded as income.
>
> Mr. B received $400 cash in July from the Red Cross. Because the entire amount was donated in the same quarter, $300 is excluded and $100 is counted as unearned income.

Child's Earnings (Excluded)
7 CFR 273.9(c)(7), 273.10(e)(2)(i)(E)

Exclude the earned income of any member of the household aged 17 or younger who is a student attending elementary or high school, home schooling or a GED program recognized, operated, or supervised by the state or local school district.

Child's Earnings (Cont.)

Continue to exclude the earnings during a temporary break in school attendance (like a semester or vacation break), as long as the child will go back to school after break.

Do **not** exclude the income if the student is living alone or living with someone other than a parent. See **7-A, Definitions** for the definition of "parent."

If it is not possible to separate out the child's earnings or amount of work performed from that of other household members, prorate the total earnings equally among the working members, and exclude the child's pro rata share.

Exclude earnings for the month the student turns 18, for both applicant and participant households.

Child Support Income
(Unearned or Excluded)
7 CFR 273.9(b)(2)(iii), 273.9(b)(5)(i) and (ii)

Count child support of a SNAP household member who is not a FIP participant when the payment is:

- Voluntary support, or
- Court-ordered support, or
- Back support for even more than one month.

Count child support, excluding any fees withheld, as unearned income to the child for whom the payment is intended. See Costs Withheld from Unearned Income.

When using the Iowa Collection and Reporting (ICAR) system to verify payments, add two working days and two mail days to the payment distribution date. If the client disputes your calculated receipt date, accept the client's statement as to the date of receipt, if that date appears plausible.

Exclude voluntary support payments that are paid to a third party for a household expense. These are vendor payments and are not legally obligated to the household. Voluntary support payments are payments that are not legally ordered. They include payments made over and above the amount specified.

Exclude child support payments that are assigned to the Child Support Recovery Unit because of FIP eligibility. Child support is excluded as of the date it is assigned. (This is the date the FIP approval is successfully entered into the Automated Benefit Calculation (ABC) system.)

Child Support Income (Cont.)

Count child support of a FIP participant that is released to the SNAP household unless the Child Support Recovery Unit must keep the child support to comply with FIP requirements.

Count child support of a SNAP household member who is a FIP participant that is released to the SNAP household for:

- An overage released when the child support exceeds the FIP assistance paid out, or
- Months FIP was not received.

For child support payments paid to SNAP household members for a child that is not a member of the same SNAP household, see Representative Payee Income.

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

> A household received child support payments only twice in the past six months. The amounts were different. The amount of this income and when it will be received again, is uncertain. Do not anticipate any child support for the certification period.

Contract Income (Earned)
7 CFR 273.10(c)(3)(ii)

Annualize income earned under contract when the income represents the household member's annual income, even when the contract covers a period of less than 12 months. This may include the income of school employees, even if their contract breaks the amount down to an hourly rate.

Do not annualize contract income that is not the household member's annual income. Do not annualize contract income that is received on an hourly or piecework basis. Prorate this contract income over the period the income is intended to cover.

This policy does not apply to migrant or seasonal farm workers. If the contract income is not the household member's annual income and is paid on an hourly or piecework basis, count the income when received.

Contract Income (Cont.)	Household members who own a business can work under contract to customers of their business. This contract income is self-employment. See **7-I, Self-Employed Households**. Some employers may call their employees subcontractors to reduce expenses or the demand for benefits. This income is treated as wages. See Wages. For property sold on contract see, **7-I, Self-Employed Households: Income: Property Sold on Contract**.
Corporation Income	See **7-I, Corporations**.
Costs Withheld from Unearned Income (Excluded) Public Law 107-171	Exclude any reasonable income-producing costs withheld from gross unearned income. “Costs” are the amount actually spent to produce the income, rather than the amount owed. The net amount remaining after deducting these costs is counted as unearned income. This includes, but is not limited to: ▪ Agency fees withheld from child support or alimony payments, and ▪ Attorney fees withheld from workers’ compensation.
Crime Victim Payments (Excluded) 273.9(c)(10) Public Law 103-322	Exclude payments received from a crime victim compensation program that is funded by the Crime Victims fund under Public Law 103-322.
Debts Owed to a Household (Excluded) 7 CFR 273.9(b)	Do **not** count the principal portion of payments made to the SNAP household to repay a loan or promissory note. See Interest Income if the household is getting an interest payment.
Disability Benefits (Unearned or Earned) 7 CFR 273.9(b)(1) and (2)	Count an employee’s disability benefits as unearned income, excluding any costs or taxes withheld, when the payment comes from an insurance company. Count an employee’s sick leave or disability payments as earned income when they are paid out of the employer’s funds.

Disaster Assistance (Excluded) Public Law 100-707, Section 105	Do not count disaster and emergency assistance payments provided under the Disaster Relief Act of 1974, as amended by Public Law 100-707, the Disaster Relief and Emergency Assistance Amendments of 1988. This exemption applies to federal assistance provided to people directly affected and to comparable disaster assistance provided by states, local government, and disaster assistance organizations. Most, but not all, Federal Emergency Management Assistance (FEMA) funds are excluded. For example, some payments are made to homeless people to pay rent, mortgage, food, and utility assistance when there is no major disaster or emergency declared by the President and are not excluded under this provision.
Dislocated Worker Projects Payments	This is a Workforce Innovation and Opportunity Act (WIOA) payment. See Workforce Innovation and Opportunity Act.
Diversion Programs (Excluded) 7 CFR 273.9(c)(1)(i)(F), 273.9(c)(5) DPL 99-01 Att. 4 DPL 99-03 Att. 6 DPL 99-04 Att. 2	Exclude diversion payments as a nonrecurring lump-sum payment, a reimbursement, or a vendor payment. While this policy normally applies to Family Self-Sufficiency Grant diversion payments, the policy also applies if a general assistance program has a similar payment. See Lump Sum (Nonrecurring), Reimbursements, or Vendor Payments.
Dividend Income	See Interest Income.
Earned Income Credit (Excluded) 7 CFR 273.9(c)(13)	Exclude as income an earned income credit (EIC), whether received with regular paychecks or as a lump sum included with the federal tax refund. This is sometimes referred to as Earned Income Tax Credit (EITC). Examine pay stubs for EIC payments.
Educational Income	See **7-I, Students: Income**.
Employer Contributions (Excluded or Earned) 7CFR 273.9(c)(1)	If a paystub reflects contributions such as “benefit credits”, “wellness credits” or “stock purchase contributions”, and the employee does not have the option of receiving the contribution as pay, that amount is excluded as income. If the employee may elect to receive it as pay, count it as part of the wages.

Energy Assistance
(Excluded)
7 CFR 273.9(c)(11)

Exclude payments or allowances made under any federal law for providing energy assistance. Examples of excluded payments are:

- The Department of Health and Human Services' Low-Income Home Energy Assistance Program. The Affordable Heating Program is one of these. See Low-Income Home Energy Assistance Program (LIHEAP).
- The Department of Housing and Urban Development (HUD), even if the payment is received directly by the participant.
- The Farmers Home Administration (FmHA).

Experience Works Income
(Excluded)
7 CFR 273.9(c)(10)

Exclude income received through the Experience Works program (formerly known as Green Thumb) that is funded in part through Title V of the Older Americans Act of 1965. (Experience Works program one of several program funded under this legislation. See Income Excluded by Federal Statute.)

Family Investment Program (FIP) Payments
(Unearned or Excluded)
7 CFR 273.2(j)(1)(iv)

Count FIP payments as unearned income. If two FIP payments are received in one month because a holiday falls on the first of a month, count each payment for the month for which it is intended.

If the household received FIP payments **after** the month for which they were intended, exclude them as a nonrecurring lump sum. (See Lump Sum (Nonrecurring).)

Family-Life Home Payments
(Excluded or Unearned)
7 CFR 273.9

When an adult who is receiving a family-life home payment, is **not** included in the SNAP household, exclude the family-life home payment.

If an adult who is receiving a family-life home payment **is** included in the SNAP household, count the family-life home payment as unearned income. See **7-C, Household Composition: Family-Life Homes**.

Family Self-Sufficiency Grants
(Excluded)
7 CFR 273.9(c)(5)

Exclude PROMISE JOBS payments through Family Self-Sufficiency Grants as reimbursements for employment related expenses.

Family Support Subsidy
(Unearned)
7 CFR 273.9(b)(2)(i)

Count Iowa Family Support Subsidy payments as unearned income. The Department issues these payments to families with children who have special educational needs due to a physical disability or mental retardation.

The program is administered through the Division of Behavioral, Developmental, and Protective Services for Families, Adults, and Children.

Financial Assistance for Education or Training

See **7-I, Students: Income**.

Focus Group, Survey or Study Income
(Earned, Unearned, or Excluded)
7 CFR 273.9(b)(1) and (2), 273.9(c)(5)

Count as income payments received for participation in a focus group, survey, or study unless the payment is a reimbursement or paid in the form of a store-specific gift card. Gift cards that are not store-specific, such as MasterCard® or Visa® cards, can be used like cash and are therefore countable as income.

Whether it is considered earned or unearned income depends on how the payment is described by the entity providing it. (Also see Welfare Reform Evaluation Payments.)

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

Food Programs

Exclude as income the value of:

- Commodities donated by the U.S. Department of Agriculture.
- Assistance to children in the School Lunch Program, the Summer Food Service Program for Children, the Commodity Distribution Program, and the Child and Adult Care Food Program provided under the National School Lunch Act.

Food Programs (Cont.)

- The assistance given to providers of care is counted as self-employment income. See **7-I, Self-Employed Households**.
- Benefits received under Title III-C, Nutrition Program for the Elderly, of the Older Americans Act of 1965, such as the Congregate Meals Program administered through the Iowa Department of Elder Affairs.

Foster Care Payments
(Unearned or Excluded)
7 CFR 273.9(b)

When a foster child is included in the SNAP household, count the foster care payment as unearned income. When a foster child is **not** included in the SNAP household, exclude the foster care payment. See **7-C, Household Composition: Foster and Pre-Adoptive Children**.

See Preparation for Adult Living (PAL) Stipends for children aging out of foster care.

Gambling Winnings
(Unearned)
7 CFR 273.9(b)(2)

Count winnings from gambling as unearned income. Do not offset the winnings with any amount lost.

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

General Assistance or Relief
(Unearned or Excluded)
7 CFR 273.9(c)(1)(ii)

General assistance includes assistance such as general relief, veterans assistance, and Indian relief.

- Exclude general assistance when it is a loan.
- Count general assistance paid out in cash as unearned income.
- Count a general assistance vendor payment as income unless it is for medical, child care, or energy or utility costs, including payments made under the Low Income Home Energy Assistance Program (LIHEAP).
- Exclude housing assistance for households living in temporary housing. (This applies only if the temporary housing does not have cooking or refrigeration facilities for the household.)

General Assistance or Relief (Cont.)	Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain. See Assistance Payments and Legally Obligated Money for additional information.
Gift Cards (Earned, Unearned or Excluded) 7 CFR 273.9	Payments made in the form of a gift card that is limited in where the card can be used or what can be purchased with the card are excluded as income. Payments made in the form of a gift card that can be used like cash to purchase anything at any location, such as MasterCard® or Visa® gift cards, are countable as income. Determination of whether it is earned or unearned is based on what the payment is for.
Gifts (Unearned or Excluded) 7 CFR 273.9(b)(2)(v), 273.9(c)(2)	Count a cash gift (other than one specifically excluded under Cash Donations) as income if it can be anticipated. Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.
Health Insurance Premium Payment (HIPP) (Excluded) 7 CFR 273.9(c)(5)	Exclude Health Insurance Premium Payments (HIPP).
HUD Housing (Rent or Mortgage) Payments (Unearned or Excluded) 7 CFR 273.9(c)(1)	Exclude rent or mortgage payments made directly to the provider by the Department of Housing and Urban Development (HUD). If the HUD payment is made to the household, count it as unearned income but allow the applicable deduction.
HUD Utility Payments (Excluded) 7 CFR 273.9(c)(1)	Exclude all utility payments made by the Department of Housing and Urban Development (HUD). This is true regardless of whether the payment is made to the provider or the household.

Income Excluded by Federal Statute
(Excluded)
7 CFR 273.9(c)(10)

Exclude all income that is specifically excluded by any other federal statute when determining SNAP eligibility. This includes, but is not limited to, the following:

- Any payments to volunteers under Title I or Title II of the Domestic Volunteers Services Act of 1973 (Public Law 93-113) as amended. Title I payments include payments made through VISTA and University Year of Action. Title II payments include those made through RSVP, foster grandparents, and others.

  NOTE: Count Title I payments as earned income if the person was not getting SNAP or public assistance when the person joined the Title I program.

- Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Public Law 91-646, Section 216).
- Payments received under the Alaska Native Claims Settlement Act Amendments (Section 29 of Public Law 92-203 and Section 15 of Public Law 100-241).
- Payments of relocation assistance to members of the Hopi and Navajo Tribes under Public Law 93-531.
- Any funds received from the Community Services Employment Program under Title V of the Older Americans Act of 1965 (Public Law 100-175, Section 166) as amended. These funds provide subsidized part-time employment for low-income senior citizens in public agencies or nonprofit corporations that provide services to the community.
- Payments made to certain United States citizens of Japanese ancestry, permanent resident Japanese aliens, and certain eligible Aleuts under Public Law 100-383, entitled “Wartime Relocation of Civilians.”
- Payments made from the Agent Orange Settlement Fund or any other fund established for the settlement in the In re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.) NOTE: This settlement fund is now closed as all funds have been distributed.
- Payments made under the Radiation Exposure Compensation Act. (Public Law 101-426).

Income Excluded by Federal Statute (Cont.)

- Payments made under the Disaster Relief Act of 1974, as amended by Public Law 100-707, the Disaster Relief and Emergency Assistance Amendments of 1988. See Disaster Assistance.
- Payments made for services like child care or training to a public housing resident under Family Investment Centers, Public Law 101-625, section 22(i). The exclusion does not apply to wages or stipends.
- Payments made to people as victims of Nazi persecution. (Public Law 103-286)
- Payments made for children who suffer from birth defects and whose mothers are Vietnam veterans. (Public Law 106-419)
- Payments made to a child of a Vietnam Veteran for any disability of the child resulting from spina bifida, Public Law 104-204, section 1805(d).
- Additional payments received by members of the United States Armed Forces, including the Reserves and National Guard, due to being deployed to or serving in a designated combat zone. Exclude the payments for the duration of the person's deployment. (Public Law 108-477)

  If the person was part of the SNAP household before deployment, determine the person's military take-home pay at that time. Count that amount as income if it is less than what the person is making available to the household after deployment.

  If the person was not a member of the SNAP household before deployment, determine the amount of military pay the person made available to the household at that time. Count that amount as income if it is less than what the person is making available to the household after deployment.

  If the amount of military income before deployment is more than what is made available to the household after deployment, count the amount made available after deployment.

Income Excluded by Federal Statute (Cont.)

The following is a list of designated combat zones:

Adriatic Sea
Afghanistan
Albania
Bahrain
Bosnia
Croatia
Djibouti
Eastern Mediterranean
Egypt
Gulf of Aden
Gulf of Oman
Herzegovina
Ionian Sea north of the 30th parallel
Iraq
Israel
Jordan
Kuwait
Kyrgyzstan
Macedonia
Oman
Pakistan
Persian Gulf
Philippines (only troops with orders that reference OEF)
Qatar
Red Sea
Saudi Arabia
Tajikistan
United Arab Emirates
Uzbekistan
Yemen

Other laws exclude types of income that are not known to be received by Iowa SNAP households.

Income from Government-Sponsored Programs
(Unearned)
7 CFR 273.9(b)(2)(v)

Count income from government-sponsored programs as unearned income.

Income Tax Refund
(Excluded)
7 CFR 273.9(c)(8)

See Lump Sum (Nonrecurring).

Indian Relief
(Unearned or Excluded)
7 CFR 273.9(b)(2)(i)

Indian relief is a type of general assistance.
See General Assistance or Relief.

Indian Tribal Money
(Excluded, Unearned)
Public Law 103-66
DPL 19-01 Att. 6

Exclude $2,000 per year from tribal dividend payments. EXCEPTION: Exclude all tribal dividend money deposited into a child's trust.

Some tribes distribute casino profits. Count these payments as unearned income in the month received. Do not apply the $2,000 exclusion.

Some tribes distribute gas and oil revenues. Unless provided as a result of a court decision, this income is countable. Do not apply the $2,000 exclusion.

Individual Development Accounts (IDA)
Public Law 104-193
Public Law 105-285
Public Law 106-554

Exclude interest earned on IDA accounts. Also exclude any deposits made into the account by an outside source.

An IDA is an optional, interest-bearing account much like an IRA (but it is not a pension plan). IDAs are established and managed by DHS-approved organizations. IDAs encourage clients to save for long-term goals without the savings affecting eligibility or benefit amount.

Any Iowan whose family income is below 200% of the federal poverty level and who lives in an area where there is an IDA project can open an IDA. IDAs are opened in financial institutions and are set up in an individual's name.

Ineligible Household Members' Income

See **7-I, Ineligible Household Members**.

In-Home Health-Care Payments
(Earned and Excluded)
7 CFR 273.9(b)(1)(i), 273.9(c)(5)
DPL 00-04 Att. 1

The in-home health-care assistance paid to the household member who receives the care is excluded from income as a reimbursement for medical care. See Reimbursements.

When the in-home-health care assistance is paid to another person to provide the care, the money is considered earned income to that person. This is true whether the person is in the same SNAP household or not.

Usually, SNAP policy does not allow money paid to a member of the same household to be considered as earned income. This is an exception to that policy.

In-Home Health-Care Payments (Cont.)	If the income of the household member receiving the care pays for part of the care (client participation): ▪ Count this as earned income to the household member providing the care when the person receiving the care and the person providing the care are not in the same SNAP household. ▪ Exclude this as income to the household member providing the care when the person receiving the care is in the same SNAP.
In-Kind Benefits (Excluded) 7 CFR 273.9(c)(l)	Exclude any nonmonetary or in-kind gain or benefit provided directly to the household, such as meals, free rent, clothing, public housing, or produce from a garden. Also exclude any in-kind benefits converted to a direct cash payment, when approved by a federally authorized demonstration project. Working off rent is an in-kind benefit. Do not count the value of free rent as income, and do not allow it as a deduction.
Insurance Settlements (Excluded) 7 CFR 273.9(c)(8)	Exclude from income all money received from nonrecurring lump-sum insurance settlements.
Interest Income (Excluded and Unearned) 7 CFR 273.9(b)(2)(v), 273.9(c)(2)	When the time of receipt and the amount of the interest can be anticipated, count it as unearned income. If either the time of receipt or the amount of interest cannot be anticipated, do not count the portion that is uncertain. For most passbook accounts, the time the bank credits the interest can be anticipated, but the amount of the interest cannot be anticipated. The owner can change the amount of money in the account at any time. Prorate interest income that can be anticipated by dividing the amount anticipated during the certification period by the number of months in the certification period.
Irregular Income (Excluded in part) 7 CFR 273.9(c)(2)	Exclude up to $30 of income per federal fiscal quarter when the income is received too infrequently or irregularly to be reasonably anticipated.

Job Corps
(Earned or Excluded)
7 CFR 273.9(b)(1)(i), 273.9(c)(8)

Most Job Corps participants are ineligible for SNAP benefits because they are residents of an ineligible institution that provides a majority of their meals. Count salary and performance bonus as earned income in the month it is received, for Job Corps participants who are not residents of an ineligible institution.

For Job Corps participants who have left Job Corps but are still receiving Job Corps payments, count current earnings as earned income in the month received.

Exclude any lump sum one-time payment of salary from prior periods as a nonrecurring lump sum. If a performance bonus is received after the person leaves the program and it is paid out in one payment, exclude it from income as a nonrecurring lump sum.

Job Insurance Benefits
(Unearned or Excluded)
7 CFR 273.9(b)(2)

See Unemployment Insurance Benefits.

Job Related Reimbursement
(Excluded)
7 CFR 273.9(c)(5)

Exempt as income reimbursements from the employer for job-related expenses including travel expenses and uniform allowances.

Job Training Partnership Act
(Earned or Excluded)
7 CFR 273.9(b)(1)(iii) and 273.9(b)(1)(v)

Job Training Partnership Act (JTPA) is now known as Workforce Innovation and Opportunity Act (WIOA). See Workforce Innovation and Opportunity Act (WIOA).

Jury Duty Payments
(Earned or Excluded)
7 CFR 273.9(c)(5)

Count compensation for jury duty as earned income unless it is a reimbursement such as transportation, or meals and lodging. See Reimbursements.

Kinship Caregiver Payments
(Unearned or Excluded)
7 CFR 273.9(b)(2)

Treat kinship caregiver payments the same as foster care payments. See Foster Care Payments.

Legally Obligated Money
(Earned or Unearned)
7 CFR 273.9(b) and (c)(1)(iv)

Legally obligated money includes money such as wages earned by a household member, a public assistance grant to which the household is legally entitled, and support or alimony payments that legally must be paid to a household member.

When legally obligated money is earned, count it as earned income. When it is unearned, count it as unearned income. Count legally obligated money when it is garnished or diverted by the provider of the payment to a third party for a household expense. Do **not** exclude it as a vendor payment.

Legally obligated money is different from a vendor payment because legally obligated money belongs to the household. If the money was not diverted, the household would get it. Vendor payments are made with money that does not belong to the household.

Public assistance or general assistance payments that are potentially available to all eligible households are considered legally obligated and therefore counted as income. An example is a program that has a standard, basic allowance or component.

Assistance financed by state or local funds that is provided over and above the amount available to all eligible households is considered emergency or special assistance. It is **excluded** as income if provided to a third party on behalf of the household.

Count money received through a program that is not composed of various standards, allowances, or components, but rather provides assistance on an as-needed basis. However, do not count assistance that is provided as a loan.

Legally Obligate Money (Cont.)

1. A household member has earnings that are garnished or diverted by the employer to a third party to pay for rent. This money is still earned income to the household member, because it legally belongs to the household member.

   If the employer pays the household's rent directly to the landlord in addition to paying the household all of its regular wages, the rent payment is an excluded vendor payment. The money belongs to the employer, not the household

   If the employer provides free housing to an employee, do **not** count the value of the housing as income. It is an "in-kind" payment, and is excluded.

2. A public assistance grant is diverted to a protective payee to manage the household's expenses. The grant is still unearned income to the household, because the money legally belongs to the household.

   If the household gets assistance above the amount normally given to all households, exclude it as a vendor payment if it is paid to a third party on the household's behalf. This excess is emergency or special assistance. It is not legally obligated to the household.

3. An absent father is court-ordered to pay child support to his ex-wife, who gets SNAP. If, instead of sending the money to his ex-wife, the father sends it to a third party for a household expense, the money is still unearned income to the household. It is still legally obligated to the ex-wife.

   If the court order had specified that the money must go directly to the third party instead of the ex-wife, the money would be excluded as a vendor payment.

Loans
(Excluded)
7 CFR 273.9(c)(4)

Exclude loans.

Low-Income Home Energy Assistance Program (LIHEAP)
(Excluded)
7 CFR 273.9(c)(1)(ii)

Do not count payments made under the Department of Health and Human Services Low-Income Energy Assistance Program, such as the Affordable Heating Program. See Energy Assistance.

Lump Sum (Nonrecurring)
(Excluded)
7 CFR 273.9(c)(8)
FPM 90-16
DPL 92-05 Att. 8
DPL 90-03 Att. 7
DPL 88-04

Exclude nonrecurring lump-sum payments, including but not limited to, payments received as a one-time payment for:

- Income tax refunds, rebates, or credits.
- Retroactive lump sums for the past one month or more, such as social security, SSI, public assistance, railroad retirement, unemployment benefits, or other payments.

  EXCEPTION: SSI retroactive benefits may be paid out in **more than one payment**. Each retroactive payment is considered to be a nonrecurring lump sum and is excluded as income.
- The annual VA disability pension adjustment.
- Insurance settlements.
- Refunds of security deposits on rental property or utilities, including:
  - A HUD rental refund.
  - Money received through the Iowa Disabled and Senior Citizen Property Tax Credit and Rent Reimbursement Program.
- Income received in a lump sum from the sale of a household's countable or exempt resources (such as the household's homestead, personal effects, household goods, or an automobile) that are not sold as part of a self-employment business.
- A withdrawal of all of the money from an excluded pension or retirement account.
- Funds released from a HUD Self-Sufficiency escrow account.
- Retroactive pay raise of an employee whether employed or not at the time of receipt.
- A bonus received after employment has terminated.

NOTE: Child support and wages paid for prior periods of time are not normally excluded as a lump sum.

Count the excluded payments as resources unless they are specifically excluded from consideration as a resource by federal law. (See **7-D, Excluded Resources** for a list of federal resource exclusions.)

Military Pay
(Earned or Excluded)
7 CFR 273.9(b)(1)(i)
DPL 99-02 Att. 1

Count the following military allowances as earned income:

- Base pay
- Basic allowance for housing (BAH)
- Basic allowance for quarters (BAQ)
- Basic allowance for subsistence (BAS)
- Sea-duty pay
- Career sea pay
- Variable housing allowance (VHA)
- Rations (BAS, leave rations, and separate rations)

If two payments are received in one month because a holiday or weekend changes the mailing cycle, count the payments for the months for which they are intended.

Exclude clothing maintenance allowances (CMA) as a reimbursement.

Exclude amounts withheld from paychecks for education programs. (See **7-I, Students: Income** for information on student income.)

See Income Excluded by Federal Statute.

Nonmandatory Members' Income
(Excluded, Unearned, or Earned)
7 CFR 273.11(c) and (d)

Exclude the income and deductible expenses of nonmandatory household members. (See **7-C, Household Composition: Nonmandatory Members**.)

Exclude vendor payments made by nonmandatory household members. Count cash payments these nonmandatory household members make to the household as unearned income.

Sometimes a nonmandatory household member receives income that is intended for both household members and the nonmandatory household member. If the income source does not identify the eligible SNAP household's portion of the income, calculate the eligible household's countable income as follows:

1. Divide the payment evenly among the beneficiaries.
2. Exclude the nonmandatory household member's pro rata share or the amount actually used for the nonmandatory household member's care and maintenance, whichever is less.

Nonmandatory Members' Income (Cont.)	When the earned income of one or more household members and the earned income of a nonmandatory household member are combined into one wage, calculate household income as follows: ▪ If the household's share can be identified, count that portion as earned income to the household. ▪ If the household's share cannot be identified, prorate the earned income among all those it was intended to cover and count the household's prorated share as earned income.
Other Source (Unearned) 7 CFR 273.9(b) and 273.9(c)	Treat as unearned income any direct money payments from any source that can be construed to be a gain or benefit. Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.
Pensions (Unearned) 7 CFR 273.9(b)(2)	Count payments from pensions and annuities as unearned income. See Lump Sum (Nonrecurring).
Plan for Achieving Self-Support (Excluded) 7 CFR 273.9(c)(10) Public Law 102-237	Exclude the amount of money necessary to fulfill SSI's Plan for Achieving Self-Support (PASS) approved by the Social Security Administration. This includes money deposited into a special PASS account. PASS is a program provided under the Social Security Act.
Pre-Adoption Subsidy	See Adoption Subsidy.
Preparation for Adult Living (PAL) Stipends (Unearned) 7 CFR 273.9(b)(2)(i)	Count stipends received from the PAL program by persons aging out of foster care as unearned income.

PROMISE JOBS Payments (Excluded and Earned) 7 CFR 273.9(c)(5)	Exclude payments from the PROMISE JOBS program for child care or transportation expenses that are incurred as a result of participating in PROMISE JOBS. See Reimbursements. PROMISE JOBS payments paid to a SNAP household member who provides child care services for a PROMISE JOBS participant are considered self-employment earned income.
Property Sold on Contract (Unearned) 7 CFR 273.9(b)(2)(ii)	Count income from installment sales contracts as unearned self-employment income. (For more information on determining self-employment income, see **7-I, Self-Employed Households: Property Sold on Contract**.)
Property Settlement (Unearned, Excluded) 7 CFR 273.9(c)(8)	Count property settlements paid as cash in more than one payment. Exclude property settlements paid as cash in one payment as a nonrecurring sum. See Lump Sum (Nonrecurring). Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.
Recoupment (Excluded or Unearned) 7 CFR 273.9(b)(5)	Exclude money that is withheld from the household's income to repay a prior overpayment. Also exclude money the household received, but voluntarily or involuntarily returned to repay a prior overpayment from that income source. See Repayment for Intentional Noncompliance.
Refunds From Rent or Utility Deposits (Excluded)	See Lump Sum (Nonrecurring).
Reimbursements (Excluded) 7 CFR 273.9(c)(5)	Exclude reimbursements for past or future expenses as long as the reimbursements meet all of the following criteria: ▪ They do not exceed actual expenses. If the reimbursement exceeds actual expenses, count the excess as income. Do **not** consider a reimbursement to exceed actual expenses unless the provider or the household says it exceeds actual expenses. ▪ They do not result in a gain or benefit to the household.

Reimbursements (Cont.)	▪ They are identified and used for expenses other than normal living expenses (such as rent, mortgage, personal clothing, or food eaten at home). Count payments as income if they are not identified for a specific purpose or are not used for that purpose. If a reimbursement covers multiple expenses, each expense does not have to be separately identified, as long as none of the money covers normal living expenses. Following are examples of excluded reimbursements: ▪ Reimbursements or flat allowances for job- or training-related expenses, such as per diem, uniforms, and transportation to or from the job or training site. Exclude reimbursements for these expenses that are over and above basic wages. ▪ Reimbursements for the out-of-pocket expenses volunteers incur in the course of their work. ▪ Medical or child care reimbursements.
Rental Property Income 7 CFR 273.9(b)(2)(ii)	Count income from rental property as self-employment income. See **7-I, Self-Employed Households: Rental Income.**
Rent Reimbursement (Excluded) 7 CFR 273.9(c)(8) Iowa Code Chapter 425	Exclude money received through the Iowa Disabled and Senior Citizen Property Tax Credit and Rent Reimbursement Program administered by HHS as of January 1, 2023 (previously administered by the Iowa Department of Revenue and Finance). Payments received under the Rent Reimbursement Program are not considered income. They are considered a refund of money the client has already paid.
Repayment for Intentional Noncompliance (Unearned) 7 CFR 273.9(b)(5)(i), 273.11(k) FPM 86-04 FPM 85-13	Count money as unearned income when it is withheld from federal, state, or local means-tested programs to recoup an overpayment caused by the household's intentional failure to comply with program requirements. Federal, state, or local means-tested programs include FIP, State Supplementary Assistance, SSI, and veteran pensions. Determine eligibility and benefit level using the amount the household member would have received if there had not been a penalty.

Repayment for Intentional Noncompliance (Cont.)

Verify with the individual program (except SSI, as you will be contacted by Central Office Staff) that the repayment amount withheld is due to an intentional failure to comply with program requirements.

If the amount withheld is **not** due to intentional noncompliance, exclude it as a regular recoupment. (See Recoupment.)

Representative Payee Income (Unearned or Excluded)
7 CFR 273.9(c)(1)(vii), 7 CFR 273.9(c)(6)

A representative payment is a payment that is received by one person, the payee, for the needs of another person, the beneficiary. When the payee and the beneficiary are in the same SNAP household, count the payment as unearned income to the household.

When the payee and the beneficiary are not in the same SNAP household, treat the representative payment as follows:

- If the payee gives the payment to, or uses it for the needs of the beneficiary, do not count the payment towards the payee's household. Count the payment amount towards the beneficiary's household.
- If the payee does not give the payment to or use it for the needs of the beneficiary, count the income towards the payee's household. Do not count the payment amount towards the beneficiary's household.

When a representative payment is made to a payee that is intended for more than one beneficiary, and the beneficiaries are both SNAP household and nonhousehold members, exclude only the identifiable portion of the payment intended and used for the care and maintenance of the nonhousehold member.

Representative Payee Income (Cont.)

If the nonhousehold member's portion cannot be readily identified, divide the payment evenly among all beneficiaries. Exclude the nonhousehold member's pro rata share or the amount actually used for the nonhousehold member, whichever is less. Examples:

1. Ms. B gets SNAP as a one-person household. She receives $300 child support for her son who lives with his uncle. Ms. B keeps $100 of the child support and gives $200 to her son's uncle to use for her son. Exclude the $200 given for the care of the son and count the $100 kept as unearned income to Ms. B's household.
2. Ms. C gets SNAP for herself and her son. She receives $500 child support for her son and her daughter. Ms. C's daughter lives with her grandmother. The court order specifies that the child support for each child is $250. Ms. C gives the grandmother $300 for the daughter. Count $250 as unearned income to Ms. C's SNAP household.

Exclude income when there is no way to predict the month it will be received. If you can predict the month income will be received but the amount is uncertain, count only the amount that is certain.

Retirement Payments
(Unearned)
7 CFR 273.9(b)(2)

Count payments or early withdrawals from excluded retirement plans as unearned income. If the entire account is liquidated at once, see Lump Sum (Nonrecurring).

Royalties
(Unearned)
7 CFR 273.9(b)(2)

Count income received from royalties as unearned income.

Self-Employment Income

See **7-I, Self-Employed Households** for information on how to treat self-employment income.

Severance Pay
(Unearned)
7 CFR 273.9(b)

If it is received in a single payment, exclude it as a nonrecurring lump sum. If it is paid in more than one payment count as unearned income.

Sick Pay
(Earned, Unearned or Excluded)
7 CFR 273.9(b)(1)

Count as earned income when the person gets it while employed. Count as unearned income when the person getting it is no longer considered an employee. Exclude the sick pay as a nonrecurring lump sum when paid in one payment and the person getting it is no longer considered an employee. See Lump Sum (Nonrecurring).

When co-workers donate their sick leave time, count the payments the same as if they were the person's own sick pay.

Social Security Payments
(Unearned or Excluded)
7 CFR 273.9(b)(2), 273.9 (c)(8)

Count Social Security payments as unearned income.

Do not exclude the amount of any Medicare premium that is being withheld. Do not exclude the amount of taxes being withheld.

Amounts may be deducted from Social Security payments for child support arrearage payments. The gross and net Social Security payment amount on IEVS reports may not reflect the correct Social Security payments in these cases. See Deductions: Child Support Payment.

Exclude Social Security retroactive payments as a nonrecurring lump sum. See Lump Sum (Nonrecurring).

State Supplementary Assistance
(Unearned or Excluded)
7 CFR 273.9(b)(2)
FPM 3-97-3

Count payments from State Supplementary Assistance as unearned income.

Exclude State Supplementary Assistance payments made for in-home health-related care as a reimbursement. See Reimbursements.

Exclude State Supplementary Assistance retroactive payments as a nonrecurring lump sum. See Lump Sum (Nonrecurring).

Exclude retroactive or underpayment State Supplementary Assistance payments that are direct deposited into a dedicated account when the recipient is under the age of 18 and must have a representative payee.

State Supplementary Assistance (Cont.)	If the person is eligible for retroactive State Supplementary Assistance, the representative payee must set up a "dedicated" account in a financial institution and must use this money for allowable expenses of the child. Do not count any disbursements from this account as income. Count any interest earned on the account as unearned income. See Interest Income.
Supplemental Security Income (SSI) (Unearned or Excluded) 7 CFR 273.9(b)(2), 273.8(e)(17), 273.9(c)(8) FPM 3-97-3	Count SSI as unearned income. Use the gross or net income, whichever is less. See **14-E, Income** for further instruction. SSI benefits are sometimes paid to a payee for the SSI recipient. See Representative Payee Income. Exclude retroactive SSI payments as a nonrecurring lump sum. See Lump Sum (Nonrecurring). Exclude retroactive or underpayment SSI payments that are deposited directly into a dedicated account when a SSI recipient is under the age of 18 and must have a representative payee. If the person is eligible for retroactive SSI, the representative payee must set up a "dedicated" account in a financial institution, and must use this money for allowable expenses of the child. Do not count any disbursements from this account as income. Count any interest earned on the account as unearned income. See Interest Income.
Strike Benefits or Picket Pay (Earned or Unearned) 7 CFR 273.9(b)(2), 273.1(e)	Count strike benefits as unearned income. If a union on strike considers picket pay to be payment for work performed (such as walking the picket line), count the income as earned. If the union does **not** consider the picket pay to be payment for work performed, it is a strike benefit and is unearned. See **7-C, Strikers** for more information on strikers.

Taxes Withheld from Unearned Income
(Excluded)
Public Law 107-171

Do not count taxes (such as FICA, state, and federal income taxes) that are actually withheld from non-government sources of unearned income. Count the net amount of income after the taxes were withheld.

Do count taxes withheld from regular payments from a government source, such as unemployment insurance benefits and Social Security.

Some types of unearned income may be taxable but do not have taxes withheld. Do not allow a deduction when taxes are not withheld.

Tips
(Earned)
7 CFR 273.9(b)(1)

Count tip income as earned income. Household members should keep a calendar record of all tips they receive. Accept verification such as:

- Pay stubs
- Employer's statement
- Employee's statement

Training Allowances
(Earned or Excluded)
7 CFR 273.9(b)(1)(iii)

Count training allowances from vocational and rehabilitative programs recognized by federal, state, or local governments as earned income, as long as they are not a reimbursement. (Reimbursements are excluded.)

Tribal TANF Payments
(Unearned or Excluded)
7 CFR 273.9(b)(2)

Count Tribal TANF payments as unearned income. Exclude any retroactive payments as a nonrecurring lump sum. See Lump Sum (Nonrecurring). See **7-A, Definitions** for information about other policies that apply to recipients of Tribal TANF payments.

Trust Income
(Excluded or Unearned)
7 CFR 273.9(b)(2)(vi)

If a trust is inaccessible to the household and therefore excluded as a resource, count any money withdrawn from that trust as unearned income.

If trust income is used to pay expenses like rent or mortgage directly to a third-party on behalf of the household, count the payment as unearned income. Do not exclude it as a vendor payment. If such payments cover what would otherwise be a deductible expense, allow the household a deduction since you are counting the payment as income.

If the payment from a trust that is inaccessible and therefore excluded as a resource is a reimbursement, exclude the money that is a reimbursement. See Reimbursements.

Trust Income (Cont.)	If the trust is accessible to the household and therefore counted as a resource, exclude as income any money withdrawn from the trust. See **7-D, Excluded Resources: Trust Funds** to determine if a trust is accessible. Count interest as unearned income when the trust providing the income is inaccessible to the household. If the household has the option of either receiving dividends as income or reinvesting them in the trust, count them as unearned income in the month they are received or could have been received.
Unemployment Insurance Benefits (Unearned or Excluded) 7 CFR 273.9(b)(2)	Count unemployment insurance benefits (also called job insurance benefits) as unearned income. Do not exclude the amount of taxes being withheld. Exclude retroactive unemployment insurance payments as a nonrecurring lump sum. See Lump Sum (Nonrecurring). Exclude unemployment insurance benefits withheld to repay a prior overpayment. See Recoupment.
Vacation Pay (Earned, Unearned, or Excluded) 7 CFR 273.9(b)(1), 273.8(c)	Count vacation pay as earned income if it is received **before** employment ends. Exclude vacation pay as a nonrecurring lump sum when it is received in one lump sum **after** employment ends. Count vacation pay as unearned income when received after employment ends but paid out in more than one payment.
Vendor Payments (Excluded) 7 CFR 273.9 (c)(l), 273.11(d)	Exclude the following vendor payments: ▪ Payments made by a person outside the household or by an organization to a third party for a household's expense. ▪ Payments made by boarders to a third party for a household's shelter expense. ▪ Vendor payments converted to a direct cash payment when approved by a federally authorized demonstration project. ▪ Rent or mortgage payments made to the landlord or lender by the Department of Housing and Urban Development (HUD) or by state or local housing authorities. ▪ Payments by a government agency to a child care facility to provide day care for a household member.

Vendor Payments (Cont.)	▪ A public assistance payment to a third party on behalf of the household to pay households' medical or child care expenses. ▪ Payments through the Low-Income Home Energy Assistance Program. ▪ Housing assistance when a household lives in temporary housing. For exceptions to these exclusions, see Legally Obligated Money and General Assistance or Relief. Exclude general assistance or public assistance vendor payments for the housing and transportation of migrant and seasonal farm worker households while workers are in the job stream. See **7-I, Migrants and Seasonal Farm Workers**. Do **not** allow a deduction for expenses covered by an excluded vendor payment. For more information on deductible expenses, see Deductions.
Veteran's Payments (Unearned or Excluded) 7 CFR 273.9(b)(2)	Count veteran's payments as unearned income. Exclude as income payments made under the aid and attendance program or the housebound allowance that are reimbursement for medical or other nonnormal living expenses. See Reimbursements and General Assistance or Relief.
Veteran's Benefits for Education or Training	See **7-I, Students: Income** for information on VA educational income.
VISTA Payments (Earned or Excluded) 7 CFR 273.9(b)(1)(iv), 273.9(c)(10)	Count Title I Volunteers in Service to America (VISTA) and AmeriCorps VISTA payments as earned income if the person was **not** getting SNAP or public assistance when the person joined VISTA. Exclude the payment if the person **was** getting SNAP or public assistance when the person joined VISTA.
Vocational Rehabilitation Training Allowance	See **7-I, Students: Income**.

Wages
(Earned)
7 CFR 273.9(b)(1)(i)

Count all wages and salaries as earned income. The employer determines payday. When an employer:

- Makes payroll checks available early, count the pay as if it was received on the date the employer normally distributes checks if that date has not changed for all employees.
- Distributes payroll to all employees on a date other than the regular payday, consider the date distributed as the date of receipt.

NOTE: Some banks offer a service by which pay received via direct deposit is made available earlier than the normal pay date. In these situations:

- The **employer** is not distributing checks to all employees on a date different than the normally scheduled date. The fact that the bank makes pay available earlier does not change this.
- Consider pay to be received on the normal pay date, as established by the employer.

Welfare Reform Evaluation Payments
(Excluded)
7 CFR 273.9 (c)(5)

See Reimbursements and Focus Group, Survey or Study Income.

Welfare to Work Payments
(Earned, Unearned and Excluded)
7 CFR 273.9(b)(2)(i)
DPL 00-03-Att. 3
DEM 10-31-00

Count payments for work as earned income. Exclude payments for work related expenses as reimbursement. See Reimbursements.

Count the assistance payments that are not for work or reimbursements as unearned income unless the payment is excluded under a specific policy.

Workers' Compensation
(Unearned)
7 CFR 273.9(b)(2)

Count workers' compensation payments as unearned income, excluding any fees withheld. See Costs Withheld from Unearned Income.

Workforce Innovation and Opportunity Act
(Earned or Excluded)
7 CFR 273.9(b)(1)(iii) and 373.9(b)(1)(v)
DPL 00-04 Att 6

The Workforce Innovation and Opportunity Act (WIOA) was formerly known as the Workforce Investment Act (WIA) and the Job Training Partnership Act (JTPA). Payments include:

- On-the-job training earnings **(Earned)**

  Count WIOA on-the-job training earnings received as earned income. These earnings include monies paid by WIOA and monies paid by the employer. WIOA sets the definition of these programs.

  EXCEPTION: Exclude WIOA on-the-job-training earnings of household members under age 19 who are under the parental control of an adult household member. Apply this exclusion regardless of school attendance or enrollment.

- Other WIOA allowances **(Excluded)**

  Exclude all payments for living allowances, education, or other purposes that participants get for participating in WIOA programs.

Deductions

This section deals with the expenses a household can deduct from its countable income. Allow deductions only for the household expenses listed in this section.

The following sections explain:

- Deduction verification requirements
- Handling deductions
- Child and dependent care deduction
- Child support payment deduction
- Earned income deduction
- Medical expense deduction
- Shelter deduction
- Standard deduction
- Standard utility allowance

Deduction Verification Requirements

Legal reference: 7 CFR 273.2(f)

Households must verify deductible expenses in order to receive the deduction. These include:

- Child and dependent care expenses
- Child support payments

- Medical expenses for elderly and disabled persons
- Shelter expenses for unoccupied residences

Accept reasonable verification provided by the household to verify the expenses. Verify these expenses:

- At application,
- At recertification, unless unchanged from previously verified,
- When a change is reported.

Verification of deductible expenses is only **required** at the times listed above, however, it may be necessary to request updated verification if the deduction has reportedly remained unchanged for multiple recertifications. Use prudent person to determine if it is necessary to request updated verification and document the reason for your decision.

If verification of a deductible expense is requested and the household fails to provide it, determine eligibility without allowing the household a deduction.

Handling Deductions

Legal reference: 7 CFR 273.9(d), 273.10(d)(1)(i) and (ii), 273.11(d)

The household does not actually have to make a payment to get a deduction, but it must be responsible for the expense. NOTE: The household must actually make child support payments to get a deduction for that expense.

If the household shares deductible expenses with nonmandatory household members, deduct only the household's share. (See **7-C, Nonmandatory Members**.) If the deductible expense cannot be separated, prorate the expense evenly among the people responsible for or paying the expense. Deduct only the eligible household's pro rata share. EXCEPTION**:** If a household member shares utility expenses with a non-household member, allow the household the entire utility standard.

When a household has an ineligible member, see **7-I, Income and Deductions of Ineligible Household Members** for treatment of deductible expenses.

Do **not** allow a deduction for expenses that are covered by reimbursements or vendor payments that are excluded as income. This includes Medicare, Medicaid, and other insurance payments. Vendor payments for shelter and utility expenses that are excluded from income are not allowed as deductions.

NOTE: If a household is reimbursed through the Low-Income Home Energy Assistance Program, it receives the big standard utility allowance.

When an allowable expense is for a service, allow the deduction only if a nonhousehold member provides the service, and the household must make a money payment for the service. For example, do not allow a child care expense if another household member provides the care, or if the payment for the care is an in-kind benefit like food.

1. Mr. J's mother pays $100 directly to her son's landlord for his rent. This $100 is not an allowable shelter deduction for Mr. J.
2. Ms. M's child care is paid by WIOA. This child care cost is not allowed as a SNAP deduction for Ms. M.

The following sections explain:

- How to treat billed expenses.
- How and when to average expenses.
- Requirements for verifying expenses.

Billed Expenses

Legal reference: 7 CFR 273.10(d)(1) and (2), DPL 04-01 Att. 2

If a bill is received in one month but payment is due in another month, use the bill in the month it is received. When an expense is billed regularly as a single monthly bill, and a household received two bills in one month, allow the deduction for the month that each bill covers.

When a household has an expense that is automatically due each month, but a bill is not issued, allow the expense for the month it becomes due. For example, allow rent as a shelter cost when it is due each month, even if the household does not receive a bill, does not pay the expense, or pays the expense in advance.

Deduct an expense only once. Do **not** deduct old bills or amounts that are carried over from the past billing periods, even when included in the most recent billing.
EXCEPTIONS: When the household receives or verifies an anticipated reimbursement for medical expenses, such as insurance or liability payments, allow a deduction for the part that is not reimbursed.

Averaging Expenses

Legal reference: 7 CFR 273.10(d)(3), (4), and (5)

Households may choose to have fluctuating expenses averaged. If a household chooses to do this, average expenses as follows:

- **One-time expenses.** Households can choose to have one-time-only expenses used once or averaged over the entire certification period in which they are billed.

  > A local assessment is a one-time only expense. A household certified for January, February, and March that receives a local assessment in January may elect to have that bill averaged over the three-month certification period.

- **Ongoing expenses.** When expenses are billed less often than monthly but have regularly scheduled billings or a regularly scheduled due date, average them forward over the interval between the billings.

  > Mr. T is billed $600 every six months for property taxes. Allow a deduction of $100 per month ($600 ÷ 6 months).

  When there is no scheduled interval between the billings, average the expense forward over the period of time the expense is intended to cover. This may be a longer period of time than the certification period.

Homeless households who incur shelter or utility expenses related to their living arrangement, but who opt to receive the homeless standard deduction are not required to provide verification of those costs.

Child and Dependent Care

Legal reference: 7 CFR 273.9(d)(4), 273.10(d)(1)(ii)

Deduct child or dependent care costs that allow a household member to:

- Look for work.
- Attend training or education to prepare the person for work.
- Accept a job or continue working. (It does not matter if the income from that job is counted or excluded.)

Do not allow a child care expense if:

- Another household member provides the care.
- The care is paid for by some in-kind benefit, such as food.
- The expense is covered by an excluded reimbursement or excluded vendor payment. This includes reimbursement by an employment and training program.

When a household has a dependent care expense that could be either a medical deduction or a dependent care deduction, use it as a medical deduction.

Child Support Payment

Legal reference: 7 CFR 273.9(d)(5); Public Law 103-66

Allow a child support deduction when the support is legally obligated and is:

- Paid by a household member for a child not part of the SNAP household, or
- Paid by a household member to an agency or person outside of the household, even if the child or the other parent is in the same SNAP household as the person paying the support, provided the payments are not returned to the household or used for the needs of the child.

When someone makes a child support payment for a child who is included in their own SNAP household, a deduction is only allowed if the payment is not returned to the household or used for the needs of the child. This is true regardless of whether the payee is also part of the SNAP household, because child support is considered income of the child. If the payment is for multiple children, but some are in the SNAP household, assume equal parts per child (unless otherwise specified) when determining the allowable deduction.

When the payee is not part of the SNAP household, but the child is, you must determine what is being done with the payment, following policies for representative payee income. If the money is being given to the child, returned to the payor, or used for the child's needs, the money is simply being transferred from one household member to another and should be treated as follows:

- Do not allow a deduction, and
- Do not count this as income to the child

"Legally obligated" support includes cash payments, medical support, payments on arrearages, vendor payments, and repayments for FIP. The most recent court order will state exactly what kind of support is obligated to the child. The household must verify the legal obligation and how much is actually being paid.

Do not allow a child support deduction for property settlement payments, alimony, voluntary child support, or income tax refund intercept.

When the support is for legally obligated medical insurance, allow a deduction for premium payments. If a policy covers more people than the child for whom coverage is obligated, allow a deduction only for the child's share of the cost by dividing the cost of the policy by the number of people covered.

In some situations, child support can be deducted directly from Social Security disability income. The gross and net IEVS income information may not reflect the child support payment. Verification other than IEVS is necessary in these cases.

1. Mr. A is court-ordered to pay $400 of child support a month for a child not in his home. The court order is modified to provide that Mr. A must pay an additional amount each week toward arrearages. Mr. A is paid weekly, and his child support is paid by court-ordered wage withholding of $142.30 from each paycheck ($100 for current support and $42.30 toward arrearages). $142.30 x 4 = $569.20.

   Allow $569.20 of child support withheld from Mr. A's checks as the child support deduction each month.
2. Mr. A pays court-ordered child support of $200 per month to Ms. A for their son, which she uses for his needs. The child spends 50% of his time in each home and is included in Mr. A's SNAP household. Since the payor and child are in the same household, and the child support is used to meet the child's needs, there is no deduction for Mr. A but this amount is not counted as income to the child. **NOTE**: If Ms. A gets SNAP for herself, we would not count the child support as income on her case since it is income of the child and he is not included in her benefits.
3. Mr. and Mrs. B and their children live together. Mr. B is paying court-ordered child support to the Child Support Recovery Unit for a time he and Mrs. B were not living together and Mrs. B and the children received FIP. Allow the amount Mr. B pays to Child Support Recovery as the child support deduction.
4. Ms. D has a court order to pay $400 in child support a month to a child not in the SNAP household. She pays the $400 plus an additional $100 to help with child-care costs. Allow only the $400 court-ordered child support as a deduction.
5. Mr. E pays court-ordered child support of $300 a month to a child not in the SNAP household. He owes back child support and his tax refund of $550 is intercepted to pay the back support. Allow only the $300 a month child support as a deduction. Do not allow the $550.
6. Mr. F, who is unemployed, is not paying the court-ordered $300 a month in child support for a child not in the SNAP household. His income tax refund of $400 is intercepted for the back child support owed. Do not allow the $400 as a child support deduction.

See **7-I, Income and Deductions of Ineligible Household Members** when an ineligible household member is responsible for or is making child support payments.

Earned Income

Legal reference: 7 CFR 273.9(d)(2)

Deduct 20 percent of all gross earned income. Apply this deduction as directed in **7-F, Net Income Limit**.

Medical Expenses of Elderly or Disabled Household Members

Legal reference: 7 CFR 273.9(d)(3)

Deduct medical expenses in excess of $35 a month. Allow the expenses of a household member who is elderly or disabled, as defined in **7-A, Definitions**.

Allow a deduction for the medical expenses of:

- Elderly or disabled household members.
- People who get emergency SSI benefits based on presumptive SSI eligibility.
- An elderly or disabled person who was a household member immediately before death or before entering a hospital or nursing home. The expense must:
  - Be the responsibility of the remaining household, and
  - Meet the criteria under Allowable Medical Expenses.

Start deducting the medical expenses in the month when a person:

- Turns 60, or
- Starts getting SSI or social security disability benefits.

Do not allow the medical expenses of a household member who gets benefits only because the member is a **dependent** of the person who receives the SSI or disability payment.

Households eligible for medical expenses as a deduction have the option of using actual medical expenses or choosing the standard medical deduction. Do not allow expenses that will be reimbursed. Allow only the part of the expense that the household owes after reimbursement. (The ABC system subtracts the $35 from the medical expenses you enter.)

The following sections explain:

- Standard medical deduction
- What are allowable medical expenses
- When to allow medical expenses of a person in a residential care facility
- How to determine medical expenses
- The effect of changes in medical expenses
- Spenddown as a medical deduction

Standard Medical Deduction

Legal reference: 7 CFR 273.9(d)

Households choosing the standard medical deduction will receive a deduction of $175. To be eligible for the standard medical deduction:

- At initial application, the household must **verify** that it has qualifying medical expenses in excess of $35 per month.
- At recertification, the household must **declare** that it still has medical expenses in excess of $35 per month. Declaration is a verbal statement, or written statement on a desk RRED, and no further verification is required. Document the household's statement in the case file.

Although the standard medical deduction is not mandatory, households with qualifying medical expenses between $35.01 and $210 monthly are likely to choose the standard due to the ease of verification. Any household that chooses the standard and verifies $35.01 in monthly qualifying expenses will receive the $175 deduction.

Households with medical expenses in excess of $210 have the option of verifying and claiming actual medical expenses or taking the standard deduction.

It is important that households understand that the more deductions they have, the more benefits they will receive. However, some households may still choose the standard due to the ease of the verification process. Work with households to ensure that they receive the most beneficial medical expense deduction for their situation.

Document in the case file the household's choice of actual medical expenses or the standard medical deduction. This is especially important in cases where the standard is chosen even though verification of actual expenses would entitle the household to more benefits.

Households may switch between using actual expenses or the standard medical deduction at any time. Although not required to report changes in medical expenses during the certification period, a household may report new medical expenses that would make them eligible for the standard or make the use of actual expenses more beneficial. When this happens, act on the changes.

1. Household A applies for SNAP on October 15. A disabled member of the household has medical expenses of $33 per month. Since the expenses do not exceed $35, no medical expense deduction is allowed.

   In December, Household A calls and reports that the disabled member now has monthly prescriptions costs of $50. As long as the household provides verification that the monthly expenses are at least $35.01, the household can receive the standard medical deduction for the remainder of the certification period.

2. Household B applies for SNAP on December 10. A disabled member of the household has medical expenses of $75 per month. Since the expenses exceed $35, the household chooses to receive the standard medical deduction of $175.

   In February, Household B reports that the disabled member now has monthly medical expenses of $275. If the household verifies this information, the household can receive a deduction for actual expenses of $240 ($275 - $35) for the remainder of the certification period.

Allowable Medical Expenses

Legal reference: 7 CFR 273.9(d)

Allow the following medical expenses:

- Medicare premiums, Medicaid premiums, and any cost-sharing or spenddown expenses incurred by Medicaid members.
- Medical and dental care, including psychotherapy, rehabilitation services, and acupuncture provided by a licensed practitioner authorized by state law or another qualified health professional.
- Hospitalization or outpatient treatment, nursing care, and nursing home care provided by a facility recognized by the state.
- Prescription drugs when prescribed by a licensed practitioner authorized under state law. Use an average of anticipated cost, a per-dose method, or other reliable method to determine the cost of prescription drugs. Be sure to document the method you used in the case file.
- Mailing costs associated with the filling of prescriptions.
- Over-the-counter medication (including insulin and vitamins) that cannot be purchased with SNAP, when approved by a licensed practitioner or another qualified health professional.
- Medical supplies and prescribed equipment (including rental equipment).
- Dentures, hearing aids, and prosthetics.
- Eyeglasses prescribed by a physician skilled in eye disease or by an optometrist.

- Reasonable cost of transportation and lodging to get to and from medical treatment or services. This includes transportation to the dentist and to fill prescriptions, including eyeglass prescriptions.

  If the person uses a car owned by a household member or a relative, allow the state employee reimbursement rate. Use the rate per mile that is in effect at the time of certification. If the amount changes during the certification period, change it at the next certification.

- Securing and maintaining service animals like a seeing-eye or hearing dog, including the cost of dog food and veterinarian bills.
- The cost of a medic alert or lifeline system.
- The cost of an attendant, homemaker, home health aide, or housekeeper, or of child care services that are necessary due to age, infirmity, or illness.

  If the household furnishes the majority of the attendant's meals, also deduct an amount equal to the maximum SNAP allotment for one person. Allow the allotment that is in effect at the time of certification. If the maximum allotment changes during the certification period, do not update the deduction until the next certification.

  Allow the client participation cost when a household has in-home health-care expenses. When a household has dependent care costs that could be either a medical deduction or a dependent care deduction, use it as a medical deduction.

- The cost of amplifiers and warning signals for handicapped people. Cost of typewriter equipment connected to the telephone for deaf people (like TDD). The cost of building a ramp for a wheelchair is also an allowable expense.
- Health and hospitalization insurance policy premiums. Do not deduct costs of:
  - Health and accident policies, such as those that pay lump-sum settlements for death or dismemberment; or
  - Income maintenance policies, like those that continue mortgage or loan payments while the beneficiary is disabled.

  Some insurance policies pay a specific amount for each day in the hospital or make cash payments for each day that nursing home care or cancer treatment is needed. Allow premiums only if the insurance policy itself says that the policy's benefits are intended to cover medical expenses rather than normal living expenses. Medical expenses may include:

  - Ambulance service,
  - Medically necessary nursing home care, or
  - Treatments for cancer or other illnesses.

Allow that part of the medical insurance premium assigned to all eligible elderly or disabled household members. If you cannot determine how much of the premium is for these members, prorate the total premium amount among all people covered. Exclude the amount for the members who are not elderly or disabled.

NOTE: Do **not** allow the cost of special diets (like Ensure, juices, or nutritional supplements), or the costs for payee services, as a medical expense.

Expenses in a Residential Care Facility

Legal reference: 7 CFR 273.9(d)

When a client lives in a residential care facility, determine if the facility can separate out the cost of allowable medical expenses. Allow housekeeping, attendant costs, etc., as a medical expense.

See Shelter Expenses to determine the shelter cost of a household living in a residential care facility.

Determining Medical Expenses

Legal reference: 7 CFR 273.9(d), 273.10(d)

At each certification, anticipate the amount of a household's monthly medical deduction that will be used for the entire certification period. Base the calculation on information about the member's medical condition, current verified medical expenses, and public or private medical insurance.

To determine how to handle an expense when calculating the monthly amount of the deduction, use the following methods.

- **One-time medical expenses**. Households with one-time expenses reported and verified during the certification period have an option. They can either use the expense once (for only one month), or average it forward over the months **remaining** in the certification period.
- **Monthly medical expenses**. When the household has an arrangement for monthly installment payments, allow the expense as a deduction in the month when the payment is due. Payment arrangements do not have to be formal. Verify anything that is questionable.
- Nonmonthly ongoing medical expenses.
  - When a bill is sent (or is due) regularly, but less often than monthly, average it forward over the interval between billings.

- When a bill is not sent (or due) regularly, average the expense over the period of time the expense is intended to cover. This may be a longer period than the certification period.

If a household expects any reimbursement for medical expenses, allow the deduction only **after**:

- The household has received the reimbursement, or
- The anticipated amount of the reimbursement has been verified.

Start averaging in the month following the month when the expense was reported.

A household may report and verify one-time allowable expenses for a month during the certification period. Add these expenses to the averaged medical deduction. The household may either:

- Add the expense for one month, or
- Have these expenses averaged over the remaining months of the certification period.

If a one-time medical expense is billed in the last month or the next to the last month of a certification period and there is no time to allow the expense in that certification period, the expense can be averaged over the months of the new certification period provided there is not a break between the certification periods.

> Mr. K is billed for a one-time medical expense on May 27. He reports the expense on June 2. June is the last month of his certification period.
>
> Since there is not time to allow the expense for June, the worker allows the expense in the new certification period (provided Mr. K is recertified for July). Mr. K has the option of using the expense in July only or having it averaged over the new certification period.

The only other time a one-time medical expense may be allowed outside of the certification period is if the household has made an agreement with the provider to pay the bill in installments. This can only be allowed if the agreement was arranged at the time of the first billing, prior to the initial bill becoming past due.

Consider a medical expense billed through a charge account as a one-time medical expense. The expense is “billed” when the household receives the charge account statement. Do not allow charge account expenses, such as interest, as part of the medical expense.

Changes in Medical Expenses

Legal reference: 7 CFR 273.12(c)

Households do not have to report changes in medical expenses during the certification period. If a household voluntarily reports and verifies a change in medical expenses, recalculate the amount of the medical expense to allow the deduction.

Sometimes a source other than the household reports a change, as when changes are reported for Medically Needy cases. In these situations, act only if the information is available without contacting the household for verification.

Change the amount of the deduction effective the first of the next month after the change is verified.

Spenddown as a Medical Deduction

Legal reference: 7 CFR 273.10(d)

The following guidelines can help determine how to treat a Medically Needy spenddown:

- If the household has **not** consistently met spenddown, do **not** use the spenddown amount. Use only verified medical expenses, as you would for any other case.
- If the household has consistently **met** the spenddown amount in the past and this is expected to continue, use the monthly spenddown amount as the medical deduction.

The household may report and verify expenses that are not allowed to meet spenddown but are allowed for SNAP. For example, any over-the-counter medications (that are not used to meet spenddown) are allowed as a SNAP deduction if a physician prescribes them. In this case, add that amount to the spenddown amount.

Allow insurance premiums as a medical expense in addition to the spenddown amount in Medically Needy cases where premiums are subtracted from spenddown to determine the spenddown amount entered into the ABC system. Remember that the ABC system adds in the standard Medicare premium for SNAP medical expenses.

Shelter Expenses

Legal reference: 7 CFR 273.9(d)(6)

Households receive a deduction for monthly shelter costs that are more than 50% of their income after all other deductions. The maximum monthly shelter deduction, including utilities, is $744 for households that do not include an elderly or disabled member. If a household includes an elderly or disabled member, there is no maximum amount.

The Automated Benefit Calculation (ABC) system allows the appropriate shelter deduction based on coding entered on the TD02 screen, SNAP TEST field. Enter code "N" if the household includes at least one elderly or disabled member. When code "N" is entered, ABC does not limit the amount of monthly shelter deduction.

See **7-I, Income and Deductions of Ineligible Household Members** for how to treat shelter costs for households whose only elderly or disabled person is an ineligible member. When a client is living in a residential care facility and the facility can separate out the charges for room cost, allow this cost as a shelter expense. If the facility cannot separate out the room cost, subtract the maximum SNAP allotment from the facility's total monthly charge for that household. Allow the difference as the household's monthly shelter cost.

If a shelter expense is covered by reimbursement or vendor payment that is excluded as income, do not allow the expense as a shelter deduction. If the reimbursement or vendor payment excluded as income is only for a portion of the shelter expense, allow the portion not covered by the payment as a shelter expense.

The following sections discuss allowable shelter deductions related to maintaining the dwelling. This includes information on the homeless standard deduction, available to households in which all members are homeless. (The utility component of shelter costs is discussed under Standard Utility Allowances.)They include:

- Tax and insurance costs.
- Rent, mortgages, and continuing charges.
- Condominium or association fees.
- Repair or replacement costs.
- Shelter costs for two residences.
- Costs of an unoccupied home.
- Separate costs for a shared living arrangement.
- Homeless standard deduction

See **7-I, Self-Employed Households: Deductions** for information on shelter deductions for self-employed households.

Taxes and Insurance

Legal reference: 7 CFR 273.9(d)(6)

Deduct property taxes and state and local assessments.

Allow the cost of insurance on the structure itself, if the insurance policy separates the costs of the structure from its contents. This includes things such as fire and flood insurance. If the insurance policy does not separate these costs, allow the entire amount. Do **not** allow renters insurance or liability insurance as a deduction, as these do not insure the **structure**.

When insurance, property taxes, and any other allowable expenses are separately itemized as part of closing costs, allow the expenses as a shelter cost.

Allow service charges such as a fee added to bills for monthly billing of an expense like insurance as a deduction. Do **not** allow late fees as a deduction.

Rent, Mortgage, and Continuing Charges

Legal reference: 7 CFR 273.9(d)(6)

Deduct the costs of rent or mortgage and other continuing charges that lead to the ownership of the dwelling occupied by the household. This includes:

- Both first and second mortgages.
- Payments to buy a mobile home in which the household lives.
- The interest on these payments.
- Fees **included** in rent for expenses like furniture, garage, and storage.

Do not allow:

- A “mechanic’s lien” or similar lien as a shelter deduction.
- Costs due to discounts for early payment or late fees as a shelter cost.
- Down payments on the purchase of a home as a shelter deduction.
- Any Housing and Urban Development (HUD) or similar program charges added to the rent to recoup for prior overpayments as a shelter deduction.
- Identifiable fees charged in addition to rent for things such as a garage or pets, unless mandatory to live there.

To decide if an additional fee is an allowable deduction, determine whether the tenant is able to rent the dwelling without paying the extra fee. If the person cannot live there without paying the charge/fee, it is allowable.

1. Britta, who has a pet dog, rents a house. Base rent is $850 and the landlord allows pets, but you must pay an additional $50 if you have one. This is clearly spelled out in the lease. Even though Britta pays $900 to her landlord each month, she is only entitled to a deduction for $850. She is not allowed a deduction for the $50 she is charged for choosing to have a dog.

2. Abed reports rent of $785. The lease specifies that rent is $700 plus $50 for a garage, which is optional. He also pays an additional $35 mandatory service fee charged to all tenants to cover incidental costs, such as light bulbs in the hallways or damage to the common areas.

   Even though the $35 is a separate fee that is specified in the lease, Abed cannot rent the apartment without agreeing to pay this fee. This is allowable. However, because the garage is optional and he could rent the apartment without it, the $50 he spends on that is not allowable. Abed is allowed a shelter deduction of $735.

3. Troy has a lease verifying monthly rent is $450, but "discounted" to $425 if paid by the 5th of the month. While it appears to be a perk for paying early, this is just another way of saying rent is $425 and a $25 late fee will be assessed if not paid by the 5th. Allow Troy a shelter deduction of $425.

4. Annie rents an apartment for $660 per month. When you receive the lease, you see that the rent is broken down as $600 for rent and $60 for her garage. However, the lease shows that every unit comes with a garage and tenants do not have the choice to decline it. Even though the landlord breaks down the charges, she has no choice and must pay the full $660 in order to live there. Allow $660 as a deduction.

   In addition, she pays $360 annually to her insurance carrier for renters insurance. She is not allowed a deduction for that charge, as it does not lead to her ability to rent this dwelling.

Condominium or Association Fees

Legal reference: 7 CFR 273.9(d)(6)

Deduct the cost of condominium or association fees.

Repair Costs

Legal reference: 7 CFR 273.9(d)(6)

Do **not** allow repair or replacement costs, unless they resulted from a natural disaster such as fire or flood.

Allow a deduction for the costs of repairing a home that was substantially damaged or destroyed due to a natural disaster, such as a fire or flood. Allow only the costs that will **not** be reimbursed. Do **not** allow a deduction for any of these costs that have been or will be reimbursed from any source.

Shelter Costs for Two Residences

Legal reference: 7 CFR 273.9(d)(6)

When a person who is away due to employment or training chooses to be part of the household in the main home, allow shelter costs of both residences.

When the person who is away chooses to be a separate household, allow that person a deduction for shelter costs for both residences when:

- That person is paying the costs or is responsible but has not paid, and
- The occupants of the main home do not claim those costs for SNAP purposes.

EXCEPTIONS: Allow only one standard utility allowance to cover both residences.

If a household moves in the middle of a month and has shelter expenses for two residences, allow the costs of both residences only for the month of the move. If a household claims utility expenses of two residences due to a move, allow the highest applicable utility standard for the expenses at either home.

> Mr. R moves in the middle of the month and provides information for the shelter and utility expenses at both his old and new residences. He is responsible for $500 rent for the old residence and $275 half month's rent at the new residence. Mr. R is responsible to pay his heat expense at the old residence and phone only at the new residence.
>
> For the month of the move, Mr. R receives $775 as a rent expense and the big standard utility allowance of the old residence. For the month after the move, Mr. R receives $550 full month's rent for the new address and the phone standard.

Unoccupied Shelter Costs

Legal reference: 7 CFR 273.9(d)(6)

Deduct the shelter costs of an unoccupied home if all of the following criteria are met:

- The home is temporarily unoccupied by the household because of:
  - Work or training away from home, or
  - Illness, or
  - A disaster or casualty loss.

- No one else living there is claiming shelter costs for SNAP purposes.
- The household plans to return to the home.
- The home is not leased or rented during the household's absence.

If a household claims expenses for an unoccupied home and a current home, allow the highest applicable utility standard for the expenses at either home.

Shared Living Arrangements

Legal reference: 7 CFR 273.9(d)(6)

When separate SNAP households share rent, and one household gives its share of the rent to the other who then pays the landlord, give each household a deduction for its part of the rent. Do not count the pass-through rent payment as income unless the payment is more than the full rent charged for the residence. Any excess would be considered unearned income to the household receiving the payment.

> Aaron and Ben share rent and are two different SNAP households. Total rent is $500, each pays $250 and each gets a $250 shelter deduction.
>
> Aaron gives Ben his $250 to turn in to the landlord for him. Aaron's $250 is not countable as income to Ben.

Homeless Standard Deduction

Legal reference: 7 CFR 273.9(d)(6)(i)

A household in which all members are homeless, as defined in 7-A, is eligible for a homeless standard deduction. A household is not entitled to this deduction if they are receiving free shelter throughout the month. To be eligible for the homeless standard, the household must be responsible for shelter or utility expenses related to their current living arrangement. A household that chooses the homeless standard deduction:

- Is not required to verify their shelter-related expenses
- Is not also eligible to receive a shelter or utility deduction

The homeless standard deduction is $198.99. The homeless standard is treated differently than a shelter expense deduction when calculating benefits. It is a standard amount directly deducted from net income, unlike shelter and utility deductions which are only realized if costs exceed 50% of net income. See **7-F, Net Income Limit**.

Homeless households that have qualifying shelter expenses must be made aware of their option to choose between the standard deduction and actual shelter expenses.

Remember that they cannot receive a shelter or utility deduction if opting to use the homeless standard.

Work with the household to determine which option is most beneficial. In some situations, this may require you to run a SPAD if the answer is not clear. However, some homeless households may choose the standard simply to ease the verification requirements. Document the household's choice in the case file.

NOTE: There is no expectation that you ask clients if they consider themselves homeless. The homeless standard only needs to be discussed if the household has indicated homelessness.

Remember that if a household chooses to use actual expenses, verification is required in order to get the deduction. If you document that they chose actual expenses, but they fail to provide the requested verification, they do not receive a deduction and they do not get the homeless standard. If they later contact you and want the homeless standard, document the change and allow the homeless standard following normal guidelines for acting on changes.

1. Tim is homeless and stays at a shelter at no charge, but does have a cell phone. He would be paying his own cell phone regardless of where he was living, so this is not an expense of staying at the shelter. Therefore, he is not entitled to the homeless standard deduction. If verification of his telephone expense is provided, he should be coded to receive the telephone standard.
2. Mary is homeless and pays $50 per month to pitch a tent at a campsite. She also pays for her own phone. She could either claim actual shelter expenses of $50 and the phone standard or choose to get the homeless standard deduction. Explain the options to her.

   Since the homeless standard is greater than her actual expenses, the standard is the most beneficial. Mary chooses the homeless standard, so no further verification is required. Document the case with her choice and allow the homeless standard.
3. Bob is homeless and stays with friends. They charge him $150 per month but he also has his own phone. Depending on how much income he has, it appears the homeless standard would likely be most beneficial to him since it is a straight deduction. If you are unsure, complete a SPAD.

   After having the options explained, Bob chooses to receive the standard deduction. No further verification is required. Document the case with his choice and allow the homeless standard.

4. Julie is homeless and stays with friends. They do not charge her any rent, but she must pay half of the utility bill (including heat). Since this is an expense of residing with her friends, she is entitled to choose between the homeless standard or the big SUA. Julie has some income, and SPAD shows that use of the big SUA as a utility deduction would result in slightly higher benefits than the homeless standard. Julie states she wants to use actual expenses, so you request verification of the utilities she is responsible for.

   Julie does not return the verification of the utility expense by the due date. Therefore, no utility deduction is allowed. In addition, since she **chose** to use actual, she is not entitled to the homeless standard.

   Two weeks later, Julie contacts you and says she was not able to get verification of the utility expense and she would rather get the homeless standard. Document this change in the case and allow the homeless standard starting with the next benefit month.

5. Rick is homeless and stays with friends. They charge him $50 to stay on their couch. He does not have a phone or pay any utilities. Since the homeless shelter deduction is larger than his actual expenses, explain this option to him. Assuming he wants to use the standard, no further verification of his shelter costs is required. Document the case with his choice and allow the homeless standard.

REMINDER: A homeless person who is temporarily residing in the home of another person is only considered homeless for the first 90 days. After living with someone for more than 90 days, it is no longer considered temporary and therefore the person is not homeless (7-A). When processing an application for someone who is staying with friends, you will need to clarify that they have been there less than 90 days before allowing the homeless standard deduction. Households are not required to report address changes. However, if the situation has not changed at the next certification, the household would no longer qualify for the homeless standard deduction.

Standard Deduction

Legal reference: 7 CFR 273.9(d)(1)

Allow a standard deduction for the applicable household size by using the following chart:

Household Size	Standard Deduction
1	$209
2	$209
3	$209
4	$223
5	$261
6+	$299

Standard Utility Allowances

Legal reference: 7 CFR 273.9(d)(6)

Households who are responsible for utility expenses are eligible for a standard utility allowance. EXCEPTION: Households choosing the homeless standard deduction are not entitled to a utility allowance. There are three standard utility allowances:

- The “big” standard utility allowance (with heating or air conditioning).
- The “little” standard utility allowance (no heating or air conditioning).
- The telephone standard utility allowance.

Any one household can have only one standard utility allowance. Households may have their utility bills placed under non-household members’ names for a variety of reasons. Allow these bills as an expense to the SNAP household as long as the household verifies that it is responsible for the bills.

The following sections explain:

- Big standard utility allowance
- Little standard utility allowance
- Telephone standard utility allowance

For handling utility expenses of ineligible members, see **7-I, Deductions**.

Big Standard Utility Allowance

Legal reference: 7 CFR 273.9(d)(6)

The big standard utility allowance is $554 per month, per household. A household can get the big standard utility allowance when the household:

- Is responsible for paying any portion of the heat or air-conditioning costs either directly to the utility provider, to a landlord, or to someone with whom the household shares these expenses (including excess or flat fees for these costs); or
- Receives energy assistance payments through the Low Income Home Energy Assistance Program (LIHEAP), such as the Affordable Heating Program, or
- Incurs costs during the certification period above those reimbursed by energy assistance programs other than LIHEAP.

Use this allowance for the entire year if the household is entitled to it.

A **heating** expense is the cost of fuel from the primary heating source the household normally uses. The cost of electricity used to operate a furnace fan is not a heating expense. When the household uses wood as its primary heating source, consider it a heating expense only if the household has to pay a third party for the wood. Do not allow a deduction for the costs of equipment to cut the wood.

Air conditioning costs are the cost for operating either a central air conditioning system or a room air conditioner.

If the household's rent includes utility expenses and the household gets LIHEAP, allow the full amount of the rent in addition to the big standard.

The following sections explain how to determine:

- Receipt of LIHEAP
- Reimbursement from other energy assistance programs

Determining Receipt of LIHEAP

Legal reference: 7 CFR 273.9(d)(6)

LIHEAP payments for each year are issued between October and the following September. If the household is certified before October, and the household got a LIHEAP payment at its current address for the year, allow the household the heating or air conditioning standard because the household received LIHEAP.

If the household is certified after October and before it receives LIHEAP for the new year, determine if the household got LIHEAP in the previous October-through-September period. If the household did, and if it plans to apply for LIHEAP at the same address again this year, consider it as receiving LIHEAP, and allow the heating or air conditioning standard.

If the household moved, previously received LIHEAP at its old address, and anticipates receiving LIHEAP at its new address, allow the standard allowance based on anticipated receipt of LIHEAP.

Reimbursements from Other Energy Assistance Programs

Legal reference: 7 CFR 273.9(d)(6)

Energy assistance payments cover the period October through September of each year. If the household received reimbursements from energy assistance programs other than LIHEAP:

1. Decide if the household's utility costs were more than the reimbursement.
2. Divide the payment received (October through September) by 12.

3. Compare the results with the actual utility costs the household had for each month throughout that same October-through-September period.

If the actual costs exceeded the prorated amount of payment in any of those months, the household is eligible for the standard utility allowance.

Little Standard Utility Allowance

Legal reference: 7 CFR 273.9(d)(6)

The little standard utility allowance is $292 per month, per household.

A household can get the little standard utility allowance when it is responsible for paying any portion of the following utility costs either directly to the utility provider, to a landlord, or to someone with whom the household shares these expenses:

- Water
- Sewer
- Electricity for other than heating or air-conditioning
- Cooking fuel
- Garbage disposal

This includes excess or flat fees for these costs. Use this allowance for the entire year if the household is entitled to it.

Telephone Standard Utility Allowance

Legal reference: 7 CFR 273.9(d)

The telephone standard utility allowance is $36 per month, per household.

A household can get the telephone standard utility allowance when it is responsible for any portion of the basic service fee for a telephone (including cellular phone) and it is the household's only utility expense. The telephone expense is already included in the other standard utility allowances.

For cellular phones, the cost is deductible whether the household pays a monthly fee or buys a prepaid card with a certain dollar value or number of minutes.

SNAP Budgeting

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Overview

This chapter details how to determine countable income in order to determine SNAP eligibility and calculate benefits. Policies include:

- How to make an income determination by anticipating (estimating) ongoing income and expenses at application, when a household has changes in circumstances, and at recertification,
- How to calculate benefits for the certification period.

Anticipating Income

Legal reference: 7 CFR 273.10(a)(2) and 273.10(c)(1)

Policy: Anticipating (estimating) income is the process of making a reasonably certain estimate of the amount of income a household will receive in the future.

When determining how much income to budget, count income only if you can make a reasonably certain estimate of the amount and the timing of receipt. **Do not count any income if you cannot estimate the amount or are uncertain when it will be received.**

NOTE: Income may be anticipated even if it is not guaranteed. For example, an employer might state the employee is scheduled 40 hours per week and overtime is not guaranteed, but history shows the employee consistently works overtime. You need to have a conversation with the household to determine if it is reasonable to project overtime income. If additional information is needed, request verification from the household.

Comment: See **7-E, Income** for each type of income a household receives in order to determine if it is countable or if the income type requires special treatment. For treatment of special income situations, see:

- **7-I, Migrants and Seasonal Farm Workers** when a household has a member who is a migrant or seasonal farm worker.
- **7-I, Annualized Income and Expenses** for self-employment income.
- **7-E, Contract Income** for treatment of contract income.
- **7-E, Interest Income** for treatment of interest income.
- **7-E, Annuity** for treatment of annuity income.

The procedures for anticipating income are described in the following sections:

- Income in the month received
- Past 30 days' income

Income in the Month Received

Legal reference: 7 CFR 273.10(c)(2) and 273.11(a); 441 IAC 65.9(234)

Policy: Only count income for a month when you can reasonably anticipate that it will be received.

Procedure: When there are one-time variations in the normal receipt date, count the payment for the month for which it is intended. Examples:

- Mailing cycles for monthly payments like Family Investment Program (FIP) benefits, Supplemental Security Income (SSI) benefits, and Retirement, Survivors and Disability Insurance (RSDI) payments can occasionally cause households to receive two checks in a month.
- An employer may issue checks early when the normal payday falls on a weekend or holiday.

> A household has a member who is in the military. They chose to receive the military pay on the first of each month. The worker knows they will receive two checks in December because a holiday falls on January 1. The check that will be issued at the end of December is considered as received on January 1.

If the employee asks the employer to hold back wages, you must count the wages as income in the month in which the wages would normally be received. If an employer holds wages without the consent of the employee, do not count the wages as income unless the household anticipates that it will:

- ask for and receive a wage advance; or
- receive wages previously held by the employer and the wages have not previously been counted as income.

Count wage advances only when you can reasonably expect them to be received.

Comment: Never count income as a resource for the same month that you used it to calculate SNAP benefits. For determining countable resources, see **7-D, What Resources to Count**.

Income in the Application Month

Legal reference: 273.10(c)(1)(i), and (ii)

Policy: Use the household's income for the entire calendar month in which the application was filed to determine their eligibility and benefits for the month of application.

Procedure: To determine income for the month of application, use:

- The actual income the household received up to the date of interview, and
- Any other income you receive verification for before you process the case, and
- The income you and the household estimate will be received in the remaining pay periods in the application month.

If the application month income includes weekly or biweekly income and there is a third or fifth check in the month, see Conversion of Weekly and Biweekly Income.

Anticipated Changes at Application

Legal reference: 7 CFR 273.10(a)(3), 273.10(c)

Policy: Because of anticipated changes, a household may be eligible for the month of application, but ineligible for subsequent months. They are entitled to benefits for the month of application even if the benefits are approved and issued in a subsequent month.

Conversely, because of anticipated changes a household may be ineligible for the month of application, but eligible for subsequent months. The same application **must** be used for the denial for the month of application and the determination of eligibility for subsequent months.

> A household applies in October. The household has received October benefits in another state so is ineligible in Iowa for the month of application. The household meets all eligibility requirements and is eligible for November benefits in Iowa.
>
> The worker denies October benefits because the household already received benefits in another state for the month of application and determines eligibility for November and subsequent months.

Past 30 Days' Income

Legal reference: 441 IAC 65.6(234) and 65.9(234), 7 CFR 273.10(c)(1)(ii) and 273.10(c)(3)(i)

Policy: Use income received in the past 30 days to project income for future months unless changes have occurred or are anticipated. If changes have occurred or are anticipated, make a reasonable estimate of anticipated income based on verified information and the household's additional statements.

If the household provides verification that covers more than the 30-day period, this verification may be used if it is indicative.

If the income source is new, follow policies for New Income Source. Be sure to document the income used and why it was used.

Procedure: For initial applications, use income received in the 30 days before the interview to estimate income for the certification period, unless changes have occurred or are anticipated.

For recertifications, use the 30-day period of income the household provides with the *Review/Recertification Eligibility Document* (RRED) when the household has indicated on the RRED that their income will stay about the same and you determine that is reasonable based on their circumstances.

1. Get verification of the past 30 days' income. See **7-E, Income Verification Requirements** for what is acceptable as verification. Estimate future income from tips using verification provided as stated in **7-E, Tips**.
2. If the household reports the income they verified is not expected to stay the same, discuss with them why the verified information is not indicative of future income. Make a reasonable estimate of anticipated income based on the verified information and their additional statements. If, for any reason, a household disagrees with the anticipated prospective income calculation, additional verification should be requested. If you find the anticipated income questionable while discussing the anticipated prospective income with them, additional verification may be requested. Clearly document the income determination in a manner that supports the reasonableness and accuracy of the determination.
3. If the past 30 days' income includes a third or fifth check, see Conversion of Weekly and Biweekly Income to estimate a monthly amount.
4. The household may provide verification more recent than 30 days before the interview or with the RRED. If this happens, use a new 30-day period that includes the more recent verification if it is indicative of future income.
5. When income fluctuates seasonally, use the most recent season's income as an indicator of income for the same months of the new certification period. If the seasonal income changed or a change is anticipated, determine income using the best information available. For example, people who are employed by lawn care or snow removal businesses are seasonally employed.

1. At his May application interview, Doug says that he expects to receive $600 in the month of August for working at the State Fair. Because he is certain he will be working again and he will earn at least $600, that amount is used to determine August eligibility and benefits.

2. Dolly works in a restaurant and receives tips. The manager records tips and reports them on the restaurant's paystubs. Dolly provides the paystubs as verification of the tips she has received in the past 30 days and marks on her RRED that she expects her pay to remain about the same. The worker determines the information on the paystubs is reasonable for the circumstances so the worker uses the amount shown on the pay stub to estimate what tips she will receive in the future.

3. Lou is a bartender and receives tips. The bar owner records tips and reports them on the paystubs. Lou provides the paystubs he received in the past 30 days. He tells the worker that he does not get as many tips as shown on the pay stub and gives a reasonable explanation as to why.

   Lou kept a record of his tips. The worker uses his record to estimate what tips he will receive in the future. Because the worker is not using the tip amounts on the paystubs, the worker documents the amount of tips estimated and why that amount was used.

4. Dan applies on April 28 and his interview is held on May 1. He does not have paystubs for the last 30 days, those received April 3, 10, 17, and 24. He has until May 11 to provide verification. On May 11, he provides paystubs for April 3, 10, 17, and 24. Even though he was not asked to, he also provides paystubs for May 1 and 8.

   Actual earnings for April 3, 10, 17, and 24 are used to determine April eligibility and benefits.

   Since Dan provided May paystubs, those must be used to determine May eligibility benefits. First, the three payments that he has yet to receive in May must be estimated.

   To do this, average the most recent 30 days of income to get a weekly amount: April 10 for $160 + April 17 for $160 + April 24 for $150 + May 1 for $150 + May 8 for $200 = $820 ÷ 5 = $164 average weekly pay.

May 1	$150	Actual
May 8	+200	Actual
May 15	+164	Anticipated
May 22	+164	Anticipated
May 29	+164	Anticipated
	$842	(Total May actual income and estimated income)

   Dan will be paid five times in May. Therefore, it is necessary to convert. $842 ÷ 5 paydays = $168.40 x 4 paydays = $673.60, to use for May eligibility and benefits.

For June and the remaining months of the certification period, the last 30 days average income is used: April 10 for $160 + April 17 for $160 + April 24 for $150 + May 1 for $150 + May 8 for $200 = $820 ÷ 5 = $164 average weekly pay.

$656 ($164 X 4 = $656) is used for June and ongoing months.

5. Laurie applies on May 27 and is interviewed on May 28. She is paid bi-weekly on Fridays, most recently on May 22. Verification of her past 30 days income is requested, including checks from Friday May 8 and 22. When she submits the verification, she provides those two checks, as well as the one she received on April 24. All three are indicative of future earnings.

April 24	$250 Actual
May 8	$275 Actual
May 22	$240 Actual

   For May you need to use the actual income received on May 8 and 22, $275 + $240 = $515.

   For June and the remaining months of the certification period, you may use $515 or include the April 24 check since it was provided and is indicative. $250 + $275 + $240 = $765 ÷3 = $255 average bi-weekly check. $255 x 2 = $510 projected.

   Therefore, either $510 or $515 would be acceptable for June and ongoing. Be sure to document the income you used and why.

6. Rose applies on April10 and her application shows she recently started working. At her interview on April 12, she reports that she started the job in late March and got her first check on April 8 for $350. She is paid bi-weekly on Fridays and expects to work 30 hours per week for $10/hour.

   She provides her first paystub which is a partial pay period due to her date of hire. Verification from the employer shows she was hired to work 25-35 hours/week for $10/hour. Because the income is consistent with what she reported, anticipate future bi-weekly pay of $600 (30 hours/week x 2 weeks x $10).

   The April 8 paystub must be used for the application month because it is actual income. However, do not include it in the estimate of future pay because it did not cover a full pay period. For future pay periods anticipate $600 based on verification provided by Rose and her employer. April projected income = $350 (April 8) + $600 (April 22). May and ongoing months projected income is $1200 ($600 x 2 pay periods).

7. Leslie's RRED is received on February 2 and includes three paystubs from her retail job (received January 2, 16, and 30). January 2 shows almost 40 hours/week, but the other checks show approximately 25 hours/week. She says she worked extra hours in December because of the holidays and that is why the January 2 count is higher, but is back to her regular schedule of about 25 hours/week.

   Verification in the case file shows she was hired to work 20-30 hours/week and all previous paystubs are in that range. Since this is a retail job, the explanation for the temporary increase is reasonable. The January 2 check should be excluded from the projection, unless you find it questionable for some other reason. Make sure to thoroughly document the case regarding your determination.

Averaging Fluctuating Income

Legal reference: 441 IAC 65.9(234), 7 CFR 273.10(c)(1)(ii) and 273.10(c)(3)(i)

Policy: Average fluctuating income to determine future income when it is reasonably certain the income will be received. When income fluctuates to the extent that the past 30 days does not provide a reasonable basis to anticipate future income, use the period of time that is most appropriate, such as a:

- shorter period of income, (see New Income Source)
- longer period of income, or
- different 30-day period.

Procedure: Use whatever period of time you believe is necessary to reasonably project future income accurately.

1. Accept the household's statement as to the period of time that is a good indicator of future income; or, if they are not sure what period to use, get an income estimate from the source of the income.
2. Determine the number of times the household expects to receive income in that period. (See Income in the Month Received.)
3. If income is received weekly or biweekly, add the checks together and then divide that total by the number of checks that were added together to calculate the average weekly or biweekly amount. Then see Step 3 of Conversion of Weekly and Biweekly Income to get a monthly amount.
4. Clearly document the income used to determine benefits. Show calculations in the case record and explain why you used a different period than the last 30 days to estimate income.

Comment: Use this method to estimate future income when the income varies from month to month due to:

- Fluctuating hours of work,
- Instability of the amount of work when they are paid on a per-job basis, or
- Irregular income from the same source.

People who work for temporary employment or spot-labor agencies often have income that varies from month to month. Use this policy to estimate this kind of income.

Reasonably Anticipated Income

Legal reference: 441 IAC 65.9(234), 7 CFR 273.10(c)(1)(ii) and 273.10(c)(3)(i)

Policy: Estimate income that is reasonably anticipated to be received during the certification period. Consider income that is both:

- verified as received by the household, and
- reasonably anticipated to be received from that source in the future.

Procedure: See below for different situations and how to handle

Application, Interview RRED, or Report of Change

Discuss with the household the 30 days of income verification they provided and/or any income verification you will be requesting from them. If verification they provided with their application is indicative of their future income, and no adjustments are necessary, use that income to determine their eligibility. If verification they provided, or will provide, is not indicative of future income, discuss with them the reasons why is not indicative.

If the verification is or will not be indicative because the income is ending, you must follow procedures for verifying ending income.

If verification is not indicative because of a different kind of change (e.g., pay rate or change in hours, etc.), determine if the household's explanation of the differences between the verification and what they anticipate happening in the future is reasonable. If the explanation is reasonable, project ongoing income based on their explanation. If the explanation is not reasonable, get verification of the changes. See Unreasonable or Questionable Explanations.

NOTE: Verification is required for ending employment, leaves of absence, and beginning employment if the client has not received 30 days of income yet.

Desk RRED

How was the RRED question "Will the amount of money from jobs stay about the same as shown on the proof you are sending?" answered:

- If 'yes': use the verification provided if it is reasonable and not questionable
- If 'no' but the written explanation is reasonable, project income based on the explanation.
- If 'no' without a reasonable explanation you must contact the household to discuss the verification they provided or send an RFI for additional verification.

If the written explanation on the RRED is unclear, contact the household to discuss the verification they provided or send an RFI for additional verification.

A conversation with the household is best practice so you can ask follow-up questions based on their responses.

Reviewing Returned Verification

When requested verification is returned, but the verification does not support what the household said previously, contact them to clarify the situation, preferably by phone. Send a second RFI only as a last resort.

Reviewing Unsolicited Pay Verification

If unsolicited income verification is received without any explanation or direct report of change, unless the information is questionable, or the impact is unclear, use the income as indicative.

If the verification is less than a 30-day period, the impact is not clear. E.g., A household submits one pay stub for a job with biweekly pay. This is less than 30 days of information, so the impact is not clear. Do not take action in this situation.

Unreasonable or Questionable Explanations

Each worker will make decisions about reasonability and questionability. All reasonability and questionability determinations must be equitable and based on sound judgment and logical thinking.

Documentation

Clearly document the income determination and the reasons for making that determination, as required. Explain the circumstances and why the household's explanation is reasonable, unreasonable, or questionable.

Comment: Reasonably anticipating income requires verifying at least 30 days of income. This does not apply to ending income. This procedure does not apply to unreasonable or questionable explanations.

1. Gloria applied for SNAP and turned in 30 days of income from her retail job. At the interview she said the income she provided is not indicative of future income as her hours have been reduced from 30 to 25 hrs/wk because it is a slower time in retail. She's unsure when her hours will be increased back to 30 hrs/wk.

   The worker finds nothing questionable about this information, and given the time of year, it makes sense that it is a slower time in retail. Because there is verification of 30 days of income and the explanation is reasonable, the updated wage amount she reported is used to project income.

2. Rebecca's desk RRED is received on June 12 and she includes paystubs from her job at a hardware store. She indicates on the RRED that the amount of money earned from her job will not stay the same as the stubs she included with her RRED, shown below:

   5/15 = 36 hours @ $16.25/hour = $585
   5/30 = 24 hours @ 16.25/hour = $390

   Because Rebecca said the verification is not indicative, clarification is needed. It is best to contact her by phone to discuss why. She says that the store recently hired several seasonal positions and she had one six-hour shift cut each week, so she is now working 12 hours/week instead of18 hours/week. This will continue until the store gets busier or the seasonal employees are let go. Rebecca's explanation is reasonable and her ongoing income is calculated at 12 hours/week.

3. On April 12, Trinity a SNAP/FIP recipient reports her work hours will increase from 12 hours/week to 35 hours/week as of May 1.

   During the conversation with Trinity, she says she expects the change to continue because she has new responsibilities at work. Her new income **does not** exceed her reporting requirements for SNAP.

   SNAP case action: Her new income does not exceed her reporting requirements, so no action is taken for SNAP at the time of report. If she returns verification of her income because of the RFI sent for FIP, her SNAP income should be updated if the impact to the case is clear. If she does not return the income verification, no action is taken on the SNAP case.

   FIP case action: Request income verification due to the change in work hours for FIP only. If she returns the verification, calculate the new income for FIP. If she does not return the requested verification, cancel FIP with timely notice for failure to provide.

Conversion of Weekly and Biweekly Income

Legal reference: 441 IAC 65.9(234)

Policy: Convert weekly or biweekly income to monthly amounts using the same method as FIP.

Procedure:

1. Total the income being used to make the projection.
2. Divide the total by the number of payments you used in Step 1.
3. Multiply the result in Step 2:
   - By four if the income is weekly, or
   - By two if the income is biweekly.
4. The total of Step 3 is the monthly amount to use for the household's SNAP eligibility and benefits.

Josie is paid biweekly. During the 30 days before her interview, she received three paychecks. Her projected income is calculated below:

$ 653.45	August 3 pay
+ 628.89	August 17 pay
+ 637.44	August 31 pay
$ 1,919.78	Total income for the 30-day period
÷ 3	Total number of payments
$ 639.92	Average biweekly pay
x 2	Number of times she is normally paid each month
$ 1,279.84	Projected monthly income

Her income is converted to a monthly amount of $1,279.84 to be used for each month of her certification period.

New Income Source

Legal reference: 7 CFR 273.10(c)(1)(i) and 273.2(f)

Policy: Get the best estimate of future income directly from the income source when the income is from a new source.

Do not count income from a new source until the amount and the date of the first payment is reasonably established.

- "Best estimate" means the income source's estimate of future income.
- "Client-provided information" is information the client provides regarding the new income source. This should only be used for the projection of income after all other attempts to get verification from the source have been exhausted.

Procedure: Obtain verification from the source when the income is new. If it is earned income, ask the employer:

- How many hours per week will the employee work?
- What is the hourly rate of pay?
- Can overtime or extra pay be anticipated?
- What is the pay schedule?

If verification cannot be obtained using the generic release, see **7-G, Third Party Fails to Provide Verification**. After exhausting all attempts to verify, determine an amount based on client-provided information. Clearly document the case record.

Determining Assistance

Legal reference: 7 CFR 273.9(a), 273.10(e)(2) and (e)(3)

Policy: Determine SNAP eligibility prospectively for each month of the certification period.

- Categorically eligible households do not need to meet either gross or net income guidelines.
- Households with at least one elderly or disabled person must only meet the net income guidelines.

  This includes households with a member who is 59 on the date of application but who will turn 60 before the end of the month of application.
- All other households must meet both the gross and net guidelines.

For migrant or seasonal farm worker households, first calculate gross and net income according to policies in **7-I, Migrant and Seasonal Farm Workers**. Then compare the household's gross income (if there are not any elderly or disabled members) and net income to the corresponding monthly income standards.

Household Composition and Resources at Application

Legal reference: 7 CFR 273.1(a) and 273.10(b)

Policy: Determine household composition as it was on the date of the interview. Count resources available to the household at the time of interview.

EXCEPTIONS:

- If someone leaves or joins the household after the application is received, use the household composition as of the date of interview to determine eligibility and benefits.
- Resources available as of the date of interview are countable, even if different than what was reported on the application form.

See **7-G** for how to treat household composition and resources at time of recertification.

Gross Income Limit

Legal reference: 7 CFR 273.10(e)(1)(i)(a) and 273.10(e)(2)

Policy: Determine the gross monthly income. Gross income includes all income before any deductions.

Procedure:

1. Add the total countable gross monthly earnings of all household members and people whose income is considered. See **7-I, Ineligible Household Members**. Include all income before any deductions.
2. Count cents in all calculations. Drop the third digit after the decimal point.
3. For households that do not have an elderly or disabled member or are not categorically eligible, compare the household's total gross monthly income to the maximum allowable for the household size. Do not include ineligible members when determining household size.

   The maximum gross monthly income amounts are updated every October 1.

Household Size	Maximum Gross Monthly Income
1	$1,696
2	$2,292
3	$2,888
4	$3,483
5	$4,079
6	$4,675
7	$5,271
8	$5,867
For each additional person, add $596	

4. Go on to compare income to the net income limit if the household has:

   - income that is equal to or less than the gross income limit, or
   - an elderly or disabled member.

   If neither of these conditions is met, the household is ineligible.

Deductions

Legal reference: 441 IAC 65.9(234)

Policy: For policies on handling deductions, see **7-E, Deductions**.

Procedure:

1. Estimate monthly expenses for each month of the certification period.
2. If expenses that are billed on a weekly or biweekly basis, convert them to a monthly amount. To convert the expenses, follow the same method as you do to convert weekly or biweekly income. See Conversion of Weekly and Biweekly Income.

Net Income Limit

Legal reference: 7 CFR 273.10(e)(1)(ii) and (2) and 273.9(a)

Policy: Determine net monthly income. Count cents in all calculations. Drop the third digit to the right of the decimal point.

Procedure: To calculate net monthly income:

1. Gross earned income

   Start with the household's gross earned income.

2. Earned income deduction

   Multiply the total gross earned income by 20% and subtract that amount from Step 1, or multiply the total gross earned income by 80%.

3. Unearned income

   Add to the result of Step 2 the total nonexcluded unearned income from all household members and people whose income is considered.

4. Standard deduction

   Subtract the standard deduction (listed under **7-E, Standard Deduction**) from the total in Step 3.

5. Medical expenses

   Total the allowable medical expenses (see **7-E, Medical Expenses of Elderly or Disabled Household Members**) and subtract this from the result in Step 4.

6. Child support payment deduction

   Total the allowable child support payments and subtract from the result in Step 5. See **7-E, Child Support Payment**.

7. Dependent care costs

   Total the allowable dependent care costs, and subtract the amount from the result in Step 6. See **7-E, Child and Dependent Care**.

8. Homeless standard deduction

   If a homeless household chooses the homeless standard deduction instead of shelter costs, subtract the standard amount from the result in Step 7. See **7-E, Homeless Standard Deduction**. If a household gets this deduction, skip Step 9 below. They are not eligible for both deductions.

9. Excess shelter expenses

   Total the allowable shelter costs, then subtract 50% of the monthly income after allowing all previous deductions. The remaining amount, if any, is the excess shelter cost. If a household gets the homeless standard deduction, they are not eligible for excess shelter expenses.

   Subtract the excess shelter costs from the result in Step 7.

   - If the household is subject to the maximum shelter deduction, subtract the excess shelter cost up to the allowed maximum.
   - If they are not subject to the maximum shelter deduction, subtract the total excess shelter cost. See **7-E, Shelter Expenses**.

10. Net monthly income

    This final amount is the net monthly income. For households that are not categorically eligible, compare this amount to the maximum allowable for their household size. Do not include ineligible members when determining household size.

    The maximum net monthly income amounts are updated every October 1.

Household Size	Maximum Net Monthly Income
1	$1,305
2	$1,763
3	$2,221
4	$2,680
5	$3,138
6	$3,596
7	$4,055
8	$4,513
For each additional member, add $459	

11. Continue to determine the household's households benefit level as directed under Calculating Benefit Level if the:
    - household's income is equal to or less than the net income limits, or
    - household is categorically eligible

    If neither of these conditions is met, they are ineligible.

Changing Income Guidelines

Legal reference: 7 CFR 273.10(e)(2)(v)

Policy: When a household member turns 60 or begins receiving SSI or a disability payment or an elderly member moves out, this change may affect which income guidelines the household must meet.

Procedure: Start using the new income guidelines (gross/net) at the next recertification or whenever action is taken on the case.

Calculating Benefit Level

Legal reference: 7 CFR 273.10(e)(2) and (4)

Policy: Determine the amount of the monthly benefits based on the household's net monthly income.

Procedure:

1. Multiply the household's net monthly income by 30%.
2. Round the total up to the next whole dollar. $.01 - $.99 cents round up.
3. Determine the maximum SNAP allotment for the applicable household size by using the following chart. **NOTE**: the Consolidated Appropriations Act temporarily increased the maximum allotment amounts from January 2021 through June 2021*.

Household Size	Maximum Monthly Allotment
1	$298
2	$546
3	$785
4	$994
5	$1,183
6	$1,421
7	$1,571
8	$1,789
For each additional member, add $218	

4. Subtract the Step 2 total from the Step 3 total. This is the net monthly allotment.

See Exceptions to Benefit Level for minimum benefits in certain circumstances and Prorating Initial Month's Benefits for payment for a partial month.

Exceptions to Benefit Level

Legal reference: 7 CFR 273.10(e)(2) and (4)

Policy: If the allotment is not prorated as an initial month's benefits and is $1, $3, or $5, certify the household for $2, $4, or $6, respectively. For an initial month's prorated benefits, see the next section.

The minimum monthly allotment for all eligible one-member and two-member households is $23. In an initial month, prorate this minimum monthly allotment from the date of application.

When net-tested households, with three or more members, have a calculated allotment of zero, this is because their net income exceeds the minimum level for which benefits are issued. The system will automatically deny these households.

Prorating Initial Month's Benefits

Legal reference: 7 CFR 273.10(a)(1) and 273.2(h)(2), 441 IAC 65.6(234)

Policy: An "initial month" is the first month a household is certified following any break in certification. EXCEPTION: For migrant or seasonal farm worker households, "initial month" means the first month the household is certified following a break in participation of at least one month.

In the initial month of certification, prorate the amount of net monthly allotment (Step 4 of Calculating Benefit Level), from the date of application through the end of the month.

Determine the amount of the prorated allotment by using the following formula:

Net Monthly Allotment (from Step 4)	× (31 - date of application) ÷ 30 =	Initial Prorated Allotment

Procedure: When using the prorating formula, do the following steps:

1. Subtract the date of application from 31
2. Multiply the Step 1 total by the full month's allotment
3. Divide the Step 2 total by 30
4. Round the Step 3 total down to the whole dollar (drop the cents).

A monthly allotment of $64 is prorated as follows if the date of application was the second of the month:

[64 x (31-2)] ÷ 30 =
(64 x 29) ÷ 30 =
1856 ÷ 30 =
61.86 = $61 = Prorated allotment

If application is made on the 31st of the month, enter it into the formula as the 30th day.

If the proration results in benefits of less than $10, the household will not receive an issuance for the initial month. In these situations, the initial month is still the first month of the certification period as long as the household is entitled to benefits in the following months.

When the application is not processed until the second 30 days because of a delay caused by the household, prorate benefits for the initial month of certification from the date the household takes the necessary action to allow the application to be processed. See **7-B, Delays in Processing**.

SNAP Case Maintenance

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Overview

This chapter is divided into four sections:

- Household reporting policies
- General policies for acting on changes
- Policies for responding to specific types of changes
- Recertification:
  - What a household must do to keep getting SNAP, and
  - What the worker must do to determine the household's eligibility.

Reporting Requirements

Legal reference: 7 CFR 273.12

Policy: There are three changes a household must report while certified. These changes must be reported by the 10th day of the month after the month in which they occur. A household must report when:

- Its total gross income goes over the gross income limit for the household's size, or
- An able-bodied adult without dependents (ABAWD) stops working 80 hours, or
- Anyone in the household receives lottery or gambling winnings of $4,500 or more in a single lottery/gambling winning.

No other changes are required to be reported. However, households are allowed to report other changes and changes may be reported by sources other than the household. Follow guidance for Action on Changes Reported During the Certification Period to determine how and when you must act on reported changes.

Some households will remain eligible after exceeding their gross income limit. They must report each month that they are over their gross income limit, even though they are still eligible for benefits. EXCEPTION: A household does not have to keep reporting this if:

- All adults are elderly or disabled and they have no earned income; or
- They are categorically eligible.

Procedure: Discuss *Reporting SNAP Changes* (form 470-2960 or 470-2960(S)) with the household's representative when conducting an interview. Make sure the household understands:

- How to determine when it goes over its gross income limit,
- Which household members are ABAWDs working 80 hours monthly,
- That they must report these things by the 10th of the month after the change occurs, and
- That the form will be automatically generated upon approval.

Comment: The household's gross income limit remains in effect until it is certified for a new benefit period. The reporting limit given at certification does not change during a certification period even if the household size changes.

See Interview for how to explain the reporting requirement to the household.

Household Fails to Report a Required Change

Legal reference: 7 CFR 273.12(a) and (d)

Policy: If a household fails to report that it went over its gross income limit:

- Calculate a claim, starting with the second month after the month in which the household first exceeded the limit. See 7-H, *Claims*.
- Pursue an intentional program violation (IPV) if you believe they deliberately withheld this information for the purpose of obtaining benefits. See 7-H, *Claims* and 7-J, *Intentional Program Violation*.

Comment: If you learn about a change that the household was not required to report:

- Do not establish a claim,
- Do not issue lost benefits.

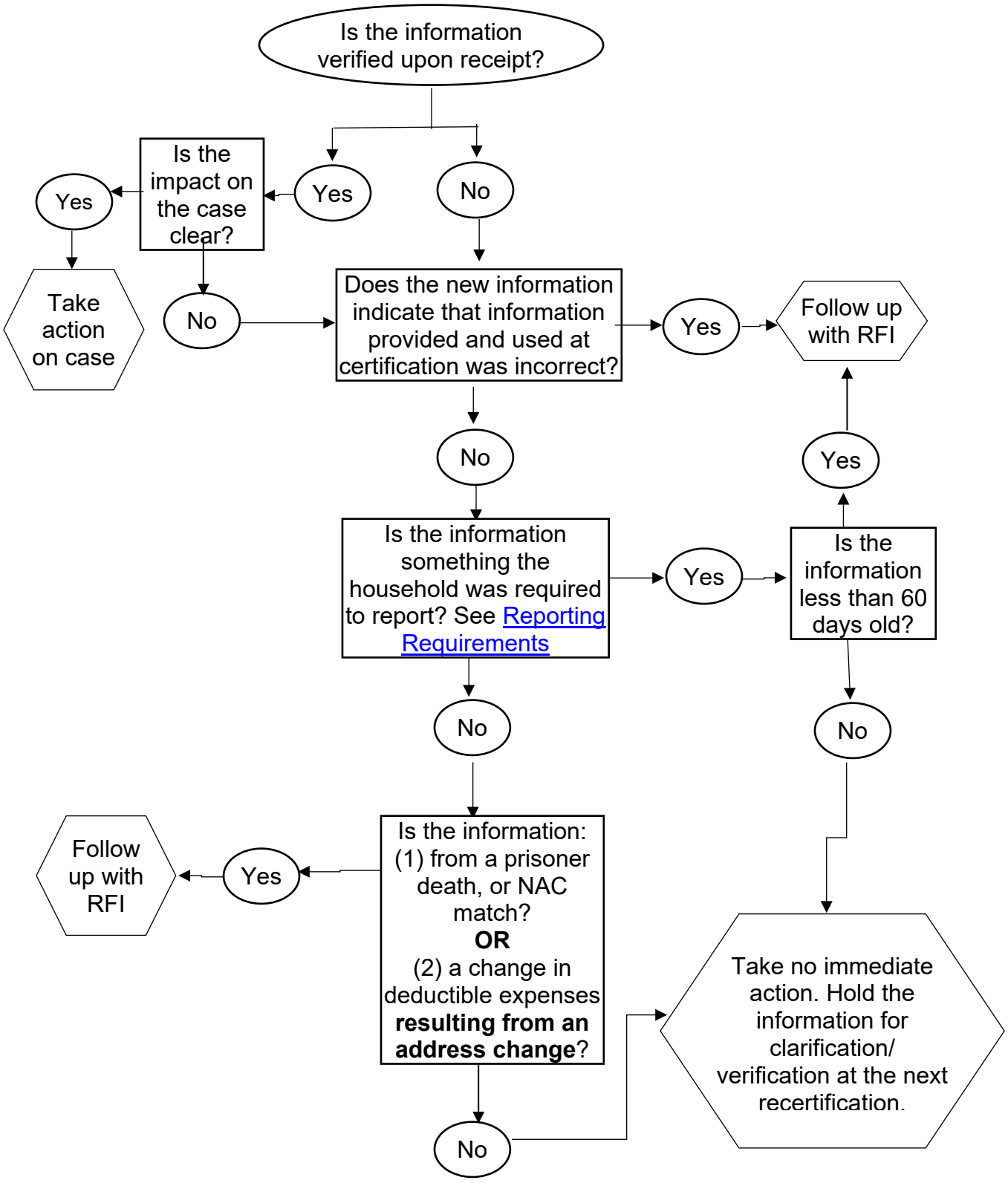
Action on Changes Reported During the Certification Period

Legal reference: 7 CFR 273.2(f), and 273.12(c)

Policy: Changes may be reported by the household, an outside source, or an automated report. While all reported changes must be documented, not all changes require **immediate** action. Depending on the nature of the change, the reported change is either:

- Acted on when reported, or
- Documented for follow-up at the next recertification.

Procedure: The flow chart on the next page explains how and when to act on changes reported during the certification period. Use this, along with the policies explained in the following sections, to determine how to proceed. Document all reported changes, regardless of whether or not it was a change the household was required to report.


Is the information verified upon receipt?
Yes
No
Is the impact on the case clear?
Yes
Take action on case
No
Does the new information indicate that information provided and used at certification was incorrect?
Yes
Follow up with RFI
No
Is the information something the household was required to report? See Reporting Requirements
Yes
Is the information less than 60 days old?
Yes
No
No
Is the information: (1) from a prisoner death, or NAC match? OR (2) a change in deductible expenses resulting from an address change?
Yes
Follow up with RFI
No
Take no immediate action. Hold the information for clarification/ verification at the next recertification.

Changes Requiring Action During the Certification Period

Policy: Generally speaking, the following types of changes require immediate action:

- Changes for which the information which is verified upon receipt and the impact is clear
- Changes which indicate that incorrect information was reported and used at the time of certification
- Changes that were required to be reported, and the information is less than 60 days old
- Changes based on information received from a prisoner, death or National Accuracy Clearinghouse (NAC) match
- Changes in deductible expenses resulting from an address change. Verification of all other expenses during the certification period is voluntary.

Procedure: If you receive a report of one of these types of changes, follow policies and timeframes for increasing or decreasing benefits. If verification is requested and not provided, the case must be canceled. Exception: If the household reports a change in shelter and/or utility expenses resulting from an address change and the household fails to provide requested verification of the expense, do not allow the deduction and do not cancel the case.

Other than changes resulting from a new address, if the household reports a change in an expense that has already been verified, do not request verification of the change. If the client does not voluntarily provide verification of the change, leave the previously verified deduction amount on the case. Do not change the deduction to the newly reported amount because the change was not verified. This will need to be verified at the next recertification.

If the reported change is something we are able to verify through data matches, you must attempt to verify the change. Depending on how quickly the change is reported, the data source may or may not be able to provide the verification necessary. If the change cannot be verified at the time of report, it is not considered “verified upon receipt” and you must then determine if it meets any other criteria which requires immediate action.

If the reported change is the result of an unverified prisoner or deceased matching system, or from NAC, and you need to send an RFI, you must mark the appropriate section on the form so that the required language for these types of changes is included.

The client's written or verbal report of their gambling or lottery winning amount is considered verified information. It is only necessary to request additional proof of the gambling or lottery winning amount if the client's report is questionable. See 14-B(5) for instructions on how to cancel a household who becomes ineligible due to lottery or gambling winnings.

NOTE: A data source report of lottery/gambling winnings is not considered verified. If, in an attempt to verify the information from the data source, you are able to speak with the client by phone or the client provides a written statement of their lottery or gambling winning amount, consider the client's statement as verified information unless questionable.

Comment: Common examples of changes requiring action during the certification period are provided below.

1. Household A is receiving SNAP. We receive an UIB report showing that a member started receiving UIB benefits. Because this information is verified upon receipt, income is entered.

   Since this will result in decreased benefits for the household, action must be taken within 10 days of the verified change.
2. Bill is a SNAP recipient. On October 20, he reports that his girlfriend Sue has moved in and they purchase and prepare meals together. Bill states Sue has no income, and you find nothing questionable when doing lookups. Since there is no income to verify and a new household member does not require further verification, consider this reported change to be verified upon receipt. Add Sue to Bill's benefits effective November 1.
3. Household consists of Jim and his child. He submits a desk RRED on May 8, reporting $0 income, and you recertify them for June 1 – November 30. On July 10 he calls to report that his job at Employer T ended.

   You review his case file and see there is no income entered, and ask how long he has worked there. He informs you that he started in March and says he must have forgotten to report it on his RRED. Since this indicates that the information used at certification was incorrect, you must follow up with an RFI and close his benefits if verification is not provided.

   In addition you will need to determine if there is an overpayment and whether or not an IPV will be pursued.

4. Mary is a SNAP recipient who was receiving $100 per week in child support when she applied, so $400 is budgeted on her case. In April, Mary reports that she is no longer receiving child support because the other parent lost his job two months ago. You access ICAR and see that he was consistently paying his weekly amount, but that ended in mid-February and she has received no payments since then.

   Since we are able to verify the information she is reporting through our data sources, remove the child support from her case. Since this will result in increased benefits, adjust benefits for May.

5. Bob is approved as a household of one, with a certification period of April through September. At the time of his certification, he is working part-time earning $800 per month. On June 8 he calls to report that he is now working full time and he exceeded his reporting threshold in May.

   Since this is a change he was required to report, send an RFI requesting verification of his change in income. If it is provided, enter the verified income. If it is not provided, close the case for failure to provide requested information.

6. Laura is approved as a household of one in August, with verified earnings of $250 per week ($1,000 per month). On October 5, she submits a letter from the employer showing that she received a promotion with higher pay and more hours, and that starting with October 20th paystub she will be earning $400 per week ($1,600 per month).

   Regardless of whether or not this causes her to exceed the threshold, she has voluntarily provided information that is verified upon receipt. Enter the new income for November benefits, allowing for timely notice.

7. Household C is receiving SNAP. In April we receive a prisoner match showing that a member is now incarcerated. You must follow up to determine whether the member is still incarcerated. See Acting on the Prisoner Match Report for how to proceed.

8. Household D is receiving SNAP. In October they report that Mr. D is in jail and is expected to be there for at least two months. Since the household reported this (it didn't come from a prisoner match), it is considered verified. Remove Mr. D from benefits, allowing for timely notice.

9. Household F is receiving SNAP. At recertification, they reported rent of $550 and the Big SUA. Two months later they report a move, and that they now pay $500 rent and are responsible for the same utilities at the new address.

   Change the address and send an RFI to verify shelter and utility expenses at the new address. Even though they claim to be paying the same utilities, the address had changed. Do not remove the deductions on the system at the time the RFI is sent. If they do not return verification, then remove the shelter and utility expenses, as neither has been verified for the new address.

   NOTE: If the address had not changed, but they were reporting that the previously verified rent at the same address had decreased or increased, this change would be held until recertification unless the household voluntarily verifies the change before then.

10. Household G is receiving SNAP. After certification, the household calls to report that they won $8,000.00 at the casino. This report from the household is not questionable and is considered verified information. Follow the instructions in 14(B)5 to take action to close the case.

11. In October, Hattie is certified with earnings of $1000 per month from Todd's Treat Shop. On December 3, she provides a letter of termination from Todd's dated November 30 showing that her last day was November 28. It does not show her final pay date or pay amount.

    In looking at the pay information (frequency and schedule) we have on file, we can determine that her last check will be received on December 8. Even though she didn't provide a copy of her last check, we have verification that the job ended and can determine she will not receive pay beyond the month of December. This is a verified report of a job ending, and income should be removed starting with January benefits.

12. Charlotte receives SNAP benefits. At certification, she provides verification of her $400 monthly rent amount and of her cell phone expense. After certification, she reports a move and reports she is now responsible to pay $500 monthly rent and she is still responsible to pay for her cell phone (the same phone expense verified at certification).

    An RFI is sent to verify her new rent amount as a result of the move. Charlotte does not provide proof of her new rent amount and the shelter deduction is removed. Her cell phone expense is not removed because it did not change as a result of her move; the expense was verified at certification and is not tied to her previous address.

13. Jefferson is receiving SNAP. During the certification period, a NAC match is received showing they receive SNAP benefits in another state. You must follow up to determine if they are still receiving SNAP benefits in the other state. See Acting on Matches from the National Accuracy Clearinghouse (NAC) for how to proceed.

Changes Held Until Recertification

If the change does not meet one of the criteria for taking action during the certification period:

- Do not send a request for verification. Instead, document the report in the case file. At recertification, the information will need to be clarified and, if appropriate, verified.
- Inform the household that, while we are not requesting verification, we will take appropriate action on any information they choose to voluntarily verify. Follow policies for increasing or reducing benefits to adjust benefits for the appropriate month.

Follow the approved procedural scripts for explaining this to the household. This is especially important if the reported change could result in increased benefits.

Because some changes are held until recertification, it is important to thoroughly review the case file before taking action when a change is voluntarily verified. This must be done to avoid unnecessary errors.

> Luna is approved in August using $500 earned income from Dottie's Discount. In November, she calls to report her job ended and you explain that if she voluntarily provides verification, you can remove the income. A few days later you get a copy of a termination letter from ABC Bank showing she was hired in September and her last day of employment was October 28.
>
> Since the "rolling" income is from a different employer, and she hasn't reported or verified it ended, no action is taken. At recertification, you will need to clarify what happened to the job at Dottie's. If there is any indication that the two jobs overlapped or combined income would have caused her to exceed the threshold, further verification may be needed at that time.

Comment: If the household is active for another program, you cannot include SNAP on the RFI and cannot cancel SNAP if the information is not provided. However, if verification is provided and becomes part of the case record, you must take action for SNAP. At that point the information is verified and the impact on the case is clear.

If the household reports a future change, do not request verification if it does not yet meet a criterion for a change requiring immediate action. For example, a household might report a new job and, based on the information provided, it appears the job will put them over the income limit. Unless they have already exceeded the limit in a month, they are not required to report it and we cannot request verification. At that point, remind them of the importance of reporting the job once it causes their income to exceed the reporting threshold. If they voluntarily provide verification so they don't need to remember to report again later, take action on the verified information.

If a household requests a blank form (ESOE, Landlord Questionnaire, etc.) at any time so they can voluntarily provide verification of changes in income, you may provide one. However, do not require it or send an RFI with a due date in those situations. Common examples of changes which are held until the next recertification are provided below.

1. Household consists of Mr. F and his child. At the time of application, Mr. F has no income. Two months later, he calls to report that he started a job and will be earning $1000 per month.

   Because this is under the reporting threshold, no immediate action is taken. Document the case with the reported change so it can be addressed at the next recertification, but do not send an RFI.

2. Household G is approved for SNAP and FIP with $0 income. Two months later, Ms. G calls to report that she started a job at Employer W and expects to earn approximately $600 per month.

   Because this does not put them over the reporting threshold, verification cannot be requested for SNAP. However, since she is also on FIP, an RFI is sent. When completing the RFI, only FIP can be marked as a program for which failure to return information will result in closure.

   If verification is:

   - Returned: Take appropriate action for FIP and also enter the income for SNAP. Even though it was not required for SNAP, it is now verified and must be used.
   - Not returned: Take appropriate action for FIP, but do not cancel SNAP. This reported income will need to be addressed at recertification.

3. Sheila and her two children receive SNAP. When approved, Sheila has $800 in earned income. You receive a UIB report showing Sheila is now receiving $200 per week in UIB. She has not reported that her job ended.

   The UIB is verified upon receipt and must be used. Although the UIB report is a good indication that her job as ended, her earned income cannot be removed until verified. Since a job ending is not something she is required to report, no action is taken on the potential job ending.

   If Sheila later calls to report that the job ended, explain to her that you will remove this income once verified. However, do not send an RFI. If she voluntarily verifies it ended, it can be removed. Otherwise, the earnings will continue to roll until the next recertification. At that time, the situation will need to be clarified and, if needed, verified.

4. Household consists of Ms. H and her two children. At the time of application, she is earning $500 per week ($2,000 per month), which is under the income limit for a household of three. The month after approval, she calls to report that she is getting a promotion which will result in more hours and higher pay. She thinks it will put her over the reporting threshold.

   You discuss the situation with her and clarify that she has not yet exceeded the limit. Do not request verification because it does not meet one of the criteria for taking immediate action. Document the case with the report and remind her of her responsibility to report once she exceeds the limit.

5. Jill is a SNAP recipient with reported monthly income of $500. While certified, she reports that her husband Tim has moved back in and also earns $500 per month. Since the total household income has not exceeded the reporting threshold for a household of one (the requirement she was provided with at the time of certification), she was not required to report this change.

   You cannot add Tim without also adding his income, but this is not a change that requires immediate action.

   Document the case but do not send an RFI regarding Tim's income. Explain to Jill that if she chooses to verify his income, you will add him to her case. If:

   - Jill voluntarily provides verification of his income, add him (and his income) to her benefits
   - She does not voluntarily provide verification of his income, do not add him to benefits. Address the change at the time of her next recertification.

6. Household E is receiving SNAP. At application, they reported and provided verification of rent of $500 and the Big SUA. They call to report that their rent at the same address has increased to $600. The household was not required to report this change and the agency is not required to verify the change during the certification period. Explain to the household that they may voluntarily provide verification of the increased rent amount. If they provide the verification, update the rent amount accordingly. Do not send an RFI and do not take any action on the case if verification is not provided. Verify the change at recertification.

7. SNAP household F consists of Mr. and Mrs. Johnson. At recertification, Mrs. Johnson verifies her earnings from the Sunny Travel Agency are $1,000.00/month. Their SNAP case is recertified from January 1st-June 30th. On April 5th, Mrs. Johnson calls to report that Mr. Johnson started employment on March 29th at Patty's Putt-Putt and he anticipates he'll earn $1,200.00/month. Through discussion with the client, the worker discovers that as of the date of the report (4/5), Mrs. Johnson has only received one paycheck in the month, which was received on 4/1 for $500.00 and Mr. Johnson has also only received one paycheck on 4/4 for $600.00. They have not exceeded the income limit for the current month or any prior month.

   Regardless of the fact Mrs. Johnson has previously verified income rolling on the case, the client's actual income received in the month up to the date of the report (in this example, 4/5) is the amount used to determine whether or not the household exceeded the income limit. The rolling income is not added to the new income when making this determination. The worker documents the case and reminds the client of their reporting requirements.

   NOTE: Even though the household anticipates that their combined income will cause them to exceed the income limit in the future, they have not yet exceeded the income limit and therefore an RFI cannot be sent.

8. Household G is approved for SNAP for mom, dad, and two children. At the time of the RRED, the clients provided verification that both parents were working, but they did not claim a childcare expense. During the certification period, mom called to report the children started attending Happy Kids Daycare and they pay $1,000.00/month. Because this is a change the household was not required to report, an RFI cannot be sent. However, it is important to explain to the client that if they voluntarily provide proof of their childcare expense, it may increase their SNAP benefits.

9. Jade, 19, is receiving SNAP benefits as a household of one. During the certification period, Jade calls to report that she moved in with her mother, Janet. Janet does not receive SNAP benefits and she has income, but Janet and Jade's combined income does not cause them to exceed the income limit for a household of one. An RFI cannot be sent to verify Janet's income because the household was not required to report this change. Explain to Jade that if they voluntarily provide proof of Janet's income, Janet can be added to Jade's SNAP case. If they do not, Jade will remain active on SNAP until her next recertification and at that time, the worker will address adding Janet to the case.

   NOTE: Even though Janet is mandatory household member due to Jade's age, the household was not required to report this change. Jade's case cannot be canceled for being ineligible as a separate household during the certification period.

10. Household H is certified for SNAP benefits. During the certification period, Mrs. H calls to report the birth of her baby, Camila. Mrs. H reports that Camila is still in the hospital but she thinks Camila will come home next week. This future change is not verified upon receipt because Camila has not come home from the hospital yet. Explain to Mrs. H that she can call back once Camila has come home and then she will be added to the SNAP case effective the month after the month of report. An RFI cannot be sent to request further information or verification of the change

Multiple Changes

Policy: A household may have multiple changes to report at one time. Look at each change to determine if it requires immediate action or should be held until the next recertification, and act accordingly.

Procedure: See the applicable policy in this chapter for the timeframe for acting on each change. Remember that you must look at all aspects of each change. For example, if a new member with income enters the home, you cannot add the person without also adding the associated income. That is one change. (See #5 above)

1. Ted is a SNAP recipient with no income. On January 18, he reports that his girlfriend Sara moved in and he wants to add her to his benefits. Sara has no income. He also reports that he started a new job and expects to make approximately $800 per month. There are two independent reported changes – Sara moving in and Ted starting a new job. Each reported change must be looked at independently to see if immediate action is required.

   Sara has no income and her entry into the home is verified upon receipt. Therefore, the impact of her joining the household is clear and further verification is not required. Add Sara to Ted's benefits effective February 1.

   Since Ted's new income was not a change he was required to report, and is not verified upon receipt, no further action is required at this time. Document the reported change and remind the household of their responsibility to report if income exceeds the threshold. At recertification, Ted's new job must be addressed.

2. Olivia and her two children are receiving SNAP. On January 18, Olivia reports that they moved and their rent has increased from $500 to $600. In addition, her husband, Adam, is now in the home. Adam has income, but it does not cause the household to exceed their reporting requirement for a household of three.

   Change the address and send an RFI to verify shelter and utility costs at the new address. If verification is not returned, the shelter and utility deductions must be removed.

   Since Adam's income does not cause the household to exceed the income limit, do not request verification of it. However, explain to Olivia that you cannot add Adam until his income is verified. If she voluntarily provides verification, take action to add him (and his income) to the benefits. If not, address Adam and his income at the next application/ recertification.

3. Sylvia is an active household of one, and reports that she gave birth to a son. She also reports that the baby's father, Eddie, is in the home and is earning $500 per month at Gus's Burger Hut. He was not previously included in the SNAP household.

   Since the baby's birth requires no further verification, he is added to her case for the next month. However, there is no immediate action taken to add Eddie. Even though we know he is there, his income does not cause Sylvia to exceed the income limit. Therefore, unless she chooses to voluntarily provide verification of his income, Eddie and his income will be addressed at the next recertification because the baby makes him a mandatory member.

4. Lexi calls to report that her job ended and UIB has started. The combination of income does not cause her to exceed the reporting threshold. You are able to verify the UIB using data sources.

   Explain to Lexi that if she voluntarily provides verification of the ending income, you will remove it. However, action on the verified UIB must be taken within 10 days since it will result in decreased benefits, regardless of whether or not the ending income is verified.

Verifying Changes

Legal reference: 7 CFR 273.12(c)(3)

Policy: Based on the information reported, determine what action is necessary. If the change meets the criteria for taking action during the certification period, request any necessary verifications. If it does not, document the report in the case file and follow up at the next recertification (see Clarifying and Verifying Information).

Procedure: When further verification is required during the certification period, send a letter to the household at the last address the household provided. In the letter:

- Clearly tell the household what verification is required.
- If the request is based on information received via a prisoner or death match, choose that option on the RFI.
- Explain the various methods by which they may provide the information.
- Give the household 10 days to respond. Make the due date:
  - The 10th day after you mail or give the letter, or
  - The next workday for which you have mail service if the 10th day is a weekend or holiday.
- Tell the household what will happen to its case if it fails to answer, as directed by the appropriate policy. Some policies tell you to cancel, and some do not.

If failure to provide verification results in cancelation, and the household fails to provide **all** requested information, cancel the case. Exception: If the household fails to provide verification of a deductible expense, remove the deduction but do not cancel the case.

Comment: If the reported information does not give a clear indication that it was a change the household was required to report, do not request verification. Hold the information until the next recertification unless the client voluntarily provides more information prior to that time.

> Clarice sends a note saying she started a job at the Whistle Stop Café, but provides no further information. Since there is no indication that she exceeded the income limit, verification is not requested. Hold this change and follow up on it at recertification. It is her responsibility to contact you if she exceeds the reporting threshold before that time.

Third-Party Fails to Provide Verification

Legal reference: 7 CFR 273.2(d)(1)

Policy: If the household requests help in obtaining verification, do not cancel a household if a third-party fails to provide it.

A third-party is anyone but an eligible or ineligible household member. For an explanation of who is an ineligible household member, see 7-I, *Ineligible Household Members*.

Procedure: Reasonable efforts must be made to obtain third-party verification. Client-provided information can only be used when you have exhausted all efforts and a third-party fails to give you verification. Do this only if you asked the third-party for the verification. Do not use this policy if the household failed to get verification.

Comment: Reasonable effort means you must allow a third-party ample time to respond to a request. Before using client-provided information, be sure to follow all steps on the approved verification process guidance.

When a Change Will Increase Benefits

Legal reference: 7 CFR 273.12(c)(1) and 273.2(f)(8)(ii)

Policy: A change must be verified before you take action that will increase benefits. Document the reported change and follow policies for action on changes during the certification period to determine if you will take immediate action or hold it until recertification. Most changes which will result in increased benefits will be changes that are held until recertification, unless verified upon receipt or voluntarily verified by the household.

Procedure: If verification is needed, see Verifying Changes for instructions.

If you ask the household to give verification of anything other than deductible expenses, take action as follows:

- If you get the verification, increase benefits for the month after the month in which the change was reported.
- If you do not get the verification, cancel benefits because we cannot determine the impact on the case

If verification of a deductible expense is requested, take action as follows:

- If you get the verification by the due date, increase benefits for the month after the month in which the change was reported.
- If you do not get the verification by the due date, remove the deduction for the next month but do not cancel the case. If later provided, increase benefits for the month after the month you receive verification.

See Third-Party Fails to Provide Verification if:

- You ask a third party to give you verification, and
- The third party does not provide it.

1. On August 1, Ms. M reports that her son moved back into the household. Her son does not have income or any other factor that needs to be verified. Therefore, you do not need verification in order to add the son. Adding the son will increase the household's benefits. Recalculate September benefits to include Ms. M's son.
2. On September 23, Mr. N reports that he moved and his shelter expenses increased. Verification of this change is requested, due October 3. He provides verification on October 1. Since this was prior to the due date, benefits must be adjusted for October (the month after the change was reported).

   If he failed to verify the new amount by the due date, shelter expenses must be removed. If he later provides verification, benefits are adjusted for the month after the change is verified.

Issuing Supplemental Allotments

Legal reference: 7 CFR 273.12(c)(1)

Policy: Recalculate the allotment to issue an additional amount by the 10th day of the next month when:

- The household is eligible for an increase for that month, and
- That month's benefits are already available in EPPIC™.

Procedure: See 14-B(5), *Supplemental Issuances* for system entries.

On August 30, Ms. J reports that her son Bob has moved in with her. You determine that Bob does not have income and meets all other eligibility requirements.

On the same day, you make system entries to add Bob to the household effective September 1. Because it is after August system cutoff, September benefits have already been determined. The system will issue a supplemental allotment for September to add Bob to Ms. J's household.

When a Change Will Reduce or End Benefits

Legal reference: 7 CFR 273.12(c)(2) and (3)

Policy: When a change requiring action during the certification period will reduce or end a household's benefits, issue a *Notice of Decision* within 10 days of the date the impact on the case is clear. This means that for changes:

- Considered verified upon receipt, the impact is clear, and you have 10 days to take action.

- Requiring further verification, you must promptly send an RFI to clarify how the change impacts the case. You have 10 days from the time that verification is returned to take required action, allowing for timely notice.

NOTE: If verification is requested and not received by the due date, you must cancel benefits allowing for timely notice.

Procedure: Act on the change within 10 days of report if no further verification is required. If verification is required, see Verifying Changes for how to request verification.

If the household does not return requested verification, cancel the case for failure to provide information. Do not allow additional "mail" or "scan" time if it will cause you to miss timely notice. This means you must pay close attention to any cases in which the due date is on or near "timely notice" date. If the verification is later returned after the case is canceled:

- See Reinstatement if the reason for cancellation no longer exists before the effective date.
- See Reinstatement After the Effective Date of Cancellation (Grace Period).

See Continuing Benefits Under Appeal if the household appeals the *Notice of Decision* and asks to keep getting benefits while waiting for the outcome.

Comment: For timely notice requirements, see 1-E, *Dispensing With Timely Notice*. See 14-B(5), *SNAP Case Actions* for system entry instructions.

Do not initiate a claim if benefits were issued and:

- Timely notice was required, and
- You acted timely.

If it is the final month of the certification period, do not cancel a case unless the reason for cancellation imposes an additional eligibility requirement, such as cooperation with quality control, a work disqualification, or an ABAWD has used their months of eligibility.

1. Ms. A reports on April 3 that her son moved out. The impact is clear and this will cause a decrease in benefits. Issue a *Notice of Decision* within 10 days to remove Ms. A's son from the SNAP household effective for May.
2. Ms. B reports on April 9 that her hours at work have increased from 10-25 per week. Upon review, there is no record of reported income. She informs you she was working there at application but must have forgotten to report it since the hours were so low. Since we now know that information used at certification was incorrect, an RFI is sent to verify her income.

Verification is received on the due date of April 19, and this income will cause a decrease in benefits. If possible, make the change to decrease benefits for May. However, timely notice is required and it may not be possible to get this done. Since we have 10 days to act on the verification, benefits must be decreased no later than June, allowing for timely notice. In addition, because the job was unreported at application, you need to determine if an overpayment exists for any months.

NOTE: If verification is not received by the due date, benefits must be closed for May, allowing for timely notice. Benefits can be reinstated if we receive the verification or discover it was at HHS but had not yet been scanned.

3. Mr. C is receiving SNAP. On July 3 he reports that he started getting child support a couple months ago. We check ICAR and are able to see that payments started. Since this is verified and the impact on the case is clear, action must be taken to decrease benefits for August. There is no overpayment for the child support he received in the prior months since this is not a change he was required to report.
4. Household D's certification period is expiring August 31. On August 3, we receive a prisoner match showing that Mr. D is in jail. Since this is the final month of the certification period, you do not need to follow up and take action to decrease or cancel benefits. However, if they apply for recertification, this must be verified prior to recertifying the household for September.
5. Household E is in the final month of their certification period when we receive a notice of QC sanction. Even though the certification period is expiring, the household must be notified of the disqualification so they are aware of the additional requirement if they apply for recertification or later reapply for benefits.

Reinstatement

Legal reference: 7 CFR 273.15(k), 441 IAC 65.15(234)

Policy: Reinstate a case if the following two conditions are met before the effective date of cancellation:

- The reason for which the case was canceled no longer exists, **and**
- Eligibility and benefits can be determined.

Do **not** ask for a new application.

Procedure: Send an adequate notice when you reinstate benefits to the same or to a higher level. See 1-E, *Adequate Notice*.

Reinstate even if you make system entries after the effective date of cancellation. See 14-B(5), *Reinstating Benefits*.

Reinstatement After the Effective Date of Cancellation (Grace Period)

Legal reference: 441 IAC 65.15(234)

Policy: A case that is closed for failing to provide information shall be reinstated if the missing information is returned by the 14th day after the effective date of cancellation. If the 14th day is a weekend or state holiday, the case shall be reinstated if the information is returned on the next working day.

A case must have at least one month remaining in the certification period in order to be reinstated.

Procedure: If the previously requested information is returned by the 14th day after the effective date of cancellation, the case is reinstated. The effective date of reinstated benefits is the date the **final piece of information is received**.

If not all of the information is returned by the 14th day after the effective date of cancellation, no further action is required and another notice is not sent.

If multiple pieces of information were requested and some are returned, do not send a “Remain Cancelled” notice. However, it is good practice to let the household know you still don’t have everything you need to reinstate the case.

If the previously requested information is provided, but the household also reports another change, determine if the new change is one that requires action during the certification period. If so, and further verification is needed, make every effort to help the client verify the information. A written request for information for the new change is not required, but the household should be informed that benefits cannot be reinstated until the change is verified.

If the new information is not verified by the end of the 14th day after the effective date of cancellation, send a “Remain Cancelled” notice. The original reason for cancellation has been cured, but the household cannot be reinstated due to a change in circumstances that has not been verified.

Comment: When an additional change is reported and verified by the 14th day and the change will cause a decrease in benefits, do not reinstate to the previous level of benefits. Reinstate benefits using all of the new information, regardless of the effect on benefits.

If it is unlikely you will be able to verify additional information before the 14-day period expires, you should inform the client that it would be a good idea to get a new application submitted to preserve the earliest possible effective date, in case the information cannot be verified.

Once the information is returned, the effective date will be the date the information is provided or the new application date, whichever is earlier.

1. Household A is approved for SNAP. After approval, they call to tell us they forgot to report their 19-year old son's income at Employer M when they applied. Since this indicates the wrong information was used at time of certification, we must follow up with an RFI. They fail to provide information that is due on January 12. SNAP benefits are canceled effective February 1. On February 6, the missing information is provided. Benefits are reinstated effective February 6.
2. Same as example 1, except on February 3 the household also reports that another member started a job. The total household income does not cause the household to exceed the income limit. Therefore, verification is not requested and that change is held until the next recertification. Once missing verification of the 19-year old's income is returned on February 6, benefits are reinstated effective that day.

   NOTE: If the 2nd change requires action during the certification period, verification of that change would also be needed by the 14th in order to apply grace period policies and reinstate the case.

Continuing Benefits Under Appeal

Legal reference: 7 CFR 273.15(k), and 441 IAC 7.17(17A)

Policy: Unless the household indicates that they don't want their benefits to continue during the appeal process, assume they want benefits continued and act accordingly. Reinstate benefits to the amount the household got before the adverse action under appeal.

When the adverse action is the result of an application or recertification, do not reinstate or continue benefits. There are no benefits to continue if there is not an established certification period.

Procedure: Return the household's benefits to the level authorized before the action under appeal. Keep benefits at this level until the household:

- Gets a final decision.
- Has a new change. Act on the new change:
  - Keep the factor under appeal held constant.
  - Issue a new *Notice of Decision*.
- Applies to be recertified. Do not keep the factor under appeal held constant for the new certification period.

For system entries, see 14-B(5), *Continuing Benefits When a Timely Appeal Is Filed*.

New Reason to Keep a Case Canceled or Benefits Reduced

Legal reference: 441 IAC 65.15(234)

Policy: A household must receive a second notice when there is a new reason to take a negative action on a canceled case. This also applies when benefits are reduced.

Do not use "Remain Canceled" when:

- The household does not have a new reason for cancellation.
- The household was previously closed for any reason and does not provide information. This could happen if the household disagrees with their reason for closure but does not provide additional information to redetermine eligibility.

Procedure: Send a notice for a new reason for which a case must remain canceled, if the original notice does not cover the new reason. See 14-B(5), *Issuing Another Notice Regarding New Information*.

See 1-E, *Notice of Decision* to see if timely notice applies. If the second negative action requires timely notice, it is too late to give timely notice, and the first reason for the negative action no longer applies:

- Reinstate the household to its previous level of benefits if the household cures the original reason for cancellation by the effective date of cancellation. See Reinstatement.
- Then give timely notice to reduce or cancel the benefits for the next month.

Comment: Do not establish a claim if:

- You reinstate to the previous benefit level, and
- You gave timely notice for the new reason, and
- The household reported the second change timely, and
- You acted in a timely manner.

Common Changes in Household Circumstances

This section contains information regarding how to handle specific changes that may occur.

Household Moves

Legal reference: 7 CFR 273.3, 273.12, and 273.13

Policy: Households are not required to report when they move. However, if you become aware of a new address, you must determine if there has been a change in shelter or utility costs.

You do not need timely notice to cancel a household's SNAP case when the household reports it moved to another state. Do not close SNAP in Iowa based on information from another state saying that a client has applied there. The client needs to contact us to request closure so they can receive benefits in the other state.

Procedure: Shelter and utility expenses need to be verified when a household reports a move, regardless of whether or not the household reports a change in expenses. Request verification of expenses at the new address. If the household does not provide the information, remove the previous expenses. If later provided, they can be used for future months.

See 14-B(5), *Canceling Ongoing Benefits: Due to Move* for system entries when a household moves out of state.

Household's Mail is Returned

Legal reference: 7 CFR 273.12(c), 273.13

Policy: When the post office returns a household's mail, no action is taken. A household is not required to report a move, and information from the post office is not considered verified upon receipt. Unless the household contacts you to report an address change, do not take any action.

Procedure: When mail is returned by the post office, but you haven't had contact from the client, hold this information until recertification. At that time you will need to clarify the situation with the household. This is true regardless of whether:

- the post office returns the mail with or without a forwarding address, or
- the new address is in Iowa or out of state.

Adding a Member

Legal reference: 7 CFR 273.12(c)

Policy: Households are not required to report if a new member joins the household, unless that person's income causes them to exceed the reporting threshold for their original household size. Do not ask for an application to add a new member to a household.

If a baby is born and the father is in the home, but was not previously included in SNAP, he becomes a mandatory member upon the birth of the child. If he has income, you must look at total household income to determine if verification must be requested.

When the household, in the month of the child's birth, reports both the birth of the baby and that the child's father in the home, look at the total household income from the 1st day of the month through the date of the report to determine if the household exceeded their original reporting threshold. If the household had not exceeded their reporting threshold up to the date of report, do not send an RFI. If they had exceeded the original reporting threshold with the income received up to the date of the report, an RFI must be sent. See example 5 below.

If the household does not report the changes in the month that the new member joins the household, you must determine if the household's total income exceeded their original reporting threshold in the month of report and in any previous month when the new member was in the home. See example 6 below.

Procedure: Remember that you can't add a new member without also adding any corresponding income. If no further verification is needed, add the new member effective the first day of the month after the month in which the household reported the change unless:

- Timely notice is required. For example, timely notice is required if the new member's income will **decrease or end** benefits. For timely notice requirements, see 1-E, *Dispensing with Timely Notice*. See When a Change Will Increase Benefits.
- The person is still active on another case. EXCEPTION: include individuals while active on another case as allowed under 7-C, *Duplicate Assistance*.

If verification is needed to add the member, and this doesn't meet the requirements for immediate action during the certification period, document the case file and hold the reported change until recertification. For system entries, see 14-B(5), *Adding a Person to an Active SNAP Case*.

1. Gina reports on July 23 that her boyfriend, John, moved in. John receives social security income and was not previously receiving SNAP. Because his income can be verified through data sources and the impact on the case is clear, John is added to Gina's SNAP effective August 1.
2. Ryan reports that his wife Christy moved in. Her income causes them to exceed the reporting threshold he was originally given. Therefore, this is a change that requires action. Send an RFI for verification of her income. If it is returned, add her to benefits. Depending on how much income she has, this could result in decreased or canceled benefits. If information is not returned, the case needs to be closed for failure to provide verification.
3. Janet reports that her 20 year old son moved in. He earns approximately $300 per month, and this does not cause the household to exceed the limit. You cannot add him without adding his income, so no action is taken. Explain that if she voluntarily verifies his income, you will add him to her benefits. Otherwise this will be addressed at recertification.
4. On May 18, Meredith reports that her daughter Riley was born on May 10 and they are home from the hospital. No further verification is needed, so Riley is added to Meredith's SNAP household effective June 1. NOTE: If Riley's dad is in the home but was not previously on the SNAP case, he is now mandatory. However, Riley's birth and her dad in the home are two separate changes. Add Riley to SNAP, and then determine if the father's presence is a change which requires immediate action or will be held until recertification.
5. On June 23, Miranda reports that her son Noah was born on June 18, and his father Kenny is also in the home and earns $500 per week. Noah is added to SNAP effective July 1.

   Kenny cannot be added without also considering his income. To determine if verification of Kenny's income is needed immediately or held until recertification, add all of the income Kenny has received up to the date of report to all other household income and compare it to Miranda's original reporting threshold. If the combined income received up to the date of report is not over Miranda's original reporting threshold, do not send an RFI. If the household voluntarily provides proof of Kenny's income, add Kenny and his income to SNAP effective the month after the month the verification is received.

   NOTE: If the household's income up to the date of report did not exceed the reporting requirement, but it appears that the household's income for the entire month will exceed the limit, do not send an RFI but remind the household of their requirement to report the month following the month they actually exceed the limit.

6. On December 15, Alina reports that her daughter Camille was born on October 31. Alina also reports that Camille's father Theo has been in the home since Camille's birth. Camille is added to SNAP effective January 1.

   Theo cannot be added without also considering his income. To determine if verification of Theo's income is needed immediately or held until recertification, add Theo's income received each month in October-December to all other household income each month and compare it to Alina's original reporting threshold. If the combined income in any of those months exceeded Alina's original reporting threshold, an RFI must be sent to verify Theo's income

   If the total household income did not exceed the original reporting threshold in any month from October-December, do not send an RFI. If the household voluntarily provides proof of Theo's income, add Theo and his income to SNAP effective the month after the month the verification is received.

Comment: If the new member is active on another case, document both cases with this reported change. Depending on the situation, you may be able to act without further verification. Otherwise, this reported change is held until recertification, unless the household voluntarily provides verification showing the member has joined their household. See Children Moving Between Homes for situations of joint custody.

NOTE: When adding a member who is active on another case, use the verified information from that case file. You are basically just moving the recipient from one active case to another. Any additional changes would be handled following policies for action on changes during the certification period.

Leslie and her son Sully receive SNAP. She reports that Jake, Sully's dad, has moved in. Jake has in own SNAP case, with verified monthly income of $500 from employer X. Leslie reports that Jake no longer works at X, but now works at employer Y and earns $1000 monthly.

Since the new income does not cause them to exceed the reporting threshold, it does not need to be verified. Close Jake's SNAP case and add him to Leslie's household, using the $500 verified income from employer X. The changes in employment will need to be clarified and, if necessary, verified at next recertification.

If the household reports the new member moved from another state and was active on someone else's case there, contact the prior state to verify the benefits have closed. If the person is still active in the other state, this change is not verified and the new member can't be added. If the household later contacts you to say the new member's benefits are now closed, follow up with the other state again in an attempt to verify this information.

Depending on the relationship the Iowa household has with the household from which the new member came, they may or may not be able to work with that household to get the person removed from benefits. However, if the Iowa household voluntarily provides verification that the new member has moved to Iowa, work with the other state to get the new member removed from benefits there.

NOTE: If the other state informs you the new member is still active, it would be good customer service to let the Iowa household know so they are aware that further verification will be needed. However, formal denial of the application to add the new member should not be sent.

1. Monica is receiving SNAP. She reports that her son Kevin moved back from Ohio, where he was receiving benefits with his dad. Inform Monica that you will call Ohio to verify that Kevin has been canceled. If so, you can add him to her benefits. If he is still on benefits there, you will need verification of his move to Iowa prior to adding him to her benefits.

   When you contact Ohio, they inform you that Kevin is still receiving benefits with his dad. Therefore, no further action is taken and you document this reported change to be further addressed at recertification. It would be good customer service to let Monica know this so she can follow up if she wants.

   A few days later, Monica provides verification showing that Kevin has been enrolled in school in Iowa. This verifies Kevin no longer resides in Ohio. Work with Ohio to provide them with this verification so they can remove Kevin for no longer being a resident. Once that is done, he is added to Monica's Iowa benefits the first of the following month.
2. Albert is receiving SNAP and on July 10th reports that his son Owen has moved back from Nebraska. Owen was previously getting benefits with his mom there, but Albert thinks Owen's mom removed Owen from benefits. You call Nebraska and learn Owen is still active. It would be good customer service to let Albert know this so he can follow up if he wants.

   One week later Albert calls to tell you that he talked to Owen's mom and she has now removed him from her benefits. You contact Nebraska again and verify this is correct, and that he will not receive Nebraska benefits beyond July. Add Owen to Albert's case for August.

Removing a Member

Legal reference: 7 CFR 273.12(c)

Policy: Households are not required to report if a member leaves their household. However, if you get verified information that someone has left, you must remove that member, allowing for timely notice.

> Trent is receiving SNAP for himself and his son Xavier. At time of certification, he reports that Xavier is only with him one night per week and every other weekend.
>
> However, since his mom does not receive SNAP, he is included on the case. If she later applies, she will be entitled to benefits for him since he is there a majority of the time.
>
> Xavier's mom applies for SNAP on April 3. She reports the same custody arrangement Trent previously reported. Since no further verification is necessary and the impact on the case is clear, Xavier is removed from Trent's SNAP effective May 1. He can then be added to his mom's benefits for that month.

Children Moving Between Homes

Legal reference: 7 CFR 273.12(c)

Policy: When children move between homes, you **must** work with both households to make sure the children are on the appropriate case. Remember that court custody arrangements don't always reflect the true physical custody of the child.

Procedure: Any time you get conflicting information from the two households, work with both to determine the correct situation. In extreme situations where the households continue to give conflicting information, DIAL may need to be involved. No action should be taken on either case until information is verified.

1. Ms. S and her son receive SNAP. Ms. S calls to report that her 14 year-old daughter Ava moved back into the home. Ava is currently receiving SNAP with her dad who lives 200 miles away, and there is no indication in his case file suggesting that Ava left her dad's home.

   Explain to Ms. S that you can't add Ava unless you get verification Ava returned to the home. Do not send an RFI. Be sure to document dad's case with this information as well. Although he was not required to report a change, it will need to be addressed at the time of his recertification if not resolved before then.

   Ms. S provides a copy of a court order placing Ava in the home, as well as school verification showing Ava was just enrolled in school in Ms. S's city. This is verification that Ava has moved. Ava should be removed from dad's case allowing for timely notice, and added to Ms. S's benefits the 1st of the next month. Both cases should be documented thoroughly.

2. Tammy receives SNAP and reports that her daughter Emma is back in the home. Emma is currently getting SNAP with her dad, but Tammy says Emma is with her the majority of the time. According to the notes in dad's file, physical custody is shared 50/50. Explain to Tammy that you can't add Emma unless she provides verification of the arrangement. Document both cases with this report of potential change.

   Tammy does not provide verification during the certification period. At recertification, address the report and request further verification if necessary.

3. Cole is a SNAP recipient who reports his son Drew moved into his home. Drew is active with his mom who reported Drew lives with her the majority of the time. Cole is adamant that Drew now lives with him. You explain that you can't add Drew unless Cole provides verification of this. Document both cases with this potential change but do not take action.

   Cole voluntarily provides statements from friends and family saying that Drew has moved in with him. Because Cole lives close to Drew's mom, Drew would attend school at the same place regardless of where he is living. Cole says the school records show mom's address because he lived with her when the school year started.

   At this point, Cole has provided verification. However, since this is different than what mom reported, we need to follow up with her before removing Drew from her case. Work with both households to determine where Drew is truly spending the majority of his time. If you cannot resolve this on your own, refer the case to DIAL. Once DIAL verifies Drew's true living arrangements, take appropriate action on both cases.

Household Reports New Self-Employment

Policy: If a household reports new self-employment, you must determine the countable amount of income, allowing either actual expenses or the standard deduction. Based on that amount, you either request verification or hold the reported change until recertification.

Active SNAP household calls to report that Quinn started a lawn care business. Last month, his lawn care income, in combination with their previously verified income, caused the household to exceed the reporting threshold.

Upon conversation with Quinn, you determine he has expenses such as gas and equipment. When allowing for expenses, either actual or the standard, the **countable** income from this new venture actually does not cause them to exceed the limit. Therefore, verification of the income is not requested. This reported change is held until recertification.

An ABAWD Starts Meeting the Work Requirement

Legal reference: 7 CFR 273.24

Policy: An ABAWD who is not meeting work requirements is not required to report a change in ABAWD status. This would be treated as a change that is held until recertification.

Procedure: ABAWDs are informed of their three month limit at the time of application. The form 470-3967, *ABAWD Letter* tells them to contact HHS if they meet one of the requirements at any time. If you get one of these reports, don't request verification. However, explain to the client that if they choose to voluntarily provide verification, you will take action. If the client requests an ESOE to verify the job, provide one. However, do not send an RFI with a due date.

1. Carl is approved for SNAP as an ABAWD not meeting work requirements. His three months of ABAWD eligibility are projected to be January, February and March, and you set a reminder to cancel effective April 1.

   On January 25, Carl reports that he started working 25 hours per week. Since he didn't exceed the income limit, he was not required to report this change. Tell him that if he provides verification, you will reassess his ABAWD months. At his request, you provide him with a blank ESOE for verification.

   On February 4, Carl returns the ESOE which verifies he started a job on January 20 and is working 25 hours per week at $10 per hour. Since he didn't work 80 hours in January, that still counts as an ABAWD month.

   Enter $1,000 ($250 per week x 4 weeks) as earned income effective with his March benefits. Even though it was too late to use the income for February, this is no longer an ABAWD month since he is working 80 hours in the month. Update the tracker to remove February and March as ABAWD months. Remind him of his requirement to report if his hours go below 80 per month.

2. Jeanie and Kyle are SNAP recipients, certified through August. Kyle is an ABAWD not meeting work requirements, and his final month of ABAWD eligibility will be June. In May, they call to report that Kyle started working 20-25 hours per week. This does not cause them to exceed the reporting threshold.

   You explain to them that if they choose to verify the job, you will use this information. It would be prudent to remind him that he will close at the end of June for not meeting ABAWD requirements if this is not provided.
   On June 15 you get a reminder to cancel Kyle. Since they did not voluntarily verify his new job, you remove him from benefits effective July 1. At the time of the next recertification, you will need to address this job. NOTE: Even if he is no longer working there, you may need to request verification to determine if he has additional months of ABAWD eligibility.

A Member Becomes Ineligible

Legal reference: 7 CFR 273.11(c)(3)

Policy: Remove a member from a household's case when you have verified information indicating the person is ineligible for SNAP.

Procedure: Check to see how the loss of the ineligible member affects the household:

- See 7-C, *Categorical Eligibility* for how the loss affects the household.
- See 7-I, *Ineligible Household Members* for how to treat income, expenses, and resources.

For system entries, see 14-B(5) sections *Disqualification for Intentional Program Violation* and *Disqualification Other Than IPV* and 14-B-Appendix, *Notice Codes.*

1. Sally and her two children are receiving SNAP. A final decision is issued March 8 finding Sally guilty of an IPV. The impact of this change is clear, so Sally must be removed from the SNAP household effective April 1.
2. Mr. and Mrs. J apply for SNAP on June 8, and are certified through November. At the time of application, Mrs. J is an ABAWD not meeting work requirements. June is a prorated month, so Mrs. J's three months of eligibility are anticipated to be July, August, and September.

   Set a reminder for September to remove Mrs. J, so she doesn't receive benefits beyond her three months of eligibility. When that reminder comes up, if the household hasn't reported that Mrs. J is meeting work requirements and there is nothing in the file which verifies a change, she's ineligible effective October 1. Remove her from the household allowing for timely notice.

   If the household later contacts you to report that Mrs. J started a job and shouldn't have been canceled, treat this as an ABAWD who starts meeting work requirements.

A Member Regains Eligibility

Legal reference: 7 CFR 273.7 and 273.12

Policy: Add a member back to the household when a reason for ineligibility ends.

Procedure: Add the member for:

- The first month after the reason for ineligibility ends, or
- The second month after it ends, if timely notice is required.

See 14-B(5) for system entries regarding Removing or Shortening Disqualification, and Adding a Person to an Active SNAP Case.

FIP Is Terminated

Legal reference: 7 CFR 273.12(f)(3)

Policy: SNAP benefits will automatically be adjusted when FIP ends. No further action is required on the SNAP case, unless the reason for cancellation is something that meets the criteria for taking action during the certification period.

NOTE: If FIP is on a separate case, the system will not automatically adjust benefits, so you must take appropriate action to remove the FIP income.

If the household appeals the FIP cancellation and:

- Asks to keep getting SNAP until the outcome of its appeal, keep benefits at the same amount as before FIP ended.
- Does not ask to keep getting SNAP until the outcome of its appeal, cancel or reduce the SNAP benefits. Give timely notice if needed.

1. Alice and her daughter, Lucy, receive FIP and SNAP. Alice sends a note asking to cancel FIP (not SNAP) because Lucy's dad moved back in, but doesn't provide information about him. FIP is canceled per her request. No action is taken on SNAP because Alice wasn't required to report him in the home and there is no indication they have exceeded the income threshold for SNAP.

   If Alice later asks why Lucy's dad wasn't added to SNAP, explain that we didn't have enough information to add him. Find out if he has anything that must be verified and act accordingly based on how to act on changes reported during the certification period.

2. Jenny and her two children receive FIP and SNAP. On January 15, Jenny reports she started working and will be earning $800 per month. An RFI for income verification is sent for FIP only. Remember you can't request verification for SNAP since she was not required to report it.

   Jenny doesn't return the verification and her FIP is canceled. However, no action is taken on SNAP. This reported change is held for follow-up at recertification.

   If Jenny later provides the verification, it is now verified information and must be used for SNAP since the impact on the case is clear.

Penalty for Means-Tested Program Sanction

Legal reference: 7 CFR 273.11(j)

Policy: A 10% SNAP penalty applies to sanctions in all means-tested programs.

Procedure: Ask the SPIRS Help Desk before you apply a penalty for a program other than FIP.

Comment: Other than FIP, we aren't aware of any means-tested programs that reduce cash benefits as a sanction. SSI reduces cash benefits to collect on an overpayment. This is a collection action, not a penalty. See 7-E, *Recoupment*.

> Mr. Q's SSI payment is being reduced to collect on an SSI overpayment. The Social Security Administration representative tells you that Mr. Q purposefully did not report earnings. The Social Security Administration did not sanction Mr. Q, but recouped the overpayment over a series of months.
>
> The 10% reduction is not applied to Mr. Q's SNAP because his SSI payments are being reduced as a recoupment.

Penalty for a FIP Sanction

Legal reference: 7 CFR 273.11(j)

Policy: Reduce a household's SNAP by 10% when its FIP grant is reduced due to a FIP sanction. Apply the 10% reduction of SNAP for the same months FIP applies the sanction.

Procedure: Impose the penalty when a household's FIP is reduced as a sanction due to failure to:

- Apply for other benefits for which the FIP recipient may qualify, or
- Cooperate with the Child Support Recovery Unit.

Apply the SNAP penalty and the FIP sanction at the same time. Leave the penalty as long as the FIP sanction is in place.

Do not apply the penalty when FIP is reduced for any reason not listed above. It is not a sanction when:

- A household is placed in the FIP limited benefit plan, or
- FIP is being recouped. See 7-E, *Recoupment*.

To implement the 10% penalty, see 14-B(5), *Penalty for Not Following Another Program's Rules*. Do not apply the 10% SNAP penalty retroactively.

The penalty is not imposed on eligible one-member and two-member households who are eligible for the minimum benefit due to categorical eligibility, because the decreased FIP income does not result in increased SNAP benefits. Workers do not determine this. Code the penalty when applicable, and the system will disregard it for these households.

Comment: A FIP grant can increase even if a FIP sanction is in place. The 10% penalty still applies if the grant increases during the FIP sanction period.

Establish a claim for any month in which the penalty should have been in place, if it is later discovered that the SNAP penalty was not applied.

> Mrs. C fails to cooperate with CSRU in July. The worker sanctions Mrs. C by reducing her August FIP grant. The worker forgets to start the 10% SNAP penalty when reducing Mrs. C's August FIP grant.
>
> In October, Mrs. C verifies that she cooperated with CSRU. The worker ends the FIP sanction for October. At that time, the worker discovers that the 10% SNAP penalty was never applied. The worker must establish a SNAP claim for August, September, and October.

Penalty When Sanctioned Household Applies for FIP or SNAP

Legal reference: 7 CFR 273.11(j)

Policy: When a FIP sanction is in place and a household:

- Applies for SNAP and FIP on the same application, start the 10% penalty when you approve the application.
- Applies for FIP on an ongoing SNAP case, start the 10% penalty to SNAP for the month after FIP is approved. Timely notice is required.
- Applies for SNAP on an ongoing FIP case, start the 10% SNAP penalty when you approve SNAP benefits.

1. Mr. M has an active SNAP case. In March, he applies for FIP and a prior sanction is in place. He fails to cure the sanction and FIP is approved on March 13. The 10% reduction is applied to his SNAP for April.
2. Ms. R's household is approved for FIP and SNAP on May 7. Ms. R's FIP grant is still under sanction for failing to cooperate with CSRU. Because the FIP sanction is in place when FIP and SNAP are approved at the same time, Ms. R's SNAP is reduced by 10% for May.
3. Ms. T applies for SNAP and FIP on October 18, and has a prior child support sanction. She is eligible for emergency service and is approved for SNAP on October 19. Since FIP is not active at the time of SNAP approval, the 10% penalty is not applied. When FIP is later approved on October 29, the 10% penalty is imposed for December benefits, allowing for timely notice.

Ending the 10% Penalty

Legal reference: 7 CFR 273.11(j)

Policy: Do not apply the 10% SNAP penalty in months FIP is suspended or canceled.

Procedure: Stop the 10% penalty when FIP is canceled or ends the sanction. To stop the penalty, see 14-B(5), *Removing a 10% Reduction*.

Do not end a penalty when FIP ends a sanction by issuing extra benefits for a past or current month.

If FIP applied a sanction in error, recalculate SNAP without the penalty for those months. Issue lost benefits or a supplemental allotment. For system entries, see 14-B(5), *Removing a 10% Reduction* and *Recomputing Benefits for Past Months*.

> Mrs. N fails to cooperate with CSRU in May. Her FIP grant reduction and 10% reduction in SNAP start in June. Mrs. N cooperates with CSRU. The FIP sanction ends for August and FIP issues an additional payment for August.
>
> The 10% reduction in SNAP ends effective September 1. SNAP for August is not recalculated, because the 10% reduction for August was correctly applied when the reduction was made.

Acting on IEVS and Other Automated Reports

Legal reference: 7 CFR 272.8, 273.2(f)(9)(iii), and 273.12

Policy: Act on alerts and reports from the Income and Eligibility Verification System (IEVS) or other automated sources.

Procedure: Check the case to see if the information has already been acted on. If not, see Chapters 14-E and 14-G. These systems manual chapters:

- Provide instructions for handling specific reports, and
- Tell you if the information is considered verified upon receipt.

If the information is verified upon receipt, or is the result of a prisoner or death match, take action on the case. All other reports are held until recertification.

If the information meets the criteria for action during the certification period and was:	**Then:**
Previously acted on…	Document this in the case record.
Not previously acted on…	Take action within 30 days of receiving the alert or report (or later if a third party delays providing verification).

Comment: Establish a claim when:

- The household failed to report as required.
- You failed to act timely.

Note: SDX income alerts received through data sources which show changes in income are **not** death or prisoner matches. While they may indicate the income change is due to death or incarceration, this is not a death or prisoner match and may not be treated as such. No action on the indicated death is taken until a death match is received or the household reports a death.

See 7-H, *Claims*.

Acting on matches from the National Accuracy Clearinghouse (NAC)

Legal reference: 87 FR 59633

Policy: NAC matches are received two ways; through monthly batches and when another state initiates a look-up and matches with someone currently receiving SNAP in Iowa. These matches, received during the certification period, are not verified, and must be followed up on to ensure the matched individual(s) are not receiving SNAP benefits in more than one state.

Send an RFI to the household to obtain verification that their SNAP benefits closed in the other state. Use the appropriate “NAC Match” selection so the household understands this request is based on a data match we received.

The language on the RFI explains that if we don’t hear from the household, the matched individual(s) will be removed from SNAP. If the household doesn’t respond, cancel the household member(s) identified on the NAC match using the corresponding “you did not respond to the notice of match results” reason code (individual or case reason). Don’t cancel the entire case unless the individual(s) from the NAC match is/are the only household member(s), in which case it would appropriate for the case to be closed.

Note: NAC matches obtained during lookups for applications, recertifications, and when adding a new household member are treated differently than the NAC matches outlined in this section. See policies in 7-C, 7-I, and later in this chapter for more information on how to act on those NAC matches.

NAC information can only be used for preventing duplicate participation in SNAP. The information cannot be used for other purposes or programs.

Acting on the Prisoner Match Report

Legal reference: Public Law 105-33; 7 CFR 273.1(b)(7); 7 CFR 272.13

Policy: The ABC system runs monthly matches to identify clients who are incarcerated. The match includes persons who are active or pending for SNAP.

These matches are not verified and must be followed up on to ensure that persons who are in jail or prison are not receiving SNAP to which they are not entitled. See 7-C, *Residents of Institutions*.

If the household or jail/prison confirms the household member is still incarcerated, remove them from SNAP. If you are not able to verify by reaching out to the household or jail/prison, an RFI must be sent to clarify the situation. Use the "Data Match – Prisoner" selection so the household understands this request is based on a data match we received.

The language on the RFI explains that if we do not hear from the household, we will assume the report is accurate. If the household doesn't respond, cancel the household member identified on the prisoner match using the "lives in an institution" reason code. Do not cancel the entire case unless the individual from the prisoner match is the only household member, in which case it would appropriate for the case to be closed.

Acting on the SSA Deceased Individual Match Report

Legal reference: 7 CFR 272.14

Policy: The ABC system runs monthly matches with SSA to identify clients who may be deceased. The match includes persons who are active or pending for SNAP.

These matches are not verified and must be followed up on to ensure that persons who are deceased are not receiving SNAP. Send an RFI using the "Data Match – Death" selection. The language instructs the household to contact us only if the information is incorrect. Therefore, if a response is not received, remove the person using the "because of death" reason code.

Do not cancel the entire case unless the individual from the death match is the only household member, in which case it would appropriate for the case to be closed.

You may be able to verify the death from another source, such as a family member or obituary. If you are able to verify the death, you do not need to send an additional RFI. If using an obituary, you must make certain there is enough distinguishing information to verify it is the same person.

Comment: Unlike the SSA match which is not considered verified, the Iowa Department of Public Health Death match **is** considered verified upon receipt. If there are other automated death matches and you are not certain if they are considered verified upon receipt, contact SPIRS for assistance.

Death matches received from Managed Care Organizations (MCOs) are not verified upon receipt. Follow the procedures outlined above for action on SSA death matches.

Treatment of Remaining Household Members When Acting on Prisoner or Death Matches

When acting on a verified report of incarceration or death, if other household members are active on the case with the person who is canceled, they remain active on the case. This is true even if the only remaining household members are minor children. The whereabouts of the children would be addressed at the next recertification unless their situation is clarified when talking to the household regarding the match; an RFI cannot be sent during the certification period to determine where the children are living.

If, during the certification period or at the time the match is verified, someone reports the minor children are in their care, the caregiver can be added as an emergency authorized rep on the EBT card so that the remaining SNAP benefits can be used for the needs of the children; see instructions in 14-J for adding a secondary cardholder.

If the new caregiver wants continued benefits with the children, gather the caretaker's information in order to add the caretaker to the child's SNAP benefits; see Acting on Changes Policies in this chapter for how to add a new household member. When adding the caretaker to the child's SNAP benefits, it is generally best to create a new case number with the caretaker as the case name. When doing so, copy all relevant information to the new case file and clearly document the situations.

In rare situations, it could be acceptable to simply change the case name to the new caretaker. If you have case-specific questions on how to handle a case like this, send your question to SPIRS.

Failure to Cooperate with Quality Control

Legal reference: 7 CFR 273.2(d)(1) and (2)

Policy: Cancel the household's case if you are notified that the household failed to cooperate with the Quality Control Unit (QC).

See 7-C, *Cooperation*. See Reinstatement if the household cooperates before the effective date of cancellation.

Recertification

Legal reference: 7 CFR 273.2(f)(8), 273.14

Policy: Households must recertify to get benefits for a new certification period. To recertify, a household must meet all of these requirements:

- Apply using the *Review/Recertification Eligibility Document* (RRED), or an Iowa SNAP application form,
- Attend an interview with HHS when required. See Interviews section in this chapter, and
- Provide verification when required.

Procedure: Treat the RRED as an application to recertify if it contains at least a name, address, and handwritten signature. Because an application contains all of the information found on a RRED and more, a valid application may be accepted in place of a RRED. However, treat it as a recertification and follow processing guidelines for RREDs.

When completing a RRED, households only need to answer SNAP questions and provide proof where stated. All SNAP questions must be answered before you can recertify the household.

Help the household get verification if they ask for help. Don't deny or cancel the household when a person outside the household fails to provide information.

A household can complete missing answers on the RRED at the time of interview. If there is no face-to face interview:

- When recertifying with a telephone interview:
  - Fill in answers during the interview,
  - Make a copy of the RRED for the case file, and
  - Send the original to the household with a written request for information. Tell the household to review and initial changes, and to return the form within 10 days.

- When recertifying without an interview:
  - Mark the incomplete sections in red,
  - Make a copy of the RRED for the case file, and
  - Send the original to the household with a written request for information. Tell the household to complete missing items as marked and return the form within 10 days.

Comment: For how a RRED is issued:

- By the system, see 14-B(5), *Recertification*.
- By hand, see 6-Appendix, Form 470-2881, 470-2881(S), 470-2881(M), or 470-2881(MS), *Review/Recertification Eligibility Document*.

Timely or Untimely Filing a RRED

Legal reference: 7 CFR 273.14(c), (d), and (e)

Policy: A RRED is considered timely filed when it is received in the local office by the 15th day of the last month of the certification period. RREDs filed after the 15th day of the month are untimely.

An SSI household may file a RRED at the Social Security Administration office.

Procedure: Households that file a timely RRED and meet all recertification requirements are entitled to recertify by the end of the current certification period and receive uninterrupted benefits. A household loses its right to uninterrupted benefits if it causes a delay in processing by missing a scheduled interview or failing to provide requested information by the due date. A household does not lose its right to uninterrupted benefits when the local office causes a delay.

Comment: Households that file an untimely RRED are entitled to recertify as quickly as possible, but are not entitled to receive uninterrupted benefits. However, a household still can get uninterrupted benefits if it completes all recertification requirements by the end of its certification period.

Whether a RRED is timely or untimely filed does not affect proration of benefits. Proration comes into effect only when the household causes a delay in processing or files its RRED after the end of the certification period. See Delays in Processing a RRED for examples of when benefits are prorated.

Interviews

Legal reference: 7 CFR 273.14(b)(3)

Policy: Households must be interviewed at recertification when required:

- Households with all adult members who are elderly or disabled and don't have earned income are not required to have an interview at recertification unless the household requests one or the worker decides an interview is necessary
- All other households are required to have an interview at least once every 12 months

Non-interview/Desk RREDs:

If the household is due for a non-interview (desk) RRED, an interview should only be conducted if:

- There's a complicated situation and further explanation is necessary or,
- You call to clarify multiple pieces of information and decide to review the entire RRED so that an interview will not be required again in six months.
  - If you choose to conduct a complete interview when you call to clarify information, be sure to cover all aspects of the household's circumstances and follow processes for conducting the interview.
  - Document the reason an interview was conducted, and code the next recertification as a non-interview RRED.

If an interview is scheduled for a non-interview RRED, clearly document the reason for scheduling it. If you don't document this, you cannot deny a household for failure to attend an interview.

Procedure: You may schedule an interview:

- Before the household files its RRED if you schedule it for a date that is after the RRED is due, or
- After the household files its RRED.

If the RRED is filed timely, you must schedule an interview for a date that allows 10 days before the end of the certification period for the household to turn in missing verification.

If the RRED is filed untimely, schedule the interview for the earliest possible date.

Comment: Interviews may only be scheduled at the time of application and recertification. Scheduling an interview during the certification period is not allowed.

Scheduling Interviews

Legal reference: 7 CFR 273.14(b)(3)

Procedure: Upon receipt of a RRED, attempt to contact the household by telephone if the recertification requires an interview. If contact is made with the household, conduct the interview at that time if the household agrees to do so.

If contact is not made with the household:

- Leave the standard voicemail message, as explained below, at the telephone number provided.
- Provide at least 24 hours advance notice of the scheduled interview. Do not schedule an interview for the same day as the initial interview attempt.
- Document the specific date and time of the scheduled interview.
- The timeframe for interviews cannot exceed a two-hour window of time. For example: 8 a.m. to 10 a.m.
- If you are unable to leave a voicemail message, an appointment letter must be mailed within one business day.

In order to schedule an interview by voicemail, one of the following standard voicemail messages must be left for the client. There are different scripts for RREDs processed by a single worker and those processed by a team:

- **Specific Worker:** "This is (*worker's name*) with the Department of Health and Human Services calling for (*client's name*). I received your recertification form for SNAP and need to do a phone interview. Please call me at (*worker phone number*) as soon as possible.

  "If I don't hear from you by (*day, date and time*), I will call you on (*day, date*) between (*window of time*). If I can't reach you, your benefits will end. If this time does not work for you, please call me immediately so we can reschedule. Thank you."

- **Team:** "This is (*worker's name*) with the Department of Health and Human Services calling for (*client's name*). We received your recertification form for SNAP and need to do a phone interview. Please call (*worker phone number*) as soon as possible.

  "When you call, be sure to ask for a RRED worker. Any RRED worker will be able to help you. If we don't hear from you by (*day, date and time*), we will call you on (*day, date*), between (*window of time*). If we can't reach you, your benefits will end. If this time does not work for you, please call me immediately so we can reschedule. Thank you."

Remember: When you call back for the scheduled interview, you must attempt the call twice (five minutes apart) and document those attempts before considering the household to have failed to attend a scheduled interview.

Conducting the Interview

Legal reference: 7 CFR 273.14(b)(3)

The interview is an official and confidential discussion of household circumstances. The purpose of the interview is to obtain the details of the household's situation so eligibility can be determined.

Conduct the interview according to the household's situation. Although you need to review the entire RRED, some responses will require more examination. For example, if proof is provided or circumstances are fairly stable, you do not need to go into as much detail in the interview. However, if the household needs help or circumstances are error-prone, ask probing questions to clarify the situation.

Explaining Simplified Reporting

Legal reference: 7 CFR 273.12(a)(5)

Policy: At each interview, explain to the household what changes must be reported and how and when to report these changes.

Procedure: Explain reporting requirements to the household every time you interview. Explaining this carefully will help avoid household-caused errors. See 7-B, *Household Reporting Requirements* for details about information to provide when explaining reporting requirements.

Failure to Attend the Interview

Legal reference: 7 CFR 273.2(e) and 273.14(b)(3)

Policy: If a household fails to attend a scheduled interview, notify the household that it missed the interview and is responsible for rescheduling.

Procedure: Send a *Notice of Decision* on the day the household misses its interview. This notice tells the household the timeframe within which it must reschedule.

- If the RRED was filed by the last day of the certification period, use notice reason 523.
- If the RRED was filed after the last day of the certification period, use notice reason 522.

NOTE: When using notice reason 522, you must track this time frame. Make system entries to deny the application on the 30th day after the RRED was filed unless the household reschedules and appears for an interview. If the 30th day falls on a weekend or holiday, make system entries the next working day.

Comment: Do not send a *Notice of Missed Interview* if you set up an interview but the household has not filed a RRED. You cannot take action if the household has not applied.

Clarifying and Verifying Information

Legal reference: 7 CFR 273.14(b)(4)

Policy: At the time of the recertification, you must clarify the household's situation, including any reported changes that happened during the prior certification for which action has not been taken. If the change is:

- still applicable, verification must be provided prior to approving continued benefits.
- no longer applicable, document the case with the clarified information and the reason additional verification is no longer needed.

If an unverified income source started and stopped during the prior certification period, verification is only required if:

- the final pay was received within the 30 days prior to the date the application or RRED is submitted, or
- you have reason to believe they may have exceeded the income limit and failed to report it, which could result in an overpayment.

Clearly document the case file with the details of each "held" change and the information you clarify at recertification. If lookups suggest verification is needed for a potential overpayment, send an RFI even if the last pay was more than 30 days ago.

If verification is needed to determine eligibility and benefits:

- Tell the household in writing what it must provide, and
- Give the household 10 days to provide the information.
  - The 10-day period starts the day after you give or mail the request.
  - If the 10th day is a nonworking day or a legal holiday, make the due date the next working day for which you have regular mail service.

If the household is due for an interview, a request for verification should not be sent prior to the interview. Use the interview to clarify as much information as possible and determine what verification is needed.

A household cannot be denied for failure to provide information that is requested prior to the interview, because the household must be allowed 10 days from that date to provide information.

If processing a desk RRED, you must clarify any reported changes that were held during the prior certification period. You may attempt to clarify things with a phone call, and then send an RFI for verification. If you aren't able to clarify by telephone, verification must be requested for all changes that were held during the previous certification period. There is no requirement to attempt to reach the household by telephone. However, this may result in fewer requested verifications.

Procedure: It is important that you review narratives back to the prior application or recertification. This must be done to ensure that all reported changes are addressed.

If a household fails to provide requested verification needed to determine eligibility by the due date, deny the application using notice reason code 206.

If a household turns in all verification after the application is denied but before the end of the certification period, reopen the case and provide a full month of benefits for the first month of the new certification period.

If the verification is received after the end of the certification period, reopen the case and prorate benefits.

See specific policies for your case situation in RRED Filed Before the End of the Certification Period or RRED Filed After the End of the Certification Period.

Don't deny an application for failure to verify an expense. However, do not allow a deduction if required verification of an expense is not provided. If a previously verified expense has not changed, verification is not required. EXCEPTION: If the household has moved, verification of shelter and utility expenses at the new address is required, even if the amount is the same.

Comment: You cannot deny a household for failure to provide verification if:

- An interview is required, but it has not been held, or
- You did not ask for verification in writing, or
- You did not give the household 10 days to provide verification, or
- You asked a third-party for the verification but the third party failed to provide it.

1. Mr. A files a RRED on May 5 to recertify benefits for June and an interview is held May 10. During the prior certification period, he reported a job start at Burger John's, which did not cause him to exceed the reporting threshold. Therefore, this job was not verified, but was held until recertification.

   At his interview, he explains that he only worked at Burger John's for about a month, and got his last paycheck from them in March. He is now working at Taco Shack.

   Because he no longer works at Burger John's and received his final pay more than 30 days before submitting his RRED, and you have no indication that he would have exceeded the reporting threshold, document the case file with this information. Additional verification from Burger John's is not needed. However, since he is currently working at Taco Shack, verification of this job is required. Send an RFI to provide Taco Shack's verification due May 20.

   Mr. A does not return the verification by the due date and his application is denied for failure to provide information. However, he later returns the missing information on May 28, before the end of his certification period. Reopen the application and approve the case, providing benefits effective June 1.

2. Mr. B files a RRED on June 5 to recertify benefits for July. An interview is scheduled for June 12. Mr. B fails to attend and the worker sends a SNAP *Notice of Missed Interview*.

   Mr. B reschedules his interview for June 18. At his interview, Mr. B is given 10 days to provide required verification (by June 28). Mr. B does not provide the verification by June 28. On June 29, the worker sends a notice to deny the application for failure to provide requested information.

   Mr. B provides the missing verification on July 10. Reopen the case and prorate benefits from July 10.

3. Ms. C files a non-interview RRED on July 2 to recertify benefits for August. During her prior certification period, she reported a job at Derkin's which did not cause her to exceed the reporting threshold, so the change was held until recertification. On this RRED, she only reports income from Costless.

   Even though she didn't report that a job ended in the last 30 days on the RRED, we must determine what happened to the job at Derkin's. Since an interview is not required, you may attempt to call her to clarify the situation. If you reach her, clarify and document the details. If she received pay within 30 days prior to her application date, you will need to request verification of this job along with verification of Costless. If you don't reach her by phone to clarify the Derkin's job, an RFI must be sent.

   Remember that calling the client to clarify something does **not** constitute an interview. This recertification should still be documented as a desk RRED, with an interview required in six months.

4. Ms. D files a non-interview RRED on August 8 to recertify benefits for September. During the prior certification period, she started a job at The Gas Station which didn't require verification at the time. On the RRED, she reports no income.

   You can attempt to call her to clarify what happened to the job at The Gas Station. If you don't reach her, or if you reach her and further verification is required, an RFI must be sent requesting verification of her job, including ending information if applicable.

5. Mr. E files a non-interview RRED on September 3 to recertify benefits for October. During the past certification period, there were multiple changes reported for which verification was not required. Since you know you need to clarify his situation and that verification may not be needed for some of the changes, you determine it would be easier to resolve all of the information by conducting an interview. This will likely minimize the amount of verification requested.

   Document the reason for scheduling an interview and proceed with processing of this RRED as an "interview" RRED. An interview will not be required in six months.

6. Ms. F files a non-interview RRED on October 6 to recertify benefits for November. There was one change reported during the prior certification period which must be clarified. You call her to do this, and she starts to inform you of multiple other changes that will need to be resolved.

   Because of the complexity of her situation, you determine it would be easier to conduct a full interview. Review the entire RRED and send a request for any necessary verification.

   Document the reason for conducting an interview and proceed with processing of this RRED as an "interview" RRED. An interview will not be required in six months.

Determining Eligibility and Benefits

Legal reference: 7 CFR 273.10(a)(2), 441 IAC 65.9(234)

Policy: When processing an application for recertification:

- See Timely Processing a RRED and Delays in Processing a RRED for processing time frames and effective dates.
- Base eligibility and benefits for the new certification period on the household's anticipated circumstances.

Procedure: Do the following to anticipate the household's circumstances:

1. Determine household composition based on what is anticipated for the first day of the new certification period.
2. Calculate a new income estimate. Follow the policies in 7-F.

3. Determine the household's allowable deductions. For determining deductions, see 7-E, *Income*.
4. Determine the household's resources, based on what is anticipated for the first day of the new certification period. For determining resources, see 7-D, *Resources*.

For future changes reported at the time of recertification, see 7-B, *Handling Future Changes Reported at Application*.

Timely Processing a RRED

Legal reference: 7 CFR 273.10(g)(2), 273.14(c), 273.14(d)

Policy: Households that have filed a timely RRED and met all recertification requirements are to be notified of their eligibility or ineligibility by the end of the current certification period. Eligible households must be provided an opportunity to participate by their normal issuance cycle in the first month of the new certification period.

Comment: When processing a RRED after the end of the certification period, see Delays in Processing a RRED.

Delays in Processing a RRED

Legal reference: 7 CFR 273.14(e)

When processing a RRED after the end of the certification period, refer to whichever of the following sections is appropriate:

- RRED Filed Before the End of the Certification Period
- RRED Filed After the End of the Certification Period

RRED Filed Before the End of the Certification Period

Legal reference: 7 CFR 273.14(e)(1) and (2), 273.14(f)

If the RRED is not processed by the end of the certification period because of an agency delay, continue to process the case and provide a full month of benefits for the first month of the new certification period.

If the RRED is not processed by the end of the certification period because the household caused a delay after filing the RRED, continue to process the case and prorate from the date the household takes the last required action. The household may cause a delay by missing its scheduled interview or failing to provide requested information by its due date.

If the RRED is denied because the household fails to take a required action, the household has 30 days after the end of the certification period to complete the process and have its RRED treated as an application for recertification.

If the household takes required actions after the end of the certification period but within 30 days after the end of the certification period, reopen the case and prorate benefits from the date the household takes the last required action.

1. Ms. T files a RRED on April 5 to recertify benefits for May. Requested verification, due by April 18, is not provided. The application for recertification is denied. Ms. T returns all needed information on May 10. The recertification is approved and benefits are prorated from May 10.
2. Mr. C files a RRED on June 2 to recertify benefits for July. The household misses its scheduled interview and a SNAP *Notice of Missed Interview* and denial notice (notice reason 523) is sent on June 12.

   Mr. C reschedules an interview for June 25. During the interview, the worker determines additional information is needed. A 10 day written request is issued and the information is due by July 5.

   If the household returns the information early and it is received by June 30 (the last day of the certification period), benefits will not be prorated. The effective date will be July 1.

   If the household returns the requested information after June 30 (the last day of the certification period), benefits will be prorated from the date the information is received because the household caused a delay by missing its scheduled interview. NOTE: If the information is returned later than July 30, the household will have to reapply.
3. Ms. J files a RRED on May 28 to recertify benefits for June. Requested verification, due by June 8, is provided on June 8. The RRED was filed untimely but the household did not cause a delay after filing the RRED. The recertification is approved and the household is entitled to a full month of benefits for June.
4. Ms. G files a RRED on April 20 to recertify benefits for May. Requested verification, due April 30, wasn't received so the recertification was denied for not returning the requested information. On May 6, the household provides the information. The case is reopened and a new certification period is approved but because the household caused a delay in processing, benefits are prorated from May 6, the date the information was returned.

RRED Filed After the End of the Certification Period

Legal reference: 7 CFR 273.14(e)(3), 273.14(f)

If a household files a RRED within 30 days after the end of the certification period, the RRED shall be considered an application for recertification. However, as with an initial application, prorate benefits based on the filing date. Also, because the RRED is treated as an application, an interview is required for all RREDs filed within 30 days after the end of the prior certification period.

Follow the processing standards below that are used for initial applications. If the household:

- Meets the criteria at 7-B, *Determining Eligibility for Emergency Service*, provide emergency services.
- Fails to appear for an interview, send a *Notice of Missed Interview*. Be sure to use notice reason 522 (not 523). Because this is treated like an initial application, you must wait to deny on the 30th day.
- Is denied for failure to provide requested information but later returns it within 30 days of filing the RRED, reopen back to the RRED filing date.
- Is denied for failure to provide requested information but later returns it more than 30 days after filing the RRED but within 60 days, reopen and process. See 7-B, *Delays in Processing* to determine the effective date.

Case Documentation

Legal reference: 7 CFR 273.2(f)(6)

Policy: The case record must be documented to support each determination of eligibility, ineligibility, or benefit level. The case must be documented in sufficient detail to permit a case reader, quality control reviewer, or another worker to determine the reasonableness and accuracy of each determination.

Procedure: Good documentation is the key to accurate cases. When you are projecting a household's future circumstances, it is critical to record how and why you came to your decisions on the household's eligibility and benefit level.

If your projections do not prove to be true, the case will be correct if you, the household, and other sources all took correct actions at the time of the application or recertification and those actions are documented to show that the projection was reasonable. A quality control reviewer needs to know:

- The period of time you used as representation of future income;
- Why you did or didn't use income amounts in calculating the projection;
- The actual calculation performed to project income.

SNAP Adjustments

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Overview

This chapter provides instructions for what to do when an incorrect Supplementary Nutrition Assistance Program SNAP allotment has been issued and how to replace SNAP destroyed in a household misfortune. The first section covers when and how to restore lost benefits, followed by an explanation of claims and collection actions. The remaining sections review policies relating to handling requests for replacement of SNAP.

Restoration of Lost Benefits

Legal reference: 7 CFR 273.17

If a household is entitled to lost benefits, take the necessary action to restore the benefits. A household does not need to do anything before the Department can restore lost benefits, nor does the household need to be currently eligible for SNAP in order to receive lost benefits.

The following sections give more information on:

- When to restore lost benefits
- Time limits for restoring benefits
- How to restore benefits
- Disputed benefits

When to Restore Benefits

Legal reference: 7 CFR 273.17(a)(1)(e)

Restore benefits only when:

- The Department made an error; or
- Judicial action found that household benefits were wrongfully withheld; or
- An intentional program violation (IPV) determination was reversed.

A person who is disqualified because of an IPV is not eligible for restoration of lost benefits just because a criminal conviction was not obtained. The IPV determination still needs to be reversed before the person can get lost benefits.

There may also be other specific situations cited in sections of Title 7 where a household is entitled to restoration of lost benefits. “Restored” benefits apply only when issuing additional benefits for months other than the current month. (To issue additional benefits during the current month, see 7-G, *Issuing Supplemental Allotments*.)

Do not restore benefits when the household got less SNAP than it should have because of a household error.

Time Limits for Restoring Benefits

Legal reference: 7 CFR 273.17

Restore benefits for up to 12 months before whichever of the following occurred first:

- A household asks for restoration
- The state or county office finds out that a loss has occurred
- The household initiated court action

When the judicial action is a review of a state agency action, restore benefits up to 12 months before whichever of the following occurred first:

- The Department receives a request for restoration
- The hearing action was initiated, even if the household did not request restoration
- The Department is notified of or discovers the loss

How to Restore Benefits

Legal reference: 7 CFR 273.17

1. Determine if the household was eligible during each of the months affected by the loss. Ask for additional information from the household if there is not enough information in the case file to determine eligibility for any of the affected months.
2. Decide which month to start with, depending on the situation:
   - If the household was eligible but received an incorrect amount of SNAP, calculate benefits only for those months that the household was certified.
   - If benefits were stopped by mistake, start with the first month that benefits were not issued.
   - If an eligible household's application was denied by mistake, start with the month of application. If an eligible household filed a timely reapplication that was denied by mistake, start with the month following the expiration of its certification period.
   - If an eligible household's application was delayed, use the procedure in 7-B, *Processing Standards* relating to delays in processing.
3. After deciding which month to start with, calculate the loss for that month and each following month up to:
   - The month the mistake was corrected, **or**
   - The first month the household was found ineligible for SNAP.
4. Calculate the amount of SNAP the household should have received and subtract the amount the household was authorized to receive.

The system will show the amount the household actually received. This may be less than the benefits issued to the household if there was a recoupment for that month. Use the amount **before** recoupment as the amount received when calculating the amount to restore.

To correct an error in income or deductions, calculate lost benefits based on the income or deduction amount that would have been used if the error had not occurred. Consider changes subsequent to the error only if the change was reported or required to be reported.

5. Check to see if the household has unpaid claims or claims in suspension. See Claims in this chapter. Apply the amount of the restored benefits to the balance of the unpaid claims before returning any lost benefits to the household.
6. Complete form 470-0010, *Adjustment to Overpayment Balance*, when lost benefits are used toward paying off a claim. See 6-Appendix.
7. Use form 470-0334, *Notice of Lost Benefits*, to let the household know about any restoration of lost benefit action. See 6-Appendix for instructions. For instructions on issuing lost benefits, see 14-B(5), *Supplemental Issuances*.
8. Restore lost benefits to a household by issuing an allotment equal to the amount of lost benefits. If the household is currently eligible, issue lost benefits in addition to the household's allotment.

Disputed Benefits

Legal reference: 7 CFR 273.17(c)

A household can ask for a hearing if the household is entitled to lost benefits but disagrees with the amount or any other actions taken to restore lost benefits. The household must ask for a hearing within 90 days of the date it is notified that it is entitled to lost benefits.

If a household asks for a hearing before or during the time lost benefits are being restored, restore lost benefits at the level that has been determined while waiting for the appeal decision. Follow the direction order in the final hearing decision once it is issued.

If the household believes it is entitled to lost benefits but the county office reviews the case record and does not agree, the household has 90 days from the date of this determination to request a hearing. Restore lost benefits only if directed by the hearing decision.

Claims

Legal reference: 7 CFR 273.18

Policy: Establish a SNAP claim or overpayment when a household:

- Received more benefits than it was eligible to receive.
- Has been found to have trafficked benefits.

Establish a claim within 90 days after the date the overpayment is discovered. However, if this is not done within 90 days (for whatever reason), you must still establish a claim.

The following definitions apply when establishing claims:

- "Date of discovery" means the date on which you first determine that an overpayment occurred. You must enter this date when you submit the claim into the Overpayment Recovery System. (For instructions, see 6-G, *Making Referrals to DIA*.)
- "Date claim established" means the date the first *Notice of SNAP Overpayment* is sent to the debtor. The Overpayment Recovery System enters and tracks this date.

The following sections explain:

- When not to establish a claim
- Procedures for inadvertent household error claims
- Procedures for intentional program violation claims
- Procedures for agency error claims
- Procedures for calculating the amount of a claim
- Procedures for documenting claims
- Procedures for establishing the debtor for a claim

When Not to Establish a Claim

Legal reference: 7 CFR 273.18(e)(2)

Policy: Do **not** establish a claim when the household does not complete procedural requirements such as signing the correct application form.

Do not establish a claim on a categorically eligible case for excess resources.

Do not establish a claim if the household is not currently participating and the claim is for $125 or less. EXCEPTIONS:

- Establish a claim if the overissuance was discovered through a Quality Control review.
- Establish the claim regardless of the amount if you anticipate that the household will be reinstated for the current month or the following month.
- Do not apply this policy to claims that are already established.

Inadvertent Household Error (IHE) Claims

Legal reference: 7 CFR 273.18(b)

Policy: Establish an inadvertent household error (IHE) claim when an overpayment was caused by a misunderstanding or unintended error on the part of the household. Some examples are:

- The household unintentionally gave incorrect or incomplete information.
- The household unintentionally failed to report changes as required.
- The household asked that benefits continue while waiting for an appeal decision and the decision reached is not in favor of the household.

Months an IHE Claim Covers

Legal reference: 7 CFR 273.18, 441 IAC 65.21(1)

Policy: Calculate an IHE claim back to the month the error occurred, but not beyond three years from the date that the overpayment was discovered.

Errors at Application or Recertification

Legal reference: 7 CFR 273.18

Procedure: If an overpayment occurred at application or recertification because incomplete or incorrect information was provided, calculate a claim from the beginning of the certification period.

Comment:

1. Household B applied for SNAP on May 8. The household reported unearned income of $500 monthly and was certified for the months of May through October.

   It is discovered in July that the household had earnings that should have been reported on the application. Benefits are adjusted for August to count the earned income. A claim must be done for the months of May through July.

2. Mr. and Mrs. D and their child received ongoing SNAP when Mr. D started work in April. The household was not required to report Mr. D's new job because the change did not result in the household's income going over its gross income limit.

   In July, the household filed a RRED to recertify benefits for August. Mr. D's job was not reported and his earnings were not counted when the household was recertified.

   The earnings are discovered in September and benefits are adjusted for October. Because the earnings should have been reported at recertification, a claim must be done starting with August.

Errors After Certification

Legal reference: 7 CFR 273.18

Procedure: When a simplified reporting household failed to report that its income exceeded the gross income limit listed on its *Reporting SNAP Changes*, form 470-2960 or 470-2960(S), calculate the amount of the claim starting two months after the month the income exceeded the gross amount.

Do not establish a claim for changes that simplified reporting households are not required to report.

Comment:

1. At the end of February, household P's income exceeds its gross income limit. The household does not report this. The income is discovered in May. The first month of the SNAP overpayment is April.

February	March	April	May
Household's income exceeds its gross limit.	Household is required to report by March 10th.	First month change should have been used to determine assistance. April is the first month of the claim.	Change discovered and adjustment is made for June. A claim is also needed for May.

2. Household J, a three-person household consisting of a parent and two children, is certified for May through October. When the household applies for recertification, they report that one of the children moved out of the home in July.

   Because the household is required to report only if its gross income exceeds the limit listed on its form 470-2960, *Reporting SNAP Changes*, the household was not required to report the child moving out until recertification. There is no claim.

3. Ms. T is certified for March through August. Due to a new job, her income goes over the household's gross income limit in April. Ms. T complies with the requirement to report this by May 10. Her household is categorically eligible and is still entitled to benefits, which are reduced for June.

   Ms. T's income goes up in June due to an increase in both her hours and her hourly wage. Ms. T does not report this change until she files her RRED in August. There is no claim, because a categorically eligible household does not have to keep reporting going over its gross income limit.

Intentional Program Violation (IPV) Claims

Legal reference: 7 CFR 273.18(b) and (c)

Policy: Establish an intentional program violation (IPV) claim when it is determined through an administrative hearing decision that a household member committed an IPV.

Consider a claim to be an inadvertent household error (IHE) claim until a hearing decision has established that an IPV has occurred.

Months an IPV Claim Covers

Legal reference: 7 CFR 273.18(c)(1)

Policy: Calculate the amount of an IPV claim back to the month when the error occurred, but not beyond six years from the date that the overissuance was discovered.

Procedure: To determine which month the claim starts, see Months an IHE Claim Covers. However, keep in mind an IPV claim can cover a longer time period than an IHE claim.

Trafficking-Related Claims

Legal reference: 7 CFR 273.18(c)(2)

Policy: The Department of Inspections, Appeals, and Licensing establishes an IPV claim when an overissuance occurs as a result of a trafficking-related offense. (For a definition of "trafficking," see 7-A, *Definitions*.) Base the amount of the claim on:

- The person's admission.
- The amount identified in the adjudication.
- The amount identified in the documentation that is the basis for the trafficking determination.

Agency Error (AE) Claims

Legal reference: 7 CFR 273.18(b)

Policy: Establish an agency error (AE) claim when Department action or failure to act caused an overpayment. Examples of AE errors are:

- Failing to act timely on a change the household reported that would have reduced benefits, whether the household was required to report the change or not.
- Incorrectly calculating the household's income or deductions, or otherwise issuing an incorrect benefit amount.
- Incorrectly issuing duplicate benefits.
- Continuing benefits after a household's certification period has expired.

Months an AE Claim Covers

Legal reference: 7 CFR 273.18(c)(1), 441 IAC 65.21(1), Bliek v. Palmer, 102 F.3d 1472 (8th Cir. 1997)

Policy: Calculate the amount of an AE claim back to the month when the error occurred, but not beyond 12 months from the date the overpayment was discovered.

Do not include any month before February 2007. AE claims for months before February 2007 were forgiven as part of the Bliek lawsuit settlement.

Procedure: If an overpayment occurred at application or recertification due to an agency error, calculate a claim from the beginning of the certification period.

If a household receiving ongoing benefits reported a change but the agency did not act on the change within the required period, complete a claim starting the month the change would have been effective if the agency had acted timely.

To determine the month the change would have been effective, start with the report date and add:

- Ten days for the agency to issue a notice of decision, and
- Ten days for timely notice unless acting on the change would not have required timely notice.

The first month of the claim cannot be later than two months from the month the change was reported.

Comment:

> Household T reported on April 12 that a household member moved out, which would have reduced benefits. The household was not required to report this change until recertification, but the agency was required to act since it was reported.
>
> Due to a delay by the agency in acting, benefits are reduced for August. From the April 12 report date, adding 10 days for the Department to issue a notice and 10 days for timely notice, benefits should have been reduced no later than June. Because benefits were not reduced until August, an AE claim must be done for June and July.

Calculating the Amount of the Claim

Legal reference: 7 CFR 273.18

Policy: To calculate the claim:

- Determine the correct benefit amount for each month overpaid. When determining the correct benefit amount for IHE and IPV claims, do not allow the 20% earned income deduction from earned income that was not timely reported.
- Subtract the correct benefit amount from the benefits actually received. The difference is the claim amount.

  NOTE: If a recoupment was withheld, use the amount **before** recoupment as the amount the household received.

Procedure: When benefits were overpaid, whether due to an agency error or client error, complete a claim. To determine the first month for which there is a claim, see Months an IHE Claim Covers, Months an IPV Claim Covers, or Months an AE Claim Covers.

To correct an error in income or deductions, calculate the claim based on the income or deduction amount that would have been used if the error had not occurred. Income is generally projected based on income the household received in the past 30 days, unless changes have occurred or are anticipated. See 7-F, *Anticipating Income*.

To correct an error for the month of application, see 7-F, *Income in the Application Month* for how to determine income.

To correct an error in the amount of income counted for months after the application month, use the amount of income that should have been projected for the remainder of the certification period. If the claim continues into a new certification period, you must determine the income amount that should have been projected starting with the first month of the new certification period.

Calculate a corrected benefit amount for each month of the claim by using *Scratch Pad* (SPAD). You must indicate in SPAD if the household was categorically eligible. You do this by checking the box for:

- All HH Members Receive SSI or FIP, or
- Household in PHMP

Categorical eligibility cannot be rescinded retroactively. If it is later determined a household was over the income limits for SSI, FIP or Promoting a Healthy Marriage Program (PHMP) for the past month, this does not void categorical eligibility for the month.

A household cannot be over the income or resource limit for a month in which they were categorically eligible. This means:

- A one-person or two-person household is entitled to at least the minimum benefit amount; and
- A household with three or more members is entitled to the calculated benefit amount. If the corrected monthly benefit calculates to zero, do a claim for the full amount of benefits issued.

When calculating the claim, consider changes subsequent to the error only if the change was reported or required to be reported. EXCEPTION: For the claim, consider when an unreported income source ends. Do not continue to count income from an unreported source after the month the income ended.

When recalculating a month's benefits that involve both an overpayment and an underpayment (something you would be restoring lost benefits for), calculate the amount of benefits the household should have received using the factors that contributed to the overpayment and underpayment.

- If the final calculation results in an underpayment, do a restoration of lost benefits.
- If the final calculation results in an overpayment, do a claim.

When a household refuses or fails to provide verification necessary to calculate the amount of a claim, use the best information available for the calculation. When the best information available is a wage matching report, it is not known how much was earned in each month. Determine countable income for the claim by assuming an equal amount received in each month.

Comment:

1. Due to a new job, household K's income went over its gross income limit for the first time in February. The household was required to report this by March 10 but failed to do so.

   The household's unreported earnings are discovered in May. Benefits are adjusted for June. A claim must be completed for the months of April and May. The claim for April and May is calculated by using earnings that would have been projected if the household had reported the change at the required time.

2. Mr. J started a new job in March. Because his household's income did not go over its gross income limit, the new job did not have to be reported until recertification.

   A RRED is filed in July to recertify benefits for August. Mr. J's job is still not reported. Mr. J's earnings are discovered in October and benefits are adjusted for November. A claim must be completed for the months of August through October. Earnings in the 30-day period before the RRED are used to project income to be used in calculating the claim for August through October.

3. Due to a new job, household P's income went over its gross income limit for the first time in March. The household was required to report this by April 10 but failed to do so.

   The household's unreported earnings are discovered in July. The new job has ended and the final pay was received in June. No adjustment is needed to ongoing benefits since the income has stopped. However, a claim must be completed for May and June, as earnings should have been counted for those months. Because the earnings ended in June, there is no claim for July.

   Calculate a claim for May and June by using earnings that would have been projected if the household had reported the change at the required time.

4. Due to a new job, household C's income went over its gross income limit for the first time in March. The household was required to report this by April 10 but failed to do so. The household also failed to report the job when benefits were recertified for July through December.

   The household's unreported earnings are discovered in August. Benefits are adjusted for September. Because the earnings should have been counted starting in May, a claim must be completed for the months of May through August.

   Calculate the claim for May and June by using earnings that would have been projected if the household had reported the change at the time they were required to.

   Because July was the start of a new certification period, a new income projection should have been made for July. Use earnings in the 30-day period before the RRED to project income to be used in calculating the claim for July and August.

   NOTE: Because there is an overpayment in every month of the period of May through August, there is only one claim even though the claim spans two certification periods.

Documentation Requirements for Claims

Legal reference: 7 CFR 273.18, 273.2(f)(6)

Policy: Document the case file to support the months a claim covers and the amount.

Procedure: Upload to the electronic case file all information required to document establishment of a claim including:

- The reason for the overpayment.
- How you determined the start and end dates of the claim.
- A copy of the *Overpayment Recovery Information Input Summary* (from the direct claim entry screen).
- Verification used to determine the claim (such as pay stubs or *Employer's Statement of Earnings* form, proof of unearned income, etc.).
- Calculation of the correct benefit amount for each month (*Scratch Pad*, including any relevant comments to explain the calculation such as sources of income, who had the income, determination of countable income amounts, etc.).
- Any other documents, such as email messages, that support or explain the overpayment decision.

Comment: When a household appeals the establishment of a claim, make sure the appeal record contains all of the above information to document the basis of the claim. You must also include proof of benefits issued for the months of the claim (such as ISSV information). Failure to include this information in the appeal record may result in the Department's establishment of a claim being reversed.

Establishing the Debtor on a Claim

Legal reference: 7 CFR 273.18(a)

The following people are liable for repayment of an overpayment:

- Each adult member of the household when the overpayment or trafficking occurred. A child age 21 and under who is a member of a parent's SNAP household is not considered an "adult member".

  NOTE: This includes adults who were mandatory household members when the overpayment occurred, even if the adult was not included in the SNAP household.
- A sponsor of an alien household member if the sponsor was at fault.
- A person connected to the household, such as an authorized representative, who actually traffics or otherwise causes an overpayment or trafficking. See 7-A for a definition of trafficking.

Ms. Adams receives SNAP benefits with her child Paige as a household of two. It is later discovered that Paige's father, Mr. Jones, was also in the home and the household has an overpayment for the time period he was in the home. Both Ms. Adams and Mr. Jones are liable for the claim and must both be coded as debtors.

Forward information on all adult household members to the Department of Inspections, Appeals, and Licensing (DIAL).

The recoupment system can concurrently collect from all debtors associated with the claim. Adult household members are still liable even if they move to another household.

Confer with DIAL before changing a debtor on a claim. To revise an existing claim, make changes in red ink on a copy of the appropriate document as described below and mail to DIAL.

Make the changes on:

- A copy of the Overpayment Recovery Information Input Summary screen if the claim was entered through direct claim entry, or
- A copy of the previously completed form 470-0464, *Overpayment Recovery Information Input*, for an older claim not entered through direct claim entry.

Complete the Fraud Referral screen whenever:

- The total SNAP overpayment is greater than $1,000.
- DIAL requests the information to pursue recovery action.
- You want legal action pursued.
- Recovery will be attempted from the resources of an alien sponsor.

Collection Action

Legal reference: 7 CFR 273.18(d)(1), (2)

The Department of Inspections, Appeals, and Licensing (DIAL) initiates collection action against the household on all inadvertent household or administrative error claims. DIAL also initiates collection action against the household when a household member is found to have committed an intentional program violation.

NOTE: Collection action is postponed when an overissuance is referred to the Economic Fraud Control Unit for investigation for possible court action. See 7-J, *Court Referrals*.

When a court finds a household member guilty of misrepresentation or fraud, DIAL will make a request to the court regarding restitution. Collection action is initiated for an unpaid or partially paid claim, even if collection action was previously initiated against the household as an inadvertent household error claim.

The Overpayment Recovery System initiates recovery by sending a *Notice of SNAP Overpayment*, form 470-4668.

See 6-G, *Issuing Notice for Repayment* for more information on these procedures.

Apply any lost benefits against a claim (including a claim in suspension) before issuing lost benefits to the household.

The following sections explain:

- Procedures when a household fails to respond to a *Notice of SNAP Overpayment*
- Procedures when a household requests a settlement, adjustment, or compromise
- Methods of collecting payments
- Suspending or ending collections
- Effect of changes in household composition
- Overpaid claims
- Interstate claims collection

If a Household Fails to Respond to a Notice of SNAP Overpayment

Legal reference: 7 CFR 273.18(d)(4), 441 IAC 65.21(4)

If a household that is currently participating in the program does not respond to the *Notice of SNAP Overpayment* within 20 days of the date the notice is mailed, the household's SNAP is reduced for the next month.

EXCEPTION: Benefits may continue with no reduction when the household files an appeal of an inadvertent household or agency error claim. (See 1-E, *Continuation of Assistance Pending Final Appeal Decision*.) If the Department is upheld, a second *Notice of SNAP Overpayment* is sent to the household. If the household is currently participating in the program and does not respond within 20 days of this notice, the allotment is reduced the next month.

Revise the claim to alert DIAL when an appeal has been filed and when a final decision is received, in order to stop recovery or to start it again. (See 6-Appendix for instructions.)

DIAL may also pursue other collection actions to obtain restitution of a claim against any household that fails to respond to a *Notice of SNAP Overpayment* for repayment of any inadvertent household error, administrative error, or intentional program violation claim. Other collection actions may include, but are not limited to, withholding of income tax refunds and civil court action.

If a Household Requests a Settlement, Adjustment, or Compromise

Legal reference: 441 IAC 65

Any household with a claim has the right to ask the Department to settle for an amount less than the total amount of the overissuance. The household must send a letter to the Department asking for such a settlement. The request for settlement is a request for an exception to policy. See criteria at 1-B, *Exceptions to Policy*.

The letter shall include:

- The name, address, and case number or state identification number of the person requesting the settlement.
- The specific reason why the household thinks the amount they owe should be reduced.

The Department will review the household's request and make a decision to reduce or eliminate the claim or deny the request for a settlement.

Methods of Collecting Payments

Legal reference: 7 CFR 273.18(g) and 441 IAC 11.5(234)

If a person has been referred to DIAL for prosecution through the court system, contact DIAL before accepting any full or partial payment on that claim. DIAL will decide if the payment should be accepted. Document your contact and DIAL's decision.

There are several methods by which payments on claims are collected. These are:

- **Lump-sum payments**. Acceptable methods of lump-sum payments are:
  - A lump-sum cash payment for the entire claim, if the household is financially able to pay the whole claim at one time. (The household cannot be required to liquidate all of its resources to make this repayment.)
  - A lump-sum cash payment as partial payment, if the household is financially unable to pay the entire amount of the claim at one time.
  - A lump-sum payment of SNAP as full or partial payment.
- **Installments**. If the household cannot pay the claim in one lump sum, DIAL negotiates a payment schedule with the household. Payments are accepted in regular installments. Once negotiated, the amount to be repaid each month through installment payments remains unchanged, regardless of changes in the household's monthly allotment.

  When the household is currently getting benefits, monthly installment payments must be at least the amount that can be recovered through allotment reduction. The household may use SNAP as full or partial payment of any installment.

  Either DIAL or the household can initiate renegotiation of the payment schedule if the household's economic circumstances have changed enough to warrant it.

  If the household fails to make the full payment, DIAL sends the household a notice to inform the household that:

  - It may contact DIAL to discuss renegotiation of the payment schedule, and
  - If it does not either make the overdue payment or contact DIAL to renegotiate the payment schedule, its allotment may be reduced.
- **Allotment reductions**. If the household does not repay the full amount of the claim with a lump sum or negotiate a payment schedule, collection is made through reduction of the household's SNAP. Allotment reduction could reduce the amount of benefits that a one- or two-member household receives to zero.
  - For inadvertent household error claims and administrative error claims, the monthly allotment is reduced by 10%, or $10 per month, whichever is more.

- For intentional program violation claims, the potential monthly allotment is reduced by 20% or $20 per month, whichever is more. (The potential allotment is the amount the household would have received if the disqualified person had not been removed from the household.) This amount is then deducted from the amount of benefits the household will actually receive.

- Federal and state **income tax refund** offset.
- Federal and state **payments withholding**.
- Any other means available to DIAL.

Suspending or Terminating Collections

Legal reference: 7 CFR 273.18(e), (j), 498 IAC 65.21(3) and (4)

After collection action has been initiated, DIAL may decide to suspend collection action if:

- The household cannot be located, or
- The cost of further collection action is likely to exceed the amount that can be recovered.

After a claim has been in suspension for three years, DIAL may determine that the claim is uncollectible.

Collection action is also affected by a bankruptcy. Notify DIAL of any bankruptcy action by a household owing a SNAP claim. The Department acts through DIAL on behalf of the Food and Nutrition Service in any bankruptcy proceeding against households owing SNAP claims. Once court action has been taken and a bankruptcy judgment has been obtained, collection action beyond that ordered by the court is prohibited.

Effect of Changes in Household Composition

Legal reference: 7 CFR 273.18(f)

Collection action is initiated against any or all of the adult members of a household at the time an overissuance occurred. If a change in household composition occurs, collection action may be pursued against any household that includes a member who was an adult member of the household that received the overissuance.

NOTE: For inadvertent household or administrative error claims established before June 20, 1986, collection action is taken against the household containing a majority of the people who were household members when the error occurred.

If the household with the majority of household members cannot be determined or located, collection action is taken against the household containing the person who was the head of the household at the time of the overissuance.

For households with IPV claims established before June 20, 1986, collection action is initiated against the household containing a majority of the people who were household members when the IPV occurred. DIAL also has the option to initiate collection action against the household currently containing the person who committed the IPV.

If DIAL cannot determine or locate the household with the majority of household members and chooses not to initiate action against the person who committed the IPV, collection action is taken against the household containing the person who was the head of the household at the time of the overissuance.

Overpaid Claims

Legal reference: 7 CFR 273.18(i)(4)

If a household has overpaid a claim, the household must be repaid the amount of the overpayment as soon as possible after the overpayment becomes known. Department of Inspections, Appeals, and Licensing (DIAL) determines the method of repayment based on the household's circumstances. Contact DIAL before initiating any action to repay the client for an overpayment.

Interstate Claims Collection

Legal reference: 7 CFR 273.18(1)

When a household moves out of a state in which an overissuance occurs, the state agency that overissued the benefits has the first opportunity to collect the overissuance. If that state agency does not take prompt action to collect, the state to which the household moves should initiation action to collect the overissuance. Any allotment reduction on these claims is retained by the state that issues the reduced allotment.

Contact DIAL if you become aware that another state wants to collect on a claim established in Iowa or that another state wants to give Iowa the opportunity to collect on a claim established in that state. Also contact DIAL if you become aware that a client who now lives in Iowa owes a claim in another state, and no payments are being made.

Report of Stolen SNAP Benefits

Legal reference: H.R.2617 Title IV, Section 501 — 117th Congress (2021-2022) and H.R.9747 – 118th Congress (2023-2024)

Policy: Specific types of fraudulent practices that result in a household having their SNAP benefits stolen may be eligible for replacement.

These fraudulent practices include, but are not limited to:

- Cloning: The creation of an unauthorized copy of a card.
- Skimming: A device is installed to see and collect card information, including the card number and PIN.
- Phishing: The fraudulent practice of texting or emailing claiming to be from a known company (HHS or the EBT Customer Service Center) to convince someone to reveal their personal information, such as their EBT card number or PIN.

NOTE: These policies don't apply to SNAP benefits that were taken because:

- their physical EBT card was lost or stolen, or
- they let someone use their card, or card number, and they spent more than they should have or purchased items not for the household.

In these instances, see Replacement of Food When an EBT Card is Lost or Stolen.

Households must report that their SNAP benefits were stolen within 10 days of the date they discover their benefits were stolen. After reporting the loss, a household member or household's authorized representative has 30 calendar days to sign and return form 470-5771, *Report of Stolen SNAP Benefits*. When the 30th day falls on a weekend or holiday, the signed form must be received by the next working day. If the client fails to report the stolen benefits within 10 days of discovery or if form is returned after the 30th day, the request will be denied as untimely.

The household must attest to their benefit loss on form 470-5771, *Report of Stolen SNAP Benefits*. Review the information provided by the client and validate the claim which can be done through various methods, including but not limited to: comparing the client's self-attested information to EPPIC transactions, retailer or news media reports of identified skimming devices, etc.

Replacement benefits must be received by the household within 10 calendar days of the report of loss or within 10 calendar days of receiving the completed form, whichever date is later. The amount of replaced benefits cannot be more than the lesser of the amount of benefits stolen or the amount equal to two months of allotment immediately prior to the date the benefits were stolen. P-EBT benefits cannot be replaced.

Benefits can only be replaced if the fraud occurred between **October 1, 2022 and December 20, 2024**. A household can only have benefits replaced due to fraud **two times per federal fiscal year (FFY)**. The FFYs stolen benefits can be replaced are **October 1, 2022-September 30, 2023** and **October 1, 2023-December 20, 2024**.

Procedure: When a household reports they had SNAP benefits stolen by fraudulent practices:

1. Have they replaced their EBT card and changed their PIN yet? If not, let them know why that's important and issue them a new EBT card.
2. Send form 470-5771, *Report of Stolen SNAP Benefits* to the household for completion. Before sending the form, complete as much as possible in the "HHS Use Only" section, but do not make a decision on the replacement until the signed form is returned.
3. After the signed form is returned:
    a. Determine if the report is timely. Households must report the loss within 10 calendar days of the date they discovered their benefits were stolen. (The household has until the next workday when the 10th day falls on a weekend or legal holiday.)
        i. If the report wasn't made within 10 calendar days, deny the request. Complete the *HHS Use Only* section of the form and include the reason for the denial. Upload the completed form in the casefile, document in WISE, and mail the client a copy of the denial NOD. Email your EDM a copy of the completed *Report of Stolen SNAP* Benefits form to notify them of the denial for tracking purposes.
        ii. If the report was made timely, continue to the next step.
    b. Check WISE, ISSV, and the Stolen Benefits Replacement Requests spreadsheet to see if the client has already received replacement benefits due to fraud during the FFY.
        i. If the client has already received replacement benefits due to fraud twice in the FFY, deny the request. Complete the *HHS Use Only* section of the form and include the reason for the denial. Upload the completed form in the casefile, document in WISE, and mail the client a copy of the denial NOD. Email your EDM a copy of the completed *Report of Stolen SNAP* Benefits form to notify them of the denial for tracking purposes.
        ii. If the client has not already received two replacements in the FFY due to fraud, continue to the next step.
    c. Check ISSV to verify the amount of SNAP benefits issued in the months immediately prior to the date the benefits were stolen.
    d. Review the information provided by the client to determine if they meet the requirements to have their stolen benefits replaced. Document the source used to validate the claim. The claim validation can be done through various methods, including but not limited to: comparing the client's self-attested information to the EPPIC transactions, retailer or news media reports of identified skimming devices, etc.
    e. Complete the rest of the HHS Use Only section of the form.
    f. Send the completed *Report of Stolen SNAP Benefits* form to your EDM so they can review your recommendation and make a decision. The EDM or supervisor will track the case information on the Stolen Benefits Replacement Requests spreadsheet.

4. When a replacement is approved: Enter an authorization on the ABC TD06 screen to replace the appropriate amount of SNAP.
   - Use a C code in the IMM/CAN field and an E in the LOC/TYPE field.
   - Issue the replacement for the benefit month the loss was for.
   - Issue whole dollar amounts only, rounding up to the nearest dollar if needed. There must be an existing SNAP issuance for that month, and the replacement amount cannot exceed the total SNAP amount for that month.
5. Catalog the completed *Report of Stolen SNAP Benefits* form in WISE and document the replacement in the narrative. Mail the client a copy of the NOD.

EXAMPLE: Dorothy is active on SNAP benefits. On June 17, 2023, she received a text message from someone claiming to work for HHS asking for her EBT card and PIN. Dorothy clicked on the link and provided the information. She realized later that day that it was a scam. When she checked her EBT card balance, she noticed all remaining SNAP benefits in her account ($100) were used in another state. She reported the loss that day to HHS. Dorothy returned the completed *Report of Stolen SNAP Benefits* form timely.

After submitting the approval recommendation to their EDM, the worker proceeds with replacing her benefits. Dorothy's SNAP allotment was $20/month. The amount of replaced benefits cannot be more than the lesser of the amount of benefits stolen or the amount equal to two months of allotment immediately prior to the date the benefits were stolen. Therefore, Dorothy is only entitled to receive a replacement of $40.

Request for Replacement of SNAP

Legal reference: 7 CFR 274.6(f)(5)(iv)

Replacement of Food When an EBT Card is Lost or Stolen

Policy: A SNAP household's EBT card must be deactivated immediately upon receipt of the household's report that its EBT card was lost or stolen. If a lost or stolen EBT card is not immediately deactivated upon receipt of the report, and the household reported its loss or theft to:

- EBT customer service, the EBT service provider, Conduent, is responsible to replace benefits used after the household's report.
- The Department of Health and Human Services (HHS), the Department is responsible to replace benefits used after the household's report.

The Department is prohibited from replacing SNAP benefits used from an EBT account before the household reported a lost or stolen EBT card.

Procedure: Do not replace SNAP benefits that a household claims were used without its permission. Send the details of this type of complaint to the SPIRS Help Desk. Central office will research it. If it is appropriate, central office will tell you to make a replacement and the amount to replace.

Benefits used after the card is reported as lost or stolen can be replaced. Therefore, it is important to immediately deactivate a lost or stolen EBT card in EPPIC™.

A report of a lost or stolen EBT card left on voice mail or by email is considered received when the message is retrieved. The household is responsible for loss of benefits used up to the time the Department actually retrieves a message. Document when the message was left and when retrieved.

Comment: Conduent is Iowa's electronic benefits transfer service provider. EBT customer service is available to all households 24 hours a day, 7 days a week.

All SNAP households are provided with the EBT customer service phone number at the time the card is issued. That number is also on the back of the card.

Replacement of Food Destroyed in a Household Misfortune

Legal reference: 7 CFR 274.6

A household misfortune may cause a household's food to be destroyed. Examples of household misfortunes are fire, flood, tornado, power outage, accident, or other similar events. The disaster could affect only that household or any number of households.

When the client reports that food purchased with SNAP was destroyed in a household misfortune, issue a replacement unless:

- The household failed to report the loss within 10 days of the date the household discovered their food loss, or
- The household was issued an allotment under special FNS-approved disaster-issuance procedures in the same month as the replacement request.
- The loss is questionable.

Determine if the amount of the loss is reasonable in relation to the nature of the loss. A power outage will generally only spoil refrigerated and frozen foods. Water damage or fire can spoil all types of food.

Households must report the loss of food within 10 days of the date the household discovered their food loss and verify the loss. After reporting the loss, a household member or the household's authorized representative has 10 days to sign and return form 470-2920, *Request for Replacement of Spoiled Food*. When the 10th day falls on a weekend or holiday, the signed form must be received by the next working day.

The food that was destroyed did not have to have been purchased out of the current month's SNAP to be eligible for a replacement.

When processing a *Request for Replacement of Spoiled Food*, 470-2920, be sure you do not issue a replacement of benefits for a month in which a replacement has already been issued. Exception: If the client contacts you with another loss or to report additional losses for the same month, another replacement may be issued as long as the total allotment for one month is not exceeded. Document all actions clearly in the case narrative.

Replacement issuances must be provided to households within 10 days of report of loss or within two working days of receiving the signed household statement, whichever date is later. If the household takes the full amount of days to provide the statement, issue the replacement within two days.

The amount replaced cannot exceed the household's monthly allotment at the time the misfortune occurred, plus any lost benefits issued to the household during that month. In addition, the replacement cannot exceed the amount they claim to have lost, if it is less than the full allotment.

NOTE: A household is not eligible for replacement benefits that are approved after the date of loss.

EXAMPLE: The household completed a SNAP application on 08/02/2021 and the interview was held on 08/03/2021. The household experienced a power outage on 08/04/2021 and lost all of their food. The SNAP application was not approved until 08/16/2021. The household was not entitled to replacement benefits for 08/2021 benefits because they had not received SNAP benefits prior to their loss. The food that they lost was not food purchased with their 08/2021 SNAP benefits.

When a household reports that food was destroyed in a household misfortune:

1. Send form 470-2920, *Request for Replacement of Spoiled Food* to the household for signature. Before sending, complete as much as possible in the "HHS Use Only" section, but do not make a decision on the replacement until the signed form is returned. The case number should be complete and accurate. Document the source used to verify the cause of the food loss. Verification may include a collateral contact, website, news source or documentation from a community agency, such as the fire department or the Red Cross.

2. Check ISSV to verify the amount of SNAP issued for the month in which the loss occurred.
3. Before sending the form for completion and signature, determine whether the client reported the loss within 10 calendar days of the date the household discovered the loss. (The household has until the next workday when the 10th day falls on a weekend or legal holiday.)
4. If a replacement issuance is approved, enter an authorization on the ABC TD06 screen to replace the appropriate amount of SNAP. Use the appropriate code of N in the IMM/CAN field. Issue the replacement for the benefit month the loss was for. Issue whole dollar amounts only, rounding up to the nearest dollar if needed.
5. File the completed *Request for Replacement of Spoiled Food* in the case record and document the replacement in the narrative.

SNAP Benefits Returned to HHS

Legal reference: 7CFR 274.7(f) and 274.7(g)

Policy: Unused benefits in the SNAP EBT account may be returned when:

- The household no longer wants the benefits.
- The household is a one-person household, and the person is deceased.
- The owner or the whereabouts of the owner is unknown.
- The household is using the benefits to repay a claim.

NOTE: Central Office will apply benefits that would otherwise be expunged to existing claims.

Procedure: If the benefits are being returned because the household no longer wants them or because of a death, check first to see if a claim exists against the household to which the benefits can be applied. Process the return as a claim repayment. Benefits returned in excess of the claim amount should be processed as returned benefits.

Fill out form 470-2574, *EBT Adjustment Request*, to document the return. See 6-Appendix for instructions.

For benefits returned for reasons other than repayment of a claim, make an entry to the ABC system as instructed in 14-B(5), *Recording Returned SNAP* and 14-B-Appendix. Do **not** make an entry for a claim repayment.

When accepting benefits returned as payment on a claim, fill out form 470-0010, *Adjustment to Overpayment Balance*. Send forms 470-0010 and 470-2574 (original) to:

HHS Bureau of Payments and Receipts
HHS Cashier, 6th floor
321 E. 12th St
Des Moines, IA 50319

SNAP Specific Households and Participants

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Overview

This chapter is designed to contain policies that differ from standard SNAP policies. These policies apply only to specific types of households as detailed in this chapter, those containing:

- **Aliens (people who are not United States citizens)**
- **Able-bodied adults without dependents (ABAWDs)**
- **Boarders and commercial boarding houses**
- **Corporations**
- **Fleeing felons and parole and probation violators**
- **Homeless people**
- **Ineligible household members**
- **Migrant or seasonal farm workers**
- **Self-employed people**
- **Self-employed farmers**
- **Students**

The remaining chapters of this manual contain the standard SNAP policies. Use the standard SNAP policies to handle circumstances for **all** households **except** as specifically detailed in this chapter.

Households with Alien Members

Legal reference: 7 CFR 273.2(f)(1)(ii), 273.11

Households with alien members are processed differently. To receive SNAP benefits, an alien must be an “eligible alien.” See **Who Is an Eligible Alien** to determine if an alien is an eligible alien.

Even though ineligible aliens cannot receive SNAP benefits, they do affect the eligibility and benefit level of eligible household members. See **Ineligible Aliens** for more information.

The following sections explain:

- **Definitions of terms used in alien policies**
- **Who Is an Eligible Alien**
- **Alien Status Verification Requirements**
- **How to treat aliens who have sponsors**

Definitions

Legal reference: 7 CFR part 273

"Affidavit of support" is a document used to legally obligate one or more people to financially support an alien who immigrates to the U.S.

"Alien" means any person who is not classified as a United States citizen.

"Date of entry" or **"date of admission"** means the date established by the U.S. Citizenship and Immigration Services as the date the alien was admitted for permanent residence.

"Eligible alien" means an alien who has a specific immigration status and who meets criteria set under law for participation in the SNAP program. The term "eligible alien," as used by the SNAP program, pertains only to eligibility for participation in the SNAP program. It does not relate to an alien's legal right to be in the United States.

"Five-Year bar" refers to the five-year period Legal Permanent Residents (LPRs) must wait before they can receive federal means-tested public benefits, unless they are exempt. SNAP is a federal means-tested public benefit.

"Immigrant" means any alien in the United States, except one legally admitted under specific nonimmigrant categories.

"Nonimmigrant" means an alien who seeks temporary entry to the United States for a specific purpose. The alien has a permanent residence abroad and is in the U.S. for a purpose other than to make the U.S. a permanent home. Nonimmigrants include:

- Foreign government officials
- Visitors for business and for pleasure
- Aliens in transit through the United States
- Treaty traders and investors
- Students
- International representatives
- Temporary workers and trainees
- Representatives of foreign information media
- Exchange visitors
- People engaged to be married to U.S. citizens
- Intracompany transferees
- NATO officials
- Religious workers

Most nonimmigrants can be accompanied or joined by spouses and unmarried minor (or dependent) children.

"Immigration and Naturalization Service (INS)" means the former Immigration and Naturalization Service of the U.S. Department of Justice. The U.S. Citizenship and Immigration Services (USCIS) in the U.S. Department of Homeland Security has assumed the duties previously done by the INS.

"Immigration status" and **"alien status"** mean the same thing for SNAP.

"Ineligible alien" means an alien who does not have an immigration status or meet some other criterion that allows the alien to participate in SNAP. The term "ineligible alien" includes legal aliens who do not meet criteria under SNAP policy as well as undocumented aliens.

"Lawfully residing" means lawfully present and maintaining a principal residence in the U.S.

"Legal permanent resident (LPR)" means an alien admitted to the United States as a lawful permanent resident.

Lawful permanent residents can legally live permanently in the United States. They may be issued immigrant visas by the Department of State overseas or be adjusted to permanent resident from another immigrant status.

"Means-tested program" means a program that uses income and resource guidelines to determine eligibility. SNAP, FIP, Medicaid, and SSI are examples of means-tested programs. Social Security and unemployment compensation are not means-tested programs.

"Naturalization" means the legal process through which a person who is not born a U.S. citizen becomes a citizen.

"Systematic Alien Verification for Entitlements (SAVE)" means the U.S. Citizenship and Immigration Services verification system HHS must use to verify the validity of documents provided by aliens applying for SNAP benefits.

"Sponsor" means a person who signed an **Affidavit of Support, Form I-864**, or similar agreement on behalf of an alien as a condition of the alien's entry or admission into the United States as a permanent resident.

"Sponsored alien" means aliens lawfully admitted for permanent residence into the United States under the condition they have a person who signs an affidavit of support to guarantee financial support of the alien.

"U.S. citizen" means a person born (other than born to foreign diplomats) in one of the 50 states, the District of Columbia, Puerto Rico (on January 13, 1941, or later), Guam, the U.S. Virgin Islands (on January 17, 1917, or later), or the Northern Mariana Islands and people who have become citizens through the naturalization process.

Children born outside of the United States or its territories can also be U.S. citizens if at least one of their parents is a citizen (the law in effect at the time of birth determines if a person born outside of the U.S. is a citizen at birth). This is known as acquired or derivative citizenship.

"U.S. Citizenship and Immigration Services (USCIS)" means the U.S. Citizenship and Immigration Services of the Department of Homeland Security.

"Non-Citizen U.S. national" means a person who, though not a citizen of the United States, owes permanent allegiance to the United States. Only a relatively small number of persons acquire U.S. nationality without becoming U.S. citizens. The most common groups of non-citizen nationals are people born in certain U.S. territories, primarily American Samoa or Swains Island.

Who Is an Eligible Alien

Legal reference: 7 U.S.C. §2015(f); 8 U.S.C. §§1612, 1613

The only aliens who are "eligible aliens" for SNAP are listed under **Eligible Aliens**. Any alien who fails to meet a SNAP program requirement to be an "eligible alien" is an "ineligible alien." This is true whether they are legally present in the U.S. or not. See **Ineligible Aliens** for more information.

Eligible alien status must be verified at every application, every review, and every request to add an eligible alien to an existing household, even if the individual's status was previously verified. See **Alien Status Verification Requirements**.

An eligible alien may be a sponsored alien. After determining if someone is an eligible alien, make sure to identify if they have a sponsor. For more information, see **Sponsored Aliens**.

Eligible Aliens

The following four alien categories are eligible aliens for SNAP:

1. U.S. non-citizen nationals. Most non-citizen nationals are persons born in American Samoa or Swains Island.
2. A Cuban or Haitian entrant under 501(e) of Refugee Education Assistance Act (REAA).
3. Citizens of nations under Compact of Free Association Agreements (COFA) (Palau, Micronesia, and the Marshall Islands), effective March 9, 2024, regardless of their date of entry.
4. Legal Permanent Residents (LPRs) who have held that status for five years, or LPRs who are not subject to the five-year bar. See **The Five-Year Bar and Exemptions.**

An alien who isn't in one of the four eligible alien categories listed above is an ineligible alien for SNAP.

Ineligible Aliens

Legal reference: 7 CFR 273.4, 273.2, 273.11(c)

Aliens not specifically listed under **Eligible Aliens** are "ineligible aliens" for SNAP. Ineligible aliens cannot receive SNAP.

The income and resources of ineligible aliens are counted differently when determining eligibility and benefits for eligible household members. The immigration status of an ineligible alien will determine how the individual's income and the household's deductible expenses are handled. Ineligible aliens are divided into two categories: Specified Ineligible Aliens (SIA) and Non-Specified Ineligible Aliens (NSIA).

1. Specified Ineligible Aliens (SIA) are SNAP ineligible aliens who:
    a. Are Legal Permanent Residents (LPRs)
    b. Are Asylees (granted asylum under section 208 of the INA)
    c. Are Refugees (admitted as a refugee under 207 of the INA)
    d. Are Parolees (granted parole in accordance with section 212(d)(5) of the INA)
    e. Have had their deportation or removal withheld in accordance with section 243 of the INA
2. Non-Specified Ineligible Aliens (NSIA) are SNAP ineligible aliens who:
    a. Have no immigration status, or
    b. Have an immigration status not listed in A-E above, or
    c. Have failed to verify having a status listed in A-E above

Specified Ineligible Aliens must verify their immigration status. When it's necessary to verify a Specified Ineligible Alien's status, follow the procedure in **Alien Status Verification Requirements**.

For more information about how ineligible aliens affect eligible household members, see **Ineligible Household Members: Resources of Ineligible Household Members** and **Income and Deductions of Ineligible Household Members** in this chapter. Also, see **7-C, Ineligible Members**.

Alien Status Verification Requirements

Legal reference: 7 CFR 272.11, 273.2(f)(1)(ii); 8 USC §§1611, 1612, 1613

An individual's eligible alien status must be verified prior to approving them for SNAP. This means eligible alien status must be verified at every application, every review, and every request to add an eligible alien to an existing household, even if the individual's status was previously verified.

Additionally, Specified Ineligible Alien (SIA) status must be verified at every application, every review, and every request to add a SIA to an existing household, even if the individual's status was previously verified.

Alien status verification is a 2-step process.

Step 1: Obtain verification

An alien claiming to hold an eligible status for SNAP must provide acceptable documentation which verifies they have one of the four eligible alien statuses described under **Who Is an Eligible Alien**, if not already on file. Additionally, Specified Ineligible Aliens (SIA) must verify they hold a SIA status to be considered a SIA. See **Requesting Acceptable Documentation of Eligible Alien Status**

Do not request or otherwise attempt to verify the immigration status of any alien who has not claimed to be either a SNAP eligible alien or a Specified Ineligible Alien.

NOTE: LPRs claiming to be exempt from the five-year bar may also need to provide documentation proving their exemption if the documentation they provide or HHS has on file to verify their alien status, does not do so. See **The Five-Year Bar and Exemptions**

Step 2: Validate Documentation through SAVE

The eligible status of an alien applying for SNAP benefits and the ineligible status of a Specified Ineligible Alien household member must be verified by using the Systematic Alien Verification for Entitlements (SAVE) system after acceptable documentation is received. See **Using Systematic Alien Verification for Entitlements (SAVE)**.

Requesting Acceptable Documentation of Alien Status

Policy: All aliens claiming to have either an eligible alien status for SNAP or a Specified Ineligible Alien status must provide acceptable documentation of their status. See **Types of Acceptable Documentation of Eligible Alien Status**.

Procedure: When it's necessary to send a request for information for verification of alien status, give the household 10 days to provide documentation of the status:

When Requesting Acceptable Documentation of Eligible Alien Status:

- If the 10-day period ends on or before the 30th day after the date of application and documentation is not provided, deny benefits for the **alien**. Consider the alien to be an ineligible alien. See Note below.
- If the 10-day period ends **after** the 30th day following the date of application and the household is otherwise eligible, assume the alien is an eligible alien and issue benefits no later than 30 days after the date of application. If you do not receive documentation by the due date, cancel the alien for the following month. Consider the alien to be an ineligible alien from that point forward. See Note below.

Until acceptable documentation is provided, a non-citizen is ineligible for SNAP benefits unless:

- SAVE verification has been requested, but the response has been delayed because SAVE has requested additional verification. While waiting for the SAVE response, an individual's SNAP eligibility cannot be denied, delayed, reduced or terminated due to immigration status; or
- The applicant provides documentation that SSA is conducting an investigation to determine if more quarters of work coverage can be credited. In this situation, you must certify the individual pending the results of the investigation for up to six months from the date of original determination of insufficient quarters; or
- The applicant or HHS submitted a request to a Federal agency (other than USCIS) for verification of information applicable to their immigration status. In this situation, you must certify the individual pending the results of the investigation for up to six months from the date of original request for verification.

When an individual claims an "eligible alien" status but does not have documentation, tell them to contact the local USCIS office for help getting the documents. They are considered an ineligible alien for SNAP benefits until the documentation is provided. See **Ineligible Aliens** for more information.

NOTE: Eligible household members cannot be denied SNAP benefits because another member claims to be present in the United States illegally or claims not to have documentation. See the policy **Ineligible Household Members** for information

on how to consider the relationship of ineligible aliens to other members of their household. Also, see **7-C, Ineligible Members**.

When Requesting Acceptable Documentation of Specified Ineligible Alien Status

- If the 10-day period ends on or before the 30th day after the date of application and documentation is not provided, consider the alien to be a Non-Specified Ineligible Alien and apply proration policies accordingly.
- If the 10-day period ends **after** the 30th day following the date of application and the household is otherwise eligible, assume the alien is a Specified Ineligible Alien and issue benefits no later than 30 days after the date of application. If you do not receive documentation by the due date, consider the alien to be a Non-Specified Ineligible Alien, and recalculate benefits for the following month following proration policies for Non-Specified Ineligible Aliens.

When an individual claims a Specified Ineligible Alien status but does not have documentation, tell them to contact the local USCIS office for help getting the documents. They are considered a Non-Specified Ineligible Alien for SNAP benefits until the documentation is provided.

Types of Acceptable Documentation of Alien Status

Non-citizens who are lawfully present in the U.S. typically have documents issued by USCIS which contain information about their immigration status and the date they entered the country or adjusted to the status shown on the card. However, acceptable documentation may also be issued by other federal agencies such as the U.S. Department of State, ORR, the Bureau of Indian Affairs, or a court.

Some eligible applicants may not have documents issued by USCIS, and in some cases the date of entry or adjustment may not be necessary or required. Most non-citizens will provide documentation from USCIS.

Acceptable verification of alien status is

1. Unexpired (if there is an expiration date) and,
2. Contains sufficient information for the required SAVE verification including Name, Alien Registration (A-Number) or Admission (I-94) Number, or other items that prove their current USCIS status.

Forms of acceptable documentation of eligible alien status includes but is not limited to:

- An unexpired USCIS document, i.e. LPR card or I-94
- Foreign passports with unexpired DHS visa stamps proving reported status
- Court orders or letters of approval (which may or may not include expiration dates)

Cuban/Haitian Entrants (CHE)

Many Cuban/Haitian Entrants **will not have** an unexpired document proving their **immigration** status. “Cuban/Haitian Entrant” is not an immigration status; it’s a designation which relates to eligibility for federal benefits.

Accept expired documents proving the CHE designation if the document contains sufficient information for SAVE verification.

Alien Documentation Chart

When an alien provides immigration documentation, check the following documentation chart to see if the person is an eligible alien. While the chart lists several types of documentation that can be used to verify alien status, it should be used for general guidance only. It’s impossible to include every type of alien document that exists, or to identify when a form may be revised and looks slightly different than the previous version.

Status of Alien	Acceptable Documentation of Alien Status
U.S. non-citizen nationals	A U.S. passport endorsed with United States National **Or** Certificate of Non-Citizen Nationality (very rare)
A Cuban or Haitian entrant under 501(e) of Refugee Education Assistance Act (REAA). (Also includes Haitians in the Haitian Family Reunification Parole Program and entrants under the Western Hemisphere Parole (WHP) COA)	**Form I-551, Permanent Resident Card**, coded CU6, CU7, CH6, or WHP. **Or** Unexpired “Temporary I-551 stamp” in a foreign passport coded CU6, CU7, CH6, or WHP. **Or** **Form I-94, Arrival/Departure Record**, with a stamp showing parole as “Cuban/Haitian Entrant” under section 212(d)(5) of the INA.

Status of Alien	Acceptable Documentation of Alien Status
A Cuban or Haitian entrant under 501(e) of Refugee Education Assistance Act (REAA). (Also includes Haitians in the Haitian Family Reunification Parole Program and entrants under the Western Hemisphere Parole (WHP) COA) (Cont.)	NOTE: If the client provides an **I-862 Notice to Appear** or an **I-220A Order of Release on Recognizance** and the notice shows that the client is a Cuban or Haitian national, the **I-862** or **I-220A** would be sufficient documentation to verify the client's eligible alien status under 501(e) of the Refugee Education Assistance Act (REAA). If the **I-862** or **I-220A** does not show that the client is a Cuban or Haitian national they would also need to provide proof of Cuban or Haitian nationality. Examples of this verification include: ▪ Current or expired passport from Cuba or Haiti. ▪ Any document or returned data from DHS that confirms nationality. ▪ Any authoritative document showing proof of applicant or member's nationality.
Citizens of nations under Compact of Free Association Agreements (COFA) (Palau, Micronesia, and the Marshall Islands), effective March 9, 2024, regardless of their date of entry.	**Form I-94** or **Form I-94A, Class of Admission** typically will state: ▪ "CFA/FSM" (Compact of Free Association/Federated States of Micronesia) for FSM citizens; or ▪ 'CFA/MIS" (Compact of Free Association/ Republic of the Marshall Islands) for RMI citizens. **Or** **Form I-766, Employment Authorization** **Or** **Form I-797, Notice of Action Receipt**
Legal Permanent Residents (LPRs) who have held that status for 5 years, or LPRs who are not subject to the five-year bar. See: **The Five-Year Bar and Exemptions**	**Form I-551, Permanent Resident Card** **Or** Unexpired "Temporary I-551 stamp" on **Form I-94, Arrival/Departure Record** or in a foreign passport or other travel document.

The Five-Year Bar and Exemptions

Legal reference: 8 U.S.C. §§1612, 1613

Unless exempt, Lawful Permanent Residents (LPRs) are barred from receiving federal means-tested public benefits for a period of five years after lawful permanent resident status is obtained.

LPRs who have not been LPRs for at least five years and who don't meet any other exemption from the five-year bar are ineligible aliens for SNAP.

The following LPRs are exempt from the five-year bar:

- LPRs under age 18, regardless of their date of entry
- LPRs who are blind or disabled. LPRs who are blind or disabled as described in **7-A, Definitions: Disabled Member**, are immediately eligible for SNAP, regardless of when they became disabled or their date of entry
- LPRs who have, or can be credited with, 40 qualifying quarters of coverage under Title II of the Social Security Act or who have sufficient earnings through non-covered employment. See **Establishing Qualifying Quarters**
- LPRs who are exempt from the five-year bar because of how they entered the United States. See table below.

Note: Because many five-year bar exemptions are based on immigration actions that happened in the past, LPR documentation proving they are exempt from the five-year bar may be expired. Accept expired documents if they contain sufficient information for SAVE verification.

When an alien provides immigration documentation, check the following chart to see if the person is an eligible alien. While the chart lists several types of documentation that can be used to verify alien status, it should be used for general guidance only. It's not possible to include every type of alien documents that exist, or to identify when a form may be revised and looks slightly different than the previous version.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Amerasians	An LPR who was admitted to the U.S. as an Amerasian immigrant under 584 of Foreign Operations, Export Financing and Related Program Appropriations Act is exempt from the five-year bar. These individuals are children fathered by a U.S. citizen in certain Southeast Asian countries during the years of U.S. conflict in that region, as well qualifying members of their family (children, spouses, mothers).	**Form I-551, Permanent Resident Card** coded AM1 through AM8. **Or** Unexpired temporary I-551 stamp on **Form I-94, Arrival/Departure Receipt Card**, or in a foreign passport coded AM1 through AM8.
Afghan Humanitarian Parolees	An LPR who was admitted to the U.S. as an Afghan humanitarian parolee between July 31, 2021, and September 30th, 2023, is not subject to the five-year bar. These individuals were brought to the U.S. for their own safety under the provisions of the Operation Allies Welcome program.	**Form I-94** noting Humanitarian Parole (per INA section 212(d)(5)(A) or "PAR" **Or** Foreign passport with DHS/CBP admission stamp noting Operation Allies Refuge or "OAR" **Or** Foreign passport with DHS/CBP admission stamp noting Operation Allies Welcome or "OAW" **Or** Foreign passport with DHS/CBP admission stamp noting "DT"

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Afghan Special Immigrant	An LPR who entered the U.S. as an Afghan special immigrant is not subject to the five-year bar, nor are their dependents admitted as LPRs under the Afghan Allies Protection Act of 2009 or other applicable law regarding special immigrants.	Afghani passport with an immigrant visa stamp noting that the person has been admitted under IV (immigrant visa) category SI1 or SQ1, SI2 or SQ2, SI3 or SQ3. Form I-551 showing Afghani nationality (or Afghani passport), with an IV (immigrant visa) code of SI6 or SQ6, SI7 or SQ7, SI9 or SQ9.
Afghan Special Immigrant (SI) Conditional Permanent Residents (CPRs)	An LPR who was admitted to the U.S. as an Afghan Special Immigrant Conditional Permanent Resident (CPRs) is a person who was granted lawful permanent resident status on a conditional basis, typically for two years, and is not subject to the five-year bar. In addition to the principal parolee, these provisions apply to the following family members: spouses, children, and parents and legal guardians of individuals who were unaccompanied minors.	Foreign passport with DHS/CBP admission stamp noting that the individual has been classified under IV (immigrant visa) Category CQ1, CQ2,CQ3, SQ1, SQ2, SQ3, SW1, SW2, SW3 (may also be SQ6, SQ7, or SQ8 if applicant obtained SI LPR status after arriving in United States **Or** DHS **Form I-551** (“green card”) with an IV (immigrant visa) code for category CQ1, CQ2 or CQ3, SQ1, SQ2, SQ3, SW1, SW2, SW3 (may also be SQ6, SQ7, or SQ8 if applicant obtained SI LPR status after arriving in United States **Or** DHS/CBP/USCIS temporary **Form I-551 Alien Documentation Identification and Telecommunication (ADIT) stamp**

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Afghan Special Immigrant Parolees	LPRs who entered the U.S. as Afghan Special Immigrant Parolees who were granted parole for at least one year are not subject to the five-year bar, regardless of date of entry. This also applies to spouses and children of these individuals.	Form I-94 noting SI or SQ Parole (per section 602(B)(1) AAPA/Sec 1059(a) NDAA 2006) USCIS states that Special Immigrant Parolees are expected to have a separate, printed page on Customs and Border Protection (CBP) letterhead with their Form I-94, Arrival Departure Record, information and the following notation, signed and dated by a USCIS officer: Special Immigrant Status (SQ/SI) Parolee Sec 602(b)(1) AAPA / Sec 1059(a) NDAA 2006 Date _____ USCIS officer: _____. As with other Iraqis and Afghans and their dependents admitted as Lawful Permanent Residents (LPRs) under the Afghan Allies Protection Act of 2009 or other applicable law regarding special immigrants, these special immigrant LPRs will generally have foreign passports with a Department of Homeland Security (DHS)/CBP stamp admitting them with an SQ1, SQ2, SQ3, SQ6, SQ7, or SQ8 Class of Admission (COA). However, some of the new Afghan special immigrant LPR arrivals may not have a physical immigrant visa in their passport and may not have a temporary Form I-551 stamp.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Afghan Special Immigrant Parolees (Cont.)	LPRs who entered the U.S. as Afghan Special Immigrant Parolees who were granted parole for at least one year are not subject to the five-year bar, regardless of date of entry. This also applies to spouses and children of these individuals.	USCIS is also issuing a Form I-551, Permanent Resident Card, to these special immigrant LPRs. In addition, regardless of the documentation presented, VLP/SAVE can provide an initial verification response of LPR for these special immigrant LPRs except those whose case involves something unusual that may require additional verification. SCIS is issuing these Special Immigrant Parolees a Form I766, Employment Authorization Document, with a C11 parolee category. For these individuals, VLP/SAVE can provide an initial verification response of Parolee with an SQ4 or SQ5 COA unless there is something unusual about the case that may require additional verification
Asylees	An LPR who was granted asylum under Section 208 of the INA prior to their adjustment to LPR status is not subject to the five-year bar.	**Form I-94, Arrival/Departure Receipt Card**, annotated with a stamp showing grant or asylum under section 208 of the INA. **Or** Order of an immigration judge granting asylum. **Or** A grant letter from the Asylum Office of the USCIS. **Form I-66B, Employment Authorization Card**, annotated with "274a.12(a)(5)."

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Canadian-born American Indians	An LPR who is a Canadian-born American Indian with treaty rights to cross the United States borders with Canada and Mexico is not subject to the five-year bar. There's an extensive list of these tribes. Contact HHS Central Office if you question if a tribe is included.	**Form I-551, Permanent Resident Card**, coded S13. **Or** I-551 stamp in a Canadian passport coded S13. **Or** Form I-94, Arrival/Departure Record, coded S13. **Or** Proof of tribal membership or a tribal document showing the person has at least 50% American Indian blood. Proof of membership can be a tribal membership card, other tribal documents showing membership, or collateral contact with the tribe's government.
COFA Migrants	An LPR who is a citizen of nations under Compact of Free Association Agreements (COFA) (Palau, Micronesia, and the Marshall Islands) is eligible for SNAP benefits effective March 9, 2024, regardless of their date of entry. COFA migrants are eligible for SNAP before adjustment to LPR status and are not subject to the five-year bar after adjustment to LPR status.	**Form I-94** or **Form I-94A, Class of Admission** typically will state: ▪ "CFA/FSM" (Compact of Free Association/Federated States of Micronesia) for FSM citizens; or ▪ 'CFA/MIS" (Compact of Free Association/ Republic of the Marshall Islands) for RMI citizens.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Cuban or Haitian Entrants (CHE)	An LPR who entered the U.S. as a Cuban or Haitian entrant under 501(e) of the Refugee Education Assistance Act (REAA). Cuban and Haitian Entrants are eligible for SNAP. They don't have to have LPR status and aren't subject to the five-year bar after they get LPR status.	**Form I-551, Permanent Resident Card**, coded CU6, CU7, or CH6. Unexpired "Temporary I-551 stamp" in a foreign passport coded CU6, CU7, or CH6. **Form I-94, Arrival/Departure Record**, with a stamp showing parole as "Cuban/Haitian Entrant" under section 212(d)(5) of the INA. NOTE: If the client provides an **I-862 Notice to Appear** or an **I-220A Order of Release on Recognizance** and the notice shows that the client is a Cuban or Haitian national, the I-862 or I-220A would be sufficient documentation to verify the client's eligible alien status under 501(e) of the Refugee Education Assistance Act (REAA). If the I-862 or I-220A does not show that the client is a Cuban or Haitian national they would also need to provide proof of Cuban or Haitian nationality. Examples of this verification include: ▪ Current or expired passport from Cuba or Haiti. ▪ Any document or returned data from DHS that confirms nationality. ▪ Any authoritative document showing proof of applicant or member's nationality.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Hmong or Highland Laotian tribe members	An LPR who was a member of a Hmong or Highland Laotian tribe when the tribe helped United States personnel (during the period of August 5, 1964, through May 7, 1975) is not subject to the five-year bar after. This eligibility also extends to the spouses, unremarried surviving spouses, unmarried dependent children under the age of 18 (or under age 22 if a full-time student), unmarried children under age 18 (or under age 22 if a full-time student), who was dependent on the tribal member at the time of the member's death, unmarried disabled children of any age who was disabled before age 18 and was dependent on the tribal member when the child turned age 18.	Documentation showing the person is legally present in the U.S. USCIS documents do not provide identification that shows a person is Hmong or Highland Laotian. Many are admitted as refugees and have documentation coded as a refugee. Attestation to being Hmong or Highland Laotian is sufficient to prove this status. Ask for verification only if it is questionable that the person is Hmong or Highland Laotian.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Iraqi Special Immigrant Visa Holders (SIV)	An LPR who entered the U.S. as an Iraqi Special Immigrant is not subject to the five-year bar. The SIV process is available to Iraqi employees and contractors who were employed by or on behalf of the U.S. government in Iraq on or after March 20, 2003, and prior to September 30, 2013, for a period of one year or more, and who have experienced or are experiencing an ongoing serious threat because of that employment.	Department of Homeland Security stamp or notation on a passport or **form I-94, Arrival/Departure Receipt Card**, showing date of entry and one of the following documents: ▪ Iraqi passport with an immigrant visa stamp noting that the person has been admitted under IV (immigrant visa) category SI1 or SQ1, SI2 or SQ2, SI3 or SQ3. ▪ Form I-551 showing Iraqi nationality (or Iraqi passport), with an IV (immigrant visa) code of SI6 or SQ6, SI7 or SQ7, SI9 or SQ9.
Refugee	An LPR who was admitted under Section 207 of the Immigration and Nationality Act (INA) is not subject to the five-year bar after adjustment to LPR status.	**Form I-94, Arrival/Departure Record** showing entry under section 207 of the INA. **Or** **Form I-688B, Employment Authorization Card**, annotated with "274a.12(a)(3)." **Or** **Form I-766, Employment Authorization Card**, annotated with "A3." **Or** **Form I-571, Refugee Travel Document**. **Or** I-551 or USCIS documents with RE1, RE2, RE3, RE6, RE8, RE9, or RE86

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Ukrainian Humanitarian Parolee (UHP)	An LPR who entered the U.S. between February 24, 2022, and September 30, 2024, and was granted Ukrainian Humanitarian Parole (UHP) is not subject to the five-year bar after adjustment to LPR status. People granted UHP could be citizens or nationals of Ukraine, or someone who last habitually resided in Ukraine. These policies also apply (after their adjustment to LPR status) to the following family members of these individuals, even if they are granted parole after September 30, 2024: spouses, children, parents, legal guardians, and primary caregivers of such individuals who were unaccompanied minors.	**Form I-94** noting humanitarian parole (per INA section 212(d)(5) or 8 U.S.C. § 1182(d)(5)) **Or** Foreign passport with DHS/CBP admission stamp noting "DT" **Or** Foreign passport with DHS/CBP admission stamp noting Uniting for Ukraine or "U4U" **Or** Foreign passport with DHS/CBP admission stamp noting Ukrainian Humanitarian Parolee or "UHP" **Or** **Form I-765 Employment Authorization Document (EAD)** receipt notice with code C11 **Or** **Form I-766 Employment Authorization Document (EAD)** with the code C11 For those persons who last habitually resided in Ukraine, any one of the forms or stamps listed above for UHPs **and** Documentation of last habitual residence in Ukraine.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Ukrainian Humanitarian Parolee (UHP) (Cont.)	An LPR who entered the U.S. between February 24, 2022, and September 30, 2024, and was granted Ukrainian Humanitarian Parole (UHP) is not subject to the five-year bar after adjustment to LPR status. People granted UHP could be citizens or nationals of Ukraine, or someone who last habitually resided in Ukraine. These policies also apply (after their adjustment to LPR status) to the following family members of these individuals, even if they are granted parole after September 30, 2024: spouses, children, parents, legal guardians, and primary caregivers of such individuals who were unaccompanied minors.	Acceptable documentation indicating last habitual residency in Ukraine includes an original Ukrainian government-issued document, such as a current driver's license or identification card. These policies also apply to the following family members of these individuals, even if they are granted parole after September 30, 2024: spouses, children, parents, legal guardians, and primary caregivers of such individuals who were unaccompanied minors.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
U.S. Military Connections	LPRs who are active-duty personnel of the United States Armed Forces, their LPR spouses, and LPR dependent children aged 21 or under are not subject to the five-year bar. This includes the LPR spouses and LPR unmarried dependent children aged 21 or under of active-duty personnel who are United States citizens. LPRs who are veterans of the United States Armed Forces who were honorably discharged for reasons other than alienage are not subject to the five-year bar. This eligibility extends to their LPR spouses, LPR unremarried surviving spouses, unmarried LPR dependent children under the age of 18 (or under age 22 if a full-time student), unmarried LPR children under age 18 (or under age 22 if a full-time student), who was dependent on the veteran at the time of his or her death, unmarried LPR disabled child of any age who was disabled before age 18 and was dependent on the veteran when the child turned age 18.	Active duty: Original or notarized copy of the current orders showing the person is on full-time duty in the U.S. Army, Navy, Air Force, Marine Corps, Coast Guard, or Space Force, or a DD form 2 Military ID card (active-duty papers). Honorably discharged veteran: Original or notarized copy of form DD214 (discharge papers). NOTE: This verification is sufficient when the veteran or active-duty person is a U.S. citizen and the spouse or unmarried dependent children are aliens. It is also sufficient for the surviving spouse and unmarried dependent children of a deceased veteran.

LPRs Exempt from the Five-Year Bar	Description	Verification of Exempt Status Documentation Examples
Victims of Trafficking	An LPR who was certified by the U.S. Department of Health and Human Services as a person who has been subjected to a severe form of trafficking is not subject to the five-year bar. This extends to the LPR spouse, LPR child, LPR 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.	**Form I-797** indicating Derivative T visa annotated with T-1 **Or** **Form I-797a Derivative T visa** annotated with T-2, T-3, T-4, T-5 (family of victim of severe trafficking) **Or** Original certification letter from ORR
Withheld Deportation or Removal	An LPR whose deportation or removal was withheld under Section 243(h) or 241(b)(3) of the INA prior to their adjustment to LPR status is not subject to the five-year bar.	**Form I-688B, Employment Authorization Card**, annotated with "274a.12(a)(10)." **Or** **Form I-766, Employment Authorization Card**, annotated with "A10." **Or** Order of an immigration judge showing that deportation is withheld under Section 243(h) of the INA or under section 241(b)(3) of the INA.

Using SAVE (Systematic Alien Verification for Entitlements)

Legal reference: 7 CFR 272.11; Immigration Reform and Control Act of 1986 (IRCA), Section 121, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), and the Balanced Budget Act of 1997 (BBA). Iowa Code Section 239.6

Policy: The eligible status of every alien applying for SNAP benefits, and the status of every alien claiming to be a Specified Ineligible Alien must be verified through SAVE. SAVE must be used to verify the alien status of every individual claiming to have an eligible alien status or Specified Ineligible Alien status at every application, every review, and every request to add an eligible or Specified Ineligible Alien to an existing household, even if the individual's status was previously verified by SAVE.

Procedure: Acceptable documentation of alien status or Specified Ineligible Alien status must be on file prior to using SAVE to verify the person's current alien status. See **Alien Status Verification Requirements**.

Obtain acceptable documentation of alien status from every person claiming to have an eligible alien status or Specified Ineligible Alien status. When a person claims to have either status but does not have documentation, tell them to contact the local USCIS office for help getting the documents.

When the alien provides documentation that verifies they're exempt from the five-year bar, you must still use SAVE for verification of their status. SAVE will verify their immigration status, but it may not be able to provide definitive information about whether they're exempt from the five-year bar. If this happens, the documents the alien provided that verified they are exempt from the bar are sufficient verification.

Exceptions to Using SAVE Before Approving Benefits

When a household meets emergency service criteria, but they aren't able to provide acceptable documentation of eligible alien status in time to meet emergency processing timelines, postpone immigration status verification and assume the alien is an eligible alien for SNAP. See **7-B, Emergency Service**.

When a household meets emergency service criteria, but they aren't able to provide acceptable documentation of Specified Ineligible Alien status in time to meet emergency processing timelines, postpone immigration status verification and assume the person is a Specified Ineligible Alien. See **7-B, Emergency Service**. If the household is otherwise eligible, calculate the household's benefits using proration procedures found later in this chapter. See **Ineligible Household Members: Resources of Ineligible Household Members** and **Income and Deductions of Ineligible Household Members**.

If an applicant provides a document containing the individual's alien admission number or alien file number and SAVE instructs you to request secondary verification, do not delay, deny, reduce, or cancel the alien's eligibility for benefits while waiting for the USCIS to provide additional verification. For applications, assume the person is either an eligible alien for SNAP or Specified Ineligible Alien as appropriate and give benefits until USCIS verification is received following those policies. If you find out later from USCIS that the person is an ineligible alien for SNAP purposes, cancel that person's SNAP benefits. If you find out that a reported Specified Ineligible Alien is a Non-Specified Ineligible Alien, recalculate benefits following Non-Specified Ineligible Alien policy for the next month, allowing for timely notice.

A link to SAVE's website can be found on the HHS Field Intranet. A **SAVE Program Tutorial** is available in LMS which contains information about SAVE and using the website. Additional information on using SAVE and guides can be found in SAVE under Help>Resources.

Establishing Qualifying Quarters

Legal reference: 42 U.S.C. §413

When an alien's eligibility depends on meeting the 40-quarter requirement, you must determine the number of quarters the person can be credited with. Each person can get up to four qualifying quarters of credit each calendar year based on the person's earnings.

The following chart gives the amount a person had to earn to get one credit for the years 1983 and later. (Contact SPIRS help desk for assistance in calculating qualifying quarters for years before 1983.)

Amount Needed to Earn a Qualifying Quarter			
Year	Earnings Needed to Get 1 Credit	Year	Earnings Needed to Get 1 Credit
1983	$370	2005	$920
1984	$390	2006	$970
1985	$410	2007	$1,000
1986	$440	2008	$1,050
1987	$460	2009	$1,090
1988	$470	2010	$1,120
1989	$500	2011	$1,120
1990	$520	2012	$1,130
1991	$540	2013	$1,160
1992	$570	2014	$1,200
1993	$590	2015	$1,220
1994	$620	2016	$1,260
1995	$630	2017	$1,300
1996	$640	2018	$1,320
1997	$670	2019	$1,360
1998	$700	2020	$1,410
1999	$740	2021	$1,470
2000	$780	2022	$1,510
2001	$830	2023	$1,640
2002	$870	2024	$1,730
2003	$890	2025	$1810
2004	$900	2026	$1890

To calculate the number of quarters for a year, divide the person's total earnings for the year by the amount needed to get one credit. For earnings from employment, use the gross amount of earnings.

For earnings from self-employment, use the amount of earnings after allowable self-employment expenses have been deducted.

Starting with January 1, 1997, do not count the income from any quarters in which an alien got SNAP benefits or any other type of federal means-tested public assistance during the quarter. The quarters in a calendar year are: January through March, April through June, July through September, and October through December.

This means if an alien got SNAP, Medicaid, Family Investment Program (FIP), or Supplemental Security Income (SSI) in June 1997, you subtract April, May, and June earnings from the total 1997 earnings before dividing to see how many qualifying quarters the person has.

Aliens can count their spouse's quarters that were earned during the marriage in addition to their own quarters in order to meet the 40-quarter requirement, whether the spouse is a citizen or an alien. Count the spouse's quarters earned during the marriage if:

- The couple is currently married, or
- The couple is separated but not divorced, or
- The spouse is deceased and the remaining spouse is not remarried.

For example, if each spouse earned 20 quarters since they got married, you would add the quarters together. Both spouses would be counted as having 40 quarters and both would meet this requirement.

An alien can also count the quarters earned by a parent in addition to the alien's own quarters in order to meet the 40-quarter requirement, whether the parent is a citizen or an alien.

For this policy, "parent" means natural parent, adoptive parent, or stepparent, but not a person having parental control. Count the parent's quarters if the parent earned the quarters before the child turned 18. Include quarters earned before the child was born.

Count the quarters earned by a stepparent during the stepparent relationship only if the stepparent relationship still exists. Do not count quarters earned before the stepparent relationship began. Death of a stepparent does not end the relationship. Do not count any quarters of the stepparent if the parent and stepparent are divorced.

The quarters earned by a child do **not** count towards the eligibility of a parent.

Verifying Qualifying Quarters

The alien is responsible to get verification of qualifying quarters. This includes getting verification of the qualifying quarters earned by a spouse, parent, or stepparent.

In addition to verification from the Social Security Administration, you can use documentation such as:

- Wage stubs
- Employer's statement
- Income tax forms

If the alien does not have acceptable proof the alien must get verification from the Social Security Administration. The Social Security Administration (SSA) can verify quarters starting with the year 1930.

If an alien provides verification from SSA, but believes there is a discrepancy in the SSA records, the alien must get verification from SSA that SSA is investigating the discrepancy.

While the investigation is being conducted, the alien can get SNAP benefits for a maximum of six months from the date that SSA decided to make the investigation. If the SSA investigation continues past six months, the alien cannot get SNAP benefits until SSA has verified that the alien can be credited with 40 qualifying quarters.

Sponsored Aliens

Legal reference: 8 U.S.C. §1183a, 7 CFR 273.4(c)

A "sponsor" is a person who signed an agreement as a condition of the alien's entry or admission into the United States as a permanent resident to guarantee financial support of the alien. Counting the sponsor's income and resources towards the sponsored alien is called "deeming."

NOTE: If the sponsored alien is ineligible for SNAP because of immigration status, the sponsor's income is not deemed to other members of the non-citizen's household.

There are two types of sponsored aliens, each with a specific policy for deeming of the sponsor's income and resources. These types are identified by their documentation:

- Aliens whose sponsor signed the **Affidavit of Support, form I-134** (used before December 19, 1997). This form is not an enforceable contract and a court cannot force the sponsor to continue to support the non-citizen. Deeming does not apply to aliens sponsored under this form.
- Aliens whose sponsor signed the **Affidavit of Support, form I-864** (used December 19, 1997 and later).

Refugees, deportees, and asylees do not have sponsors. Organizations and groups are not considered sponsors under SNAP policy.

The following sections explain:

- Verifying the sponsor's information
- **Deeming when the sponsor signed affidavit I-864**

Verifying Sponsor's Information

Legal reference: 7 CFR 273.4(c)

A sponsored alien is responsible for providing information or documentation about the alien's sponsor. USCIS will provide information that sponsors provided on the original **Affidavit of Support**.

Verify the following at the time of both initial application and recertification:

- The income and resources of the alien's sponsor.
- The provision of the Immigration and Nationality Act under which the alien was admitted.
- The date of the alien's entry or admission as a lawful permanent resident as established by USCIS.
- The alien's date of birth, place of birth, and alien registration number.
- The name, address, and phone number of the alien's sponsor.
- Any other information determined to be questionable that affects a household's eligibility and benefit level, according to procedures established for verification.

The Bureau of Consular Affairs of the State Department and local USCIS offices have agreed to provide information to our Department's local offices that is needed to verify information supplied by the alien.

If you do not receive the needed information on a timely basis, the sponsored alien is ineligible until all necessary facts are obtained. Determine the eligibility of any remaining household members.

Treat the income and resources of the ineligible alien (excluding the deemed income and resources of the alien's sponsor) in the same way as those of a disqualified member. They are considered available to determine both the eligibility and benefit level of the remaining household members.

If you receive the verification after determining the eligibility of the rest of the household, act on the information as a reported change in household membership according to the timeliness standards in **7-G**.

Aliens Sponsored Under Affidavit I-864

Legal reference: 7 CFR 273.4(c)

In order to get SNAP benefits, aliens who have a sponsor must also be eligible aliens as defined in **Who Is an Eligible Alien**.

The only qualified aliens with legally enforceable affidavits are family-sponsored LPRs, including immediate relatives, and a few employment-based LPRs who came to the United States to work for relatives AND who have filed for a visa application or applied for an adjustment to LPR status on or after December 19, 1997.

More than one person may sign an **Affidavit of Support, form I-864**. If an alien has more than one sponsor, count the deemed income and resources of all sponsors towards the sponsored alien. For the purposes of deeming a sponsor's income and resources, count the income and resources of the sponsor's spouse only if the spouse has also executed **Affidavit of Support, form I-864**. Determine the amount of sponsor's income to be deemed as follows:

Step 1: Add the earned income of the sponsors.

Step 2: Subtract 20% of the earned income.

Step 3: Add the unearned income of the sponsors.

Step 4: Subtract the gross monthly income limit for the household size of the sponsor, the sponsor's spouse, and any other person who is claimed or could be claimed by the sponsor or the sponsor's spouse as a dependent for federal income tax purposes.

Step 5: Divide by the number of aliens sponsored by this sponsor, if known. If not known, the entire amount counts.

Step 6: The result is the amount of income deemed per sponsored member (entered as unearned income on BCW2).

Money actually paid to the alien by a sponsor is not considered income to the alien, unless the amount paid exceeds the amount deemed, as determined above. Consider the excess as unearned income to the sponsored alien in addition to the amount deemed.

Determine the amount of sponsor's resources to be deemed as follows:

Step 1: Add allowable resources.

Step 2: Subtract $1,500.

Step 3: Divide by the number of aliens sponsored by this sponsor, if known. If not known, the entire amount counts.

Step 4: The result is the amount of resources deemed per sponsored member.

Do not deem any income or resources to an eligible child who is under 18 years of age. This is true for both eligible alien and citizen children.

Since children are not subject to deeming, only a portion of a sponsor's income is counted for any adult household members subject to sponsor deeming.

> The household consists of a sponsored mom and dad and two eligible children under age 18. It does not matter if the children are citizens or non-citizens. The total countable income deemed to the household from the sponsor is $1,000.
>
> Since sponsor income cannot be deemed to the children, half ($500) of the income is counted as deemed income to this household ($1,000 / 4 X 2 sponsored adults).

Deeming of income and resources ends when

- The alien meets the requirement for 40 quarters of work,
- The alien gains U.S. citizenship, or
- The sponsor dies.

The following sections explain exceptions to these policies for:

- **Battered aliens**
- **Indigent aliens**

Battered Aliens

Legal Reference: 7 CFR 273.4(a)(6)(iii)(C), 273.4 (c)(3)(v)

A "battered alien" is an alien who:

- Is a battered spouse, battered child, or parent or child of a battered person, and
- Has a petition for residency pending under section 204(a)(a)(A) or (B) or section 244(a)(3) of the INA.

Battered aliens are not automatically eligible for SNAP. A battered alien must meet one of the four criteria listed under **Eligible Aliens** and if the individual is an LPR, the individual is subject to the five-year bar.

Battered aliens are not subject to sponsor deeming, no matter who the sponsor is, for 12 months from the date it is determined the alien or the alien's children have been battered or subjected to extreme cruelty, if the individual(s) no longer lives with the batterer. You may accept the word of the sponsored alien or ask for proof that the battering has taken place.

Following the end of the 12-month period, the exemption from deeming can continue only if the battering or cruelty is substantiated by a court, an administrative law judge, or by USCIS, and the battered alien continues to live apart from the batterer.

Indigent Aliens

Legal reference: 7 CFR 273.4(c)

An indigent alien whose sponsor signed an **Affidavit of Support, form I-864**, may be eligible for SNAP benefits. Indigent aliens are not automatically eligible for SNAP. An indigent alien must meet one of the four criteria listed under **Eligible Aliens** and if the individual is an LPR, the individual is subject to the five-year bar unless exempt, See **The Five-Year Bar and Exemptions**.

To determine if the alien is indigent, count the alien's income plus any cash from the sponsor and money paid for food, housing, and shelter by the sponsor or any other person. Count only the actual amount of income and resources that the sponsor and others make available to the alien.

If after considering these things, the alien is unable to obtain food and shelter, the person is considered indigent. The period of eligibility for indigent aliens is 12 months from the date it is determined that the alien is indigent and may be renewed for additional 12-month periods. HHS must notify the USCIS of the alien's situation and provide the USCIS with the names of the alien and the sponsor. Contact Policy Support if you believe you have an indigent alien who needs to be reported.

Documentation of United States Citizenship by Birth

Legal reference: 7 CFR 273.2(f)(2)(ii)

Proof of U.S. citizenship should be required **only** when a household member's citizenship is questionable. If it's necessary to require proof, the following documents, when combined with proof of identity, are acceptable proof of U.S. citizenship:

- A U.S. birth certificate.
- Adoption finalization papers. If the adoption is not yet finalized, the child's original birth certificate or statement from a state-approved adoption agency showing the child's name and that the birth was in the U.S.
- A hospital record made at the time of the child's birth in the U.S. in that hospital.
- A religious record made within three months of birth, which shows the person's date of birth in the U.S. or age at the time the record was made.
- A U.S. passport (with the exception of limited passports that are issued for periods of less than five years).
- A **Certificate of Birth (form FS-545).**
- A **Certification of Report of Birth (form DS-1350)**.

- Proof of civil service employment by the U.S. government before June 1, 1976.
- Early U.S. school records that show date of admission to the school, the person's date and U.S. place of birth, and the parent's names and places of birth.
- Census record showing name, U.S. citizenship or a U.S. place of birth, and the person's age or birth date.
- A statement signed by a third party that a person is a U.S. citizen. The statement must contain penalties for helping a person to commit fraud and must be signed by the third party under penalty of perjury.

Documentation not listed above may be presented as proof of citizenship. In this instance, the document may be submitted to the Iowa HHS central office to verify its acceptability as proof, if necessary.

Documentation of Acquired Citizenship

Legal reference: Public Law 106-395, 7 CFR 273.2(f)(2)(ii)

A child born outside of the United States automatically becomes a citizen of the United States when:

- At least one parent is a U.S. citizen whether by birth or naturalization, **and**
- The child is under 18 years of age, **and**
- The child is lawfully admitted for permanent residence and is residing in the U.S. in the legal and physical custody of the citizen parent.

Foreign-born children do not automatically acquire citizenship when adopted by a U.S. citizen. Under the Child Citizenship Act, a child acquires U.S. citizenship on the date that all of the following requirements are satisfied:

- At least one adoptive parent is a U.S. citizen,
- The child is under 18 years of age,
- There is a full and final adoption of the child, and
- The child is admitted to the United States as an immigrant.

If a child's citizenship is questionable, the following listing of documents can be used if needed to verify that the child has acquired U.S. citizenship:

- **Certificate of Citizenship** (N-560 or N-561)
- **Certificate of Naturalization** (N-550 or N-570)

If proof of citizenship is needed, but documentation is not available, refer the person to USCIS for a determination of U.S. citizenship.

Reporting Undocumented Aliens

Legal reference: 7 CFR 273.4(b)

At the time of interview, explain alien eligibility criteria and verification procedures to households that include non-citizen members. Verify the status only of household members who are applying for assistance and claim to have an eligible status for the program.

Based on federal guidance, the Department is to report to the USCIS that an alien is not lawfully present in the United States only if we "know" that the alien is not lawfully present. The Department "knows" this only if:

- The alien applies to receive benefits, **and**
- The alien claims to have an eligible status for the program, **and**
- In making a formal determination of eligibility, we receive from USCIS verification of undocumented status, such as a Final Order of Deportation.

NOTE: A SAVE response that shows no service record on a person or shows an immigration status making the person ineligible for a benefit is not a finding of fact or conclusion of law that the person is not lawfully present.

Situations in which the criteria are met for reporting an undocumented alien are extremely rare. For this reason, contact Policy Support if you believe it may be appropriate to report an undocumented alien.

Able-Bodied Adults Without Dependents (ABAWDs)

Legal reference: 8 U.S.C. §2015(o)(3); 7 CFR 273.24(a) and (b), (d) through (i), 271.2

"ABAWDs" means "able-bodied adults without dependents."

"Able-bodied" means a person is both physically and mentally fit for employment.

"Dependent" means a child under age 18 who is or could be part of the person's SNAP household. The child does not have to be related to the person.

"Physically or mentally fit for employment" means the person does not have physical or mental barriers that prevent the person from obtaining or keeping employment.

To get SNAP benefits, an ABAWD must meet one of the requirements under **ABAWD Work Requirement**. The ABAWD work requirements are in addition to the regular requirements set under **7-C, Work Requirements for MWRs**.

An ABAWD can get only three months of SNAP benefits while not meeting the ABAWD work requirement. (See **Time Limit for ABAWDs**.) After using the three months, some ABAWDs can get an additional three months if they meet the conditions under **Additional Three-Months' Eligibility**.

ABAWD Exemptions

Legal Reference: 8 U.S.C. §2015(o)(3); 25 U.S.C. §§1603, 1679(a)

A person is exempt from the ABAWD work requirements if the person is:

- Exempt from mandatory work registration (MWR) for any reason except being 60 or older. See **7-C, Exemptions from Work Registration** for a list of exemptions.
- Under age 18. This includes the month in which a person turns 18.
- Aged 65 or over. This includes the month in which a person turns 65.
- Pregnant. This applies to any trimester.
- Unfit either mentally or physically for employment (has a condition that makes the person unemployable or that prevents the person from keeping a job).
- A member of a SNAP household that includes a child under the age of 14.

  NOTE: This also applies when a child is in the home, but is ineligible for non-financial reasons, like not providing an SSN or having an ineligible alien status.

  When parents have shared or joint custody, and both parents have SNAP cases, only the SNAP household where the child receives SNAP benefits can be exempt from the ABAWD work requirements due to having a child under age 14 in the household. The exemption cannot apply to the other parent's SNAP household. In the rare instance when a household can choose to include or exclude the child, and the household chooses to exclude the child, the household loses the opportunity to exercise this exemption because the exemption follows the child.
- An Indian

  An individual is an "Indian" if they are a member of an Indian tribe. Indian tribe is defined as any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or group or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

- An Urban Indian. An individual is an "Urban Indian" if they reside in an urban center and meet at least one of the following four criteria:

  1. Regardless of if they live on or near a reservation, is a member of a tribe, band, or other organized group of Indians, including those tribes, bands, or groups terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is a descendant, in the first or second degree of any such member;
  2. Is an Eskimo or Aleut or other Alaska Native,
  3. Is determined to be an Indian for any purpose under regulations promulgated by the Secretary of Interior; or
  4. Is determined to be an Indian under regulations promulgated by the Secretary of Health and Human Services.

  Urban center is defined as any community which has a sufficient urban Indian population with unmet health needs to warrant assistance under subchapter IV of the IHICA, as determined by the Secretary of Health and Human Services.

- A California Indian. An individual is a "California Indian" if they meet at least one of the following four criteria:

  1. Are a member of a federally recognized Indian tribe;
  2. Are a descendant of an Indian who was residing in California on June 1, 1852, if such descendant—
     a. Is a member of the Indian community served by a local program of the Indian Health Service; and
     b. Is regarded as an Indian by the community in which such descendant lives;
  3. Are an Indian who holds trust interests in public domain, national forest, or reservation allotments in California; or
  4. Are an Indian of California who is listed on the plans for distribution of the assets of rancherias and reservations located within the State of California under the Act of August 18, 1958, and any descendant of such an Indian.

If an exemption applies for at least one day in a month, the ABAWD is exempt for the entire month.

Determine a person's "fitness" for employment using the prudent-person principle or any reasonable evidence that supports your decision. The person's condition does not need to be permanent for a determination of "unfitness" to be made. Households that are chronically homeless, as defined by the worker, are considered unfit for employment.

Your own observation of the person or information obtained in conversation with the person is a sufficient basis to make a determination as to a person's fitness for employment. In the rare occasion that you find it questionable that a person has a mental or physical limitation that would make the person unfit for employment, you may ask for verification.

Because people who have no source of income or insurance are often not able to receive medical care or substance abuse or mental health treatment, you may need to identify these conditions. If a person is in treatment, you can get a statement from the person's health-care professional or a social worker.

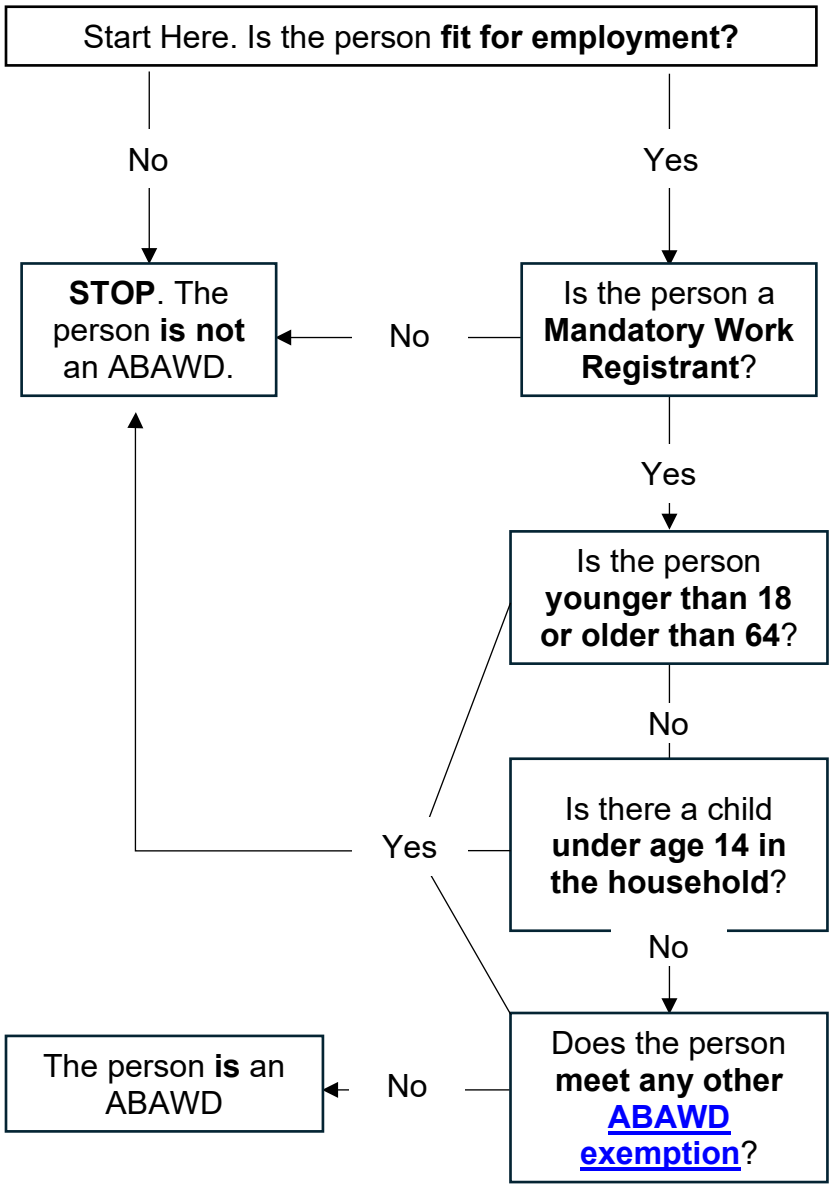
If the person does not have the means to pay for or obtain a professional diagnosis, other evidence may be used. A prudent person can often identify these types of issues without the need for verification. For example, statements from former employers or other people who know the person's situation can be sufficient evidence of the person's mental or physical limitations.

When your judgment is the only basis for determining that a person is not "fit" for employment, you must document it as such in the person's case record.

Guidance: The following scenarios illustrate circumstances that would lead to the determination that a person is unfit for employment.

1. During the application interview, you discover that the person has had many jobs but repeatedly lost them. Through your conversation, you discover the person has a history of getting fired quickly or quitting due to uncontrollable outbursts of anger with the employer or coworkers. This may be an untreated mental health issue that currently makes the person mentally unfit for employment. Document worker determination that the person is physically or mentally unfit due to anger issues explained by the client.
2. While interviewing a person, you discover he has been in and out of various substance abuse treatment programs for several months. Even if he is not currently in a program, these circumstances and issues make him physically or mentally unfit for employment and must be documented in the case file.

Flow chart to determine if a person is an ABAWD:



Changes in ABAWD Status

Legal Reference: 7 CFR 273.24(k)

Changes in circumstances can cause a person's status as an ABAWD to change back and forth. During periods in which a person is not an ABAWD, the work requirements for ABAWDs and time limits for receipt of SNAP benefits do not apply. During the periods in which the person is determined to be an ABAWD, the work requirement for ABAWDs and time limits do apply.

Loss of Exemption During the Certification Period

If a person previously qualified for an ABAWD exemption loses that status, you cannot apply the time limit (count ABAWD months) without screening the individual for all other exemptions. Screenings are done at application, review, and when callers report changes to the customer service call center. It is not possible to sufficiently screen an individual for all possible exemptions without speaking to a SNAP household member.

If the exemption will be lost based on a reported change, follow **7-G, Acting on Changes** policies to determine whether the reported change requires immediate action or if it must be held until the next recertification. If the change requires immediate action, the time limit can only be imposed if a screening was completed. If a screening was not completed, or the change must be held until the next recertification, the current exemption continues until the next recertification.

At recertification, if it is determined the exemption was lost during the previous certification period, assign countable months against the time limit retroactively. If the retroactively assigned months caused the individual to exceed the time limit during the certification period, do not establish a claim for those months.

Newly Meeting an Exception During the Certification Period

If a person who was determined to be an ABAWD reports a change that would qualify them for an ABAWD exemption, follow **7-G, Acting on Changes** policies to determine whether the reported change requires immediate action or if it must be held until the next recertification.

If verification is not necessary to allow the exemption, or the exemption can be verified using information already available to you, stop assigning countable months against the time limit immediately.

If the change must be held until the next recertification, the individual's current ABAWD status will continue until the exemption is verified, the time limit expires, or until the next recertification, whichever comes first. If it is determined later the individual was exempt while months were being counted against the time limit, any month(s) counted against the time limit while the exemption applied must be removed.

See **Tracking** for instructions on changing ABC system coding when there is a change in an ABAWD's status.

1. Terry is an ABAWD. He receives two months of SNAP benefits while not fulfilling the work requirement during December 2023 and January 2024. In February 2024, he joins his girlfriend's SNAP household. His girlfriend has a two-year-old child. In February, he is exempt from the ABAWD work requirement because of the child. The child's mother is exempt from the ABAWD work requirement due to her employment.

   In April, Terry moves out on his own. In May, he is no longer exempt from ABAWD work requirements. Until November 30, 2026, he is entitled to one more month of SNAP benefits while not fulfilling the work requirements, unless he meets the requirements under the policy on **Additional Three-Months' Eligibility** or becomes exempt again.

   When a new ABAWD period begins December 1, 2026, Terry is eligible for three months of benefits in the new period.

2. Christy is exempt from ABAWD work requirements because her nephew Ryan (12) lives with her. In early June, Christy calls and reports that Ryan has moved in with his mother. This report is not questionable, is considered verified upon receipt, and has a clear impact.

   While on the phone with Christy, the worker taking the change screens her for all other possible exemptions from the work requirements and finds that she has no exemption from the work requirements. As a result, Christy is determined to be an ABAWD who is not meeting the work requirements. Her first countable ABAWD month is July. The worker updates Christy's ABAWD coding in IABC, cancels Ryan from the SNAP case effective 7/1, and updates the ABAWD month tracker in WISE.

3. Nathan is an ABAWD who is not meeting the work requirements. In March, he reports he has accepted a part-time job offer. Nathan doesn't know his start date yet, but thinks it will be next week. The worker explains to Nathan that he is not required to report the change and no action will be taken on the change at this time. The worker reminds Nathan of his reporting requirements and that he is subject to the time limit. Nathan is encouraged to voluntarily verify his new job if it means he will satisfy the ABAWD work requirements.

ABAWD Work Requirement

ABAWDs must perform one of the activities listed below to be eligible for SNAP benefits beyond their time limits. The minimum number of hours required for any of the activities is 80 per month. To be eligible beyond the limits, ABAWDs must be:

- Working a total of 80 or more **actual** hours in a month. Do not use minimum wage criteria to determine the number of hours worked.
- Participating for a total of 80 or more **actual** hours in a month in a qualifying work program. Qualifying work programs include:
  - Programs that are offered under Title I of the Workforce Innovation and Opportunity Act (WIOA) or under Section 236 of the Trade Act of 1974
  - Employment and training programs operated or supervised by a State or political subdivision of a State agency that meet standards approved by the Chief Executive Office, including SNAP E&T programs and programs of employment and training for veterans operated by the Department of Labor or the Department of Veterans Affairs
- Performing any combination of the two work and participation requirements stated above for a total of 80 or more **actual** hours in a month.

ABAWD Status Notifications

All general work and ABAWD work rules must be verbally explained to households with ABAWD or potential ABAWD members at:

- Application
- Recertification
- When a reported change in circumstance results in a member becoming subject to ABAWD work rules
- When a new person moves into the SNAP household and is subject to ABAWD work rules

The system automatically mails form **470-5674** or **470-5674(S), SNAP Work Rules** to ABAWDs and potential ABAWDs. If issuing a manual NOD, give or mail form **470-5674** or **470-5674(S), SNAP Work Rules** right away to the person who is subject to the ABAWD work rules.

Tracking

The ABAWD's case record must be documented to track the number of months that each ABAWD has used towards the three-month time limit. The Worker Information System Exchange (WISE) User Guide gives instructions for documenting ABAWD months in WISE.

Code the ABC system to show that an ABAWD is or is not meeting the ABAWD work requirement. See **14-B-Appendix** for how to code the TD03 screen to show whether a person is an ABAWD who is or is not meeting the work requirement. Correct coding of this entry is important for federal reporting requirements and to be able to identify these clients through a system run when necessary.

Change the code on TD03 whenever an ABAWD's work status changes and when an ABAWD becomes exempt from the ABAWD work requirement. When an ABAWD becomes exempt from the work requirement, use the applicable coding to show the person's work registration/ABAWD status.

Definition of Work

"Work" for the purposes of meeting the ABAWD work requirement means:

- Working in exchange for money. This can be either employment or self-employment.
- Unpaid or volunteer work. This type of work must be performed through an organization (including religious organizations) or be court-ordered community service. One individual performing free labor for another (such as mowing a neighbor's lawn) does not meet the definition of work for this purpose.
- Working in exchange for an in-kind benefit, like working in exchange for rent or any other goods or services.

1. Ms. J works 60 hours a month at a fast-food restaurant. She also works 20 hours a month in exchange for her living accommodations. Ms. J's work activities total 80 hours each month. Ms. J meets the ABAWD work requirement.
2. Mr. L's monthly hours of work vary between 60 and 100. He is not expected to pay rent, but he is expected to perform services for the person he lives with in exchange for the cost of his share of household supplies, like laundry soap and other consumables. He also spends an average of 20 hours monthly performing various odd jobs. Mr. L meets the ABAWD work requirement.
3. Mr. M house-sits for a person who is out of the country on business. By virtue of his job, he gets living accommodations in return for watching over the home. Mr. M meets the ABAWD work requirement.

Good Cause for Not Meeting the Work Requirement

Legal Reference: 7 CFR 273.24(b)(2)

Allow "good cause" when an ABAWD who has been meeting the ABAWD work requirement temporarily does not meet the requirement. To qualify for good cause, the ABAWD must plan to continue to participate in the activity that meets the work requirement after the temporary absence.

Use reasonable judgment when considering granting good cause. Good cause reasons include circumstances beyond the person's control such as, but not limited to:

- A household emergency.
- The unavailability of transportation.
- Illness of the person or another household member requiring the ABAWD's presence.

Document the good cause reason in the ABAWD's case record whenever an ABAWD has good cause for not meeting the work requirement. Months in which good cause is granted do not count towards the three-month limit. If the ABAWD is not meeting the work requirement at the next recertification, you must review their circumstances to determine if good cause still exists.

1. Ms. A meets the work requirement with her job at the grocery store. Ms. A's car breaks down and she does not live in a town with public transportation. She can't get to work and she loses her job. Ms. A states that she is looking for a job closer to home so she can walk to work. Ms. A has good cause for not meeting the work requirement and she plans to continue working. If Ms. A is not meeting the work requirement at her next recertification, the worker must reassess her good cause.
2. Mr. X meets the work requirement with his job at the factory. He loses his job at the factory because he does not meet the production quota. He states he does not plan to look for another job right now. Mr. X does not meet good cause because he does not plan to continue to participate in work, the activity that met the work requirement. Determine Mr. X's countable ABAWD months per normal procedures.

Reporting and Verifying Hours

The actual number of hours an ABAWD works in a month must be reported and verified to ensure that the person is meeting the work requirement. The number of hours actually worked in a calendar month is the determining factor for meeting the ABAWD work requirement, not the hours for which the person was paid in the month.

Use any reasonable means to determine and verify the actual number of hours worked in a calendar month. Use caution if using pay stubs to verify hours of work, because pay periods often overlap calendar months and do not reflect the number of hours actually worked in the month in which the person received the pay.

Accept the word of a self-employed person as verification of how many hours are worked per month. Document the client's statement as to how many hours are worked per month in the case record.

Accept the statement of a person who provides an in-kind benefit in exchange for an ABAWD's services as verification.

Once you have verified the hours of work, it is not necessary to do so each month. Assume that an ABAWD is continuing to work 80 or more hours monthly unless the ABAWD reports that the hours of work have dropped below 80 or you have other information indicating the hours are less than 80.

Time Limit for ABAWDs

ABAWDs can get only three months of SNAP benefits while they are not meeting the work requirement.

EXCEPTION: Some ABAWDs can receive an additional three months of eligibility while not fulfilling the work requirement. See **Additional Three-Months' Eligibility** for information.

All ABAWDs are eligible for the three-month limit during each three-year period, even if they used benefits under a previous period. This period is the same for all ABAWDs in Iowa. The periods are:

- December 1, 2023, through November 30, 2026

  Due to the federal government shutdown, November 2025 is **not** a countable ABAWD month
- December 1, 2026, through November 30, 2029

The three-month limit can be used either consecutively or nonconsecutively. A prorated month does not count towards an ABAWD's three-month limit. For the purpose of determining countable ABAWD months, benefits are not considered prorated if a household applies on the first of the month and receives a full month's benefit.

1. Aleah, an ABAWD, applies for SNAP on April 3 and has not used ABAWD months. Assuming she does not start meeting ABAWD requirements or become exempt, Aleah's three ABAWD months will be May, June, and July. April does not count because benefits are prorated from the third of the month.
2. Belinda, an ABAWD, applies for SNAP on May 1 and has not used ABAWD months. Assuming she does not start meeting ABAWD requirements or become exempt, Belinda's three ABAWD months will be May, June, and July. May is countable because, with an effective date of May 1, she will receive a full month's benefit.

When the benefits an ABAWD receives in a month that counts toward the three-month limit are entirely subject to a claim, that month continues to count toward the ABAWD's three-month limit until the entire month's benefits have been repaid.

1. Jalen applies for SNAP benefits in January and is determined to be an ABAWD. His January SNAP benefits are prorated, so January does not count towards his three-month limit.

   He does not meet the work requirement during February, March, or April. Therefore, February, March, and April count towards his three-month limit and he uses up his eligibility in April.

2. Olson has been receiving SNAP for several months with his 13-year-old child. Olson's child moves out in February. Olson is determined to be an ABAWD for the month of March. February does not count towards his three-month limit, because Olson's child lived with him in February.

   Olson does not meet the work requirement during March, April, or May and uses up his eligibility in the month of May.

See **Ineligible Household Members** for how to treat the income and resources of an ineligible ABAWD who is a member of an eligible SNAP household.

Countable Months in Another State

If an applicant ABAWD received SNAP benefits in another state, verify whether any of the months in which benefits were received were countable months in that state. Also verify whether the additional three months of benefits were used.

The other state's verbal statement is the only proof needed that the ABAWD did or did not use any countable months. Document the information in the case record.

Consider only Iowa's three-year period when determining if the benefits received in the other state count towards Iowa's three-month limit. See **Time Limit for ABAWDs** for Iowa's periods in which ABAWDs are limited to three months of benefits.

Regaining Eligibility

ABAWDs who have been canceled or denied SNAP eligibility because of having used their three-month time limit can regain eligibility for SNAP benefits. There is no limit on how many times an ABAWD can regain eligibility.

- ABAWDs can regain eligibility right away by becoming exempt from the ABAWD work requirement, as explained under **ABAWD Exemptions**.
- ABAWDs can also regain eligibility by performing one of the activities listed under **ABAWD Work Requirement** within any 30-consecutive-day period, instead of a calendar month. The activity must be completed before the ABAWD can be approved for SNAP benefits.

ABAWDs who regain eligibility can get SNAP benefits as long as they continue to meet the work requirement or are exempt from the work requirements. ABAWDs who regain eligibility but are not meeting the work requirement when they apply for SNAP benefits may qualify for an additional three months of eligibility, as described under **Additional Three-Months' Eligibility**.

If an ABAWD applies before having completed an activity under **ABAWD Work Requirement**, you can deny the application right away or hold the application until the ABAWD work requirement activity has been completed. This is an IM worker decision.

If you hold the application until the activity is met, you still must prorate SNAP benefits from the date of application, not from the date the activity was met.

1. Keegan's SNAP is canceled effective July 1 because he has used his three months of benefits.

   He gets a job on July 15 and works a total of 60 hours in July and 10 hours in August. He reapplies for SNAP on August 5. At the certification interview on August 7, the worker learns that Keegan is scheduled to work another 10 hours before August 15.

   The worker decides to hold the application until Keegan provides verification of having worked 80 hours between July 15 and August 14. He meets the criteria to regain eligibility on August 13 and remains eligible for SNAP benefits as long as he keeps working 80 hours each month.

2. Felicia receives her three-month limit of SNAP benefits during August, September, and October, and is canceled effective November 1. In January, she reapplies for SNAP benefits.

   She reports that she is working off her rent at 20 hours weekly. She started this arrangement with her landlord on December 1, when her roommate moved out and she could not pay the rent. Felicia provides verification from her landlord.

   She met the ABAWD work requirement December 31 and is eligible for SNAP benefits as long as she continues the arrangement.

Additional Three-Months' Eligibility

Legal Reference: 7 CFR 273.24(e)

A one-time additional three months of SNAP eligibility may be allowed to some ABAWDs. The additional three months of eligibility are a consecutive period allowed only once during each three-year period. See **Time Limit for ABAWDs** for information about periods in which ABAWDs are limited to three months of benefits.

An ABAWD qualifies to receive additional months only when the ABAWD:

- Has first used all of the "three-month time limit," **and then**
- Has had a break in receipt of SNAP benefits, **and then**

- Regains eligibility (met the work requirement during any 30 consecutive day period during or after the break in SNAP or qualified for an exemption at any time during the break in SNAP), **and then**
- Stops meeting the ABAWD work requirement.

ABAWDs do not have to apply for SNAP benefits right away after they stop one of the activities listed under **ABAWD Work Requirement**.

The additional three months are the three months following the month in which an ABAWD reapplies for SNAP benefits. A month of prorated benefits does not count as one of the three months.

Once started, the additional three-month period continues uninterrupted for any reason, including whether or not the ABAWD actually receives SNAP benefits during the time.

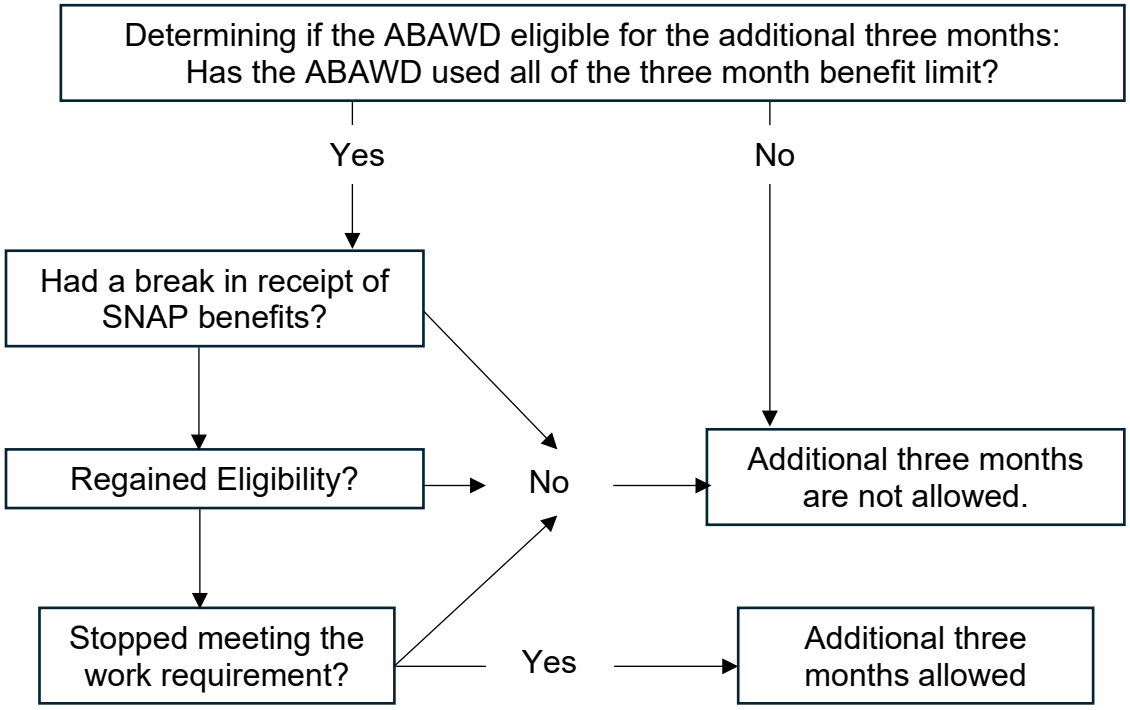
Ceasing to Meet the Work Requirement

For purposes of qualifying for the additional three months of benefits, consider an ABAWD to have stopped meeting the ABAWD work requirement when:

- The person's participation in a qualifying work program ends for any reason.
- The person is laid off, quits, or is fired from the job.
- The person permanently reduces hours of work to less than 80 hours monthly.
- The person's employer reduces the person's hours of work to less than 80 hours monthly.

Note: Good cause provisions do not apply.

Use the following flowchart to determine whether an ABAWD is eligible for the additional three months:



Boarders and Commercial Boarding Houses

Legal reference: 7 CFR 273.1(c)

The following sections explain policies affecting:

- **Owners and residents of commercial boarding houses**
- **People who are boarders in a private household**
- **Income a household receives from providing board and room to someone**

Commercial Boarding Houses

Legal reference: 7 CFR 273.1(b)(i)

Owners of commercial boarding houses may get SNAP if otherwise eligible. See **Self-Employed Households** in this chapter to determine eligibility and benefits for the owner of a commercial boarding house.

Residents of commercial boarding houses cannot get SNAP. Residents of institutions are not considered residents of commercial boarding houses. See **7-C, Residents of Institutions**.

Boarders

Legal reference: 7 CFR 273.1(b)(3)

Boarders are people who live with others and pay a reasonable amount for their lodging and meals. If they are not paying a reasonable amount, they must be included in the household of the person providing the lodging and meals. Do not consider people to be boarders if they must be in the household by relationship.

Boarders cannot get SNAP by themselves. However, at the household's request, boarders may participate as members of the household providing the board.

Decide if someone is a boarder by determining if the person is paying a reasonable amount for lodging and meals as follows:

1. Determine the amount paid only for meals, if meals and lodging can be broken out. If meals and lodging cannot be broken out separately, use the entire amount.
2. Compare the amount paid for meals to the maximum SNAP allotment for households the same size as the boarder household. (See **7-F, Calculating Benefit Level** for these amounts.)
    - When a person is paying for more than two meals a day, use the entire maximum SNAP allotment for the corresponding household size.
    - When a person is paying for two or fewer meals a day, use two-thirds of the maximum SNAP allotment for the corresponding household size.

If the amount paid for meals is greater than the appropriate allotment amount, the person is a boarder. If the amount paid for meals is less, the person is not a boarder and must be part of the household providing the services.

Income

Legal reference: 7 CFR 273.11(b)

Boarder income includes all money paid to the household for room and meals. To calculate countable boarder income:

1. Determine how much total income the household received from the boarders, then
2. Subtract the part of the payment that is a cost of doing business. The cost of doing business is either:
   - The cost of the maximum SNAP allotment for the number of people in the boarders' household, or
   - The actual documented cost of providing meals, if the actual cost is more than the applicable maximum SNAP allotment.

Add the countable boarder income to any other earned income of the household before allowing the earned income deduction.

Corporations

Legal reference: 7 CFR 273.11(a)

All corporations are separate legal entities. A closely held corporation is one that has only a few shareholders. An owner or employee of a corporation is not a self-employed person. A person who receives a salary from a corporation is an employee of the corporation. The corporation is responsible for its debts and obligations. The income and resources of a corporation belongs to the corporation.

Income

Legal reference: 7 CFR 273.9(b)

Count stock dividends as unearned income to the person who owns the stock.

Resources

Legal reference: 7 CFR 273.8(c)

Exclude the value of stock in a corporation when the stock is essential to employment. This means that the employee must hold the stock in order to keep the job.

Stock that is not essential to employment is counted as a resource. To determine the value of corporate stock, subtract the corporate liabilities from assets and prorate the difference among the shareholders based on the percentage of shares held.

A household owns 40% of the stock in a corporation. This stock is not essential to employment. To calculate how much to count towards the household's resource limit, use the following calculation for the value of stock.

$	22,000	Corporate assets
-	10,000	Corporate liabilities
$	12,000	Value of corporation
$	12,000	Value of corporation
x	.40	Value of the household's share of stock
$	4,800	Household resource

S Corporations and Limited Liability Corporations (LLCs)

Legal reference: 7 CFR 273.11(a)

S corporations and LLCs are "pass-through" entities for tax purposes. The income of the business is passed through to the owners and reported on the owner's personal income tax return. This income is countable regardless of whether it is being distributed to the household.

Any wages paid to the officers would be treated the same as wages to an employee of any company and would be countable in the month received. Additionally, annualize other income of the S corporation or LLC, such as royalties, and count that as earned income to the household.

The income from these types of corporations should be treated as regular earned income, not self-employment income. They are entitled to the earned income 20% deduction, but not to additional deductions and expenses that would be allowable for self-employment. Furthermore, since these are not self-employment:

- There are not "losses" from these enterprises and
- Losses from a true self-employment enterprise cannot be used to offset the profits of the S corporation or LLC.

NOTE: If a single-member LLC does not elect to be treated as a corporation, the LLC is a "disregarded entity" and eligibility would be determined in the same manner as a self-employed individual.

Fleeing Felons and Parole and Probation Violators

Legal reference: 7 CFR 273.1, and 273.11(n)

A person who is fleeing to avoid prosecution, custody, or confinement for a felony or who is in violation of a condition of probation or parole is ineligible to participate in the SNAP program.

Fleeing Felons

There are specific requirements that must be met before a person can be considered a fleeing felon. It's rare for someone to meet all the criteria to be canceled. **Workers must contact Policy Support** to ensure all requirements have been met before taking action to cancel someone who appears to meet fleeing felon criteria.

To establish that an individual is a fleeing felon, **all** following four requirements must be true:

1. There is an outstanding felony warrant for the 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 or a high misdemeanor under the law of New Jersey;
2. The individual is aware of, or should reasonably have been able to expect that, the felony warrant has already or would have been issued;
3. The individual has taken some action to avoid being arrested or jailed; and
4. The federal, state, or law enforcement agency is **actively seeking** the individual (described in section below).

Probation or Parole Violators

There are specific requirements that must be met before a person can be considered a probation or parole violator.

To be considered a probation or parole violator an impartial party must determine whether the individual violated a condition or probation or parole imposed under federal or state law **and** that federal, state, or local law enforcement authorities are **actively seeking** the individual to enforce the conditions of the probation or parole. **Workers must contact Policy Support** to ensure all requirements have been met before taking action to cancel someone who appears to be violating a condition of probation or parole.

Actively seeking means a federal, state, or local law enforcement agency:

- Informs the Department that it intends to enforce an outstanding felony warrant or to arrest an individual for a probation or parole violation within 20 days of submitting a request for information about the individual to the Department;

- Presents a felony arrest warrant; or
- States that it intends to enforce an outstanding felony warrant or to arrest an individual for a probation or parole violation within 30 days of the date of a request from the Department about a specific outstanding felony warrant or probation or parole violation.

Refer to **7-A, Confidentiality** for policies on sharing certain information with law enforcement officers who are investigating or pursuing a person who is fleeing custody for a felony crime or a parole or probation violation.

In conjunction with requesting information, the law enforcement officer may provide warrant for the person's arrest. When the Department has proof that a warrant for arrest has been issued for a SNAP recipient, the Department **must** contact the person to verify that the person has knowledge of the warrant.

Homeless Households

Legal reference: 7 CFR 271.2; 273.2(I)(1); 273.3; 273.1(e)

A "homeless person" means a person who does not have a fixed and regular nighttime residence, or who will imminently lose their nighttime residence, or a person whose primary nighttime residence is one of the following:

- A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter).
- A halfway house or similar institution that provides temporary residence for people intended to be institutionalized.
- A temporary accommodation of not more than 90 days in the residence of another person, starting with the day the homeless person moved in with that person.
- A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby, or similar places).

For homeless households, you can waive the requirement that a household must prove that it lives in Iowa if proof cannot reasonably be obtained. Document in the case file any efforts to verify residency.

Homeless households living in public or private nonprofit shelters for the homeless can get SNAP if they meet all other eligibility criteria. This is an exception to the policy that residents of institutions are not eligible for SNAP.

Ineligible Household Members

Legal reference: 7 CFR 273.1(b)(7)

"Ineligible members" are people who would normally get SNAP with other members of the household but are not included because they are ineligible to participate for some reason. The following are ineligible household members:

- Ineligible students. See **Students**.
- Ineligible aliens. See **Households with Alien Members**.
- Ineligible adults who are not disabled and have no dependents. See **Able-Bodied Adults Without Dependents (ABAWDs)**.
- People disqualified for intentional program violation. See **7-J, Intentional Program Violation**.
- People disqualified for failure to provide a social security number. See **7-C, Social Security Numbers**.
- People disqualified for failing to respond to a NAC Match.
- People disqualified for failing to comply with a mandatory work registrant requirement. See **7-C, Work Requirements for MWRs**.
- Probation or parole violators and fleeing felons. See **Fleeing Felons and Parole and Probation Violators**.
- Residents of institutions. See **7-C, Residents of Institutions**.
- SSI recipients whose SNAP benefits were received as cash in a state that cashes out SNAP benefits to SSI recipients.

Do **not** include the ineligible members listed above when determining:

- The size of the eligible household for the maximum net monthly allotment.
- The appropriate resource limit for the eligible household.
- If the eligible household needs to meet either gross or net income guidelines.

Do consider the relationship of the ineligible members listed previously to others in the household for the purpose of determining who is a mandatory household member.

NOTE: When a person is both an ineligible alien and an ineligible student use the policies for ineligible aliens.

Follow policies in **7-G** when acting on changes for ineligible household members.

Resources of Ineligible Household Members

Legal reference: 7 CFR 273.8(e)(13) and (j), 273.11(c) and (d)

Use the same resource policies for ineligible members as you do for eligible members to determine whether a resource is countable or not. See **7-D, Whose Resources to Count** for what resources are and are not counted.

Count the entire value of the resources of the following ineligible household members towards the eligible household's resource limit, unless the resources are exempt by policies in **7-D**:

- All Ineligible aliens
- People disqualified for intentional program violation
- People who fail to provide a social security number
- NAC matched individuals who fail to respond to the NAC match at application, recertification, or the addition of a new household member
- People disqualified for failing to comply with a mandatory work registrant requirement
- Ineligible ABAWDs
- Fleeing felons and parole and probation violators

Do **not** count the value of any of the resources of an ineligible student towards the eligible household's resource limit.

Income and Deductions of Ineligible Household Members

Legal reference: 7 CFR 273.11(c), 87 FR 59633

Use the same income policies for an ineligible member's income as you do for eligible members. Income that is excluded for eligible household members is also excluded for ineligible household members. Earned versus unearned income policies also apply the same for ineligible members.

Deductions that are allowable for eligible members may be allowed for ineligible members. The reason a person is ineligible determines what and how much is allowed as a deduction for the eligible household.

See **7-E, Income** for policies on specific types of income and details on handling deductions.

Income

The reason a person is ineligible determines how much of the person's income you count as income to the eligible household members.

Do **not** count the income of ineligible students towards the eligible household. If ineligible students give money to the eligible household, count it as unearned income.

Count all of the income of the following ineligible members towards the eligible household:

- Non-Specified Ineligible Aliens (NSIA)
- People disqualified for intentional program violation
- Fleeing felons and parole and probation violators
- People disqualified for failing to comply with a mandatory work registrant requirement

To determine the amount of prorated income to count towards the eligible members of the household:

1. Earned income: subtract the earned income deduction from the ineligible member's earned income; count the remainder as unearned income to the rest of the household.
2. Unearned income: count the total amount of the ineligible member's unearned income as unearned income to the rest of the household.

Count a prorated share of the following ineligible members' income towards the eligible household:

- Specified Ineligible Aliens (SIA)
- People who fail to provide an SSN
- NAC matched individuals who fail to respond to the NAC match at application, recertification, or the addition of a new household member
- Ineligible ABAWDs

To determine the amount of prorated income to count towards the eligible members of the household:

1. Subtract the earned income deduction from the ineligible member's earned income.
2. Divide the ineligible member's income evenly among the household members, including the ineligible members.
3. Count the income attributed to the eligible members as unearned income.

1. Marco and Giana have three children. Giana is a Non-Specified Ineligible Alien. Marco and the children receive SNAP. Giana works and makes $500/month. Giana's aunt also sends her $150 each month and will continue to do so until all of the children have graduated from high school. To calculate how much of Giana's income to count towards the eligible household:
   - Subtract the earned income deduction from her total gross monthly income and count the remainder as unearned income to the rest of the household. $500 x .20 = $100, $500 - $100 = $400
   - Count $150 as unearned income to the rest of the household.
   - $550/mo total counted as unearned income to the rest of the household ($400 + $150 = $550).
2. The household consists of Leo and Olivia and their child. Leo is an LPR, who hasn't met the 5-year bar and doesn't have 40 qualifying work quarters. Olivia and the child are U.S. citizens. Leo is eligible to be included in the FIP grant, but is not eligible for SNAP. Leo earns $500 per month (gross income). The household's FIP grant is $226.

   Earned Income:
   - Subtract the earned income deduction from Leo's gross monthly income. ($500 X .80 = $400)
   - Divide $400 by the number of people in the household, including Leo. ($400 divided by 3 people = $133.33 per person)
   - Take the $133.33 per person and multiply it by the number of eligible household members. ($133.33 X 2 = 266.66, entered as unearned income)

   FIP Grant:
   - Divide the FIP grant by the number of people in the household, including Leo. Then multiply the result by the number of SNAP-eligible persons. ($226 divided by 3 = $75.33; $75.33 X 2 = $150.66 unearned income, Olivia and the child's FIP)
   - Divide Leo's 1/3 of the FIP grant by the number of people in the household, including Leo. Then multiply the result by the number of SNAP-eligible members. ($75.33 divided by 3 = $25.11; $25.11 X 2 = $50.22, the countable share of Leo's FIP)

   Countable Unearned Income:

   Add the three amounts: $266.66 (2/3 of earned income) + $150.66 (2/3 of FIP grant) + $50.22 (2/3 of Leo's share of the FIP grant) = $467.54 countable unearned income

3. At application, the household consists of spouses Kelly and Alex and their two children. The worker does their NAC look-ups and finds a NAC match for Alex. An RFI is sent to the household to verify when Alex's SNAP benefits closed in the other state. They don't respond to the RFI. Alex is denied for failing to respond to the NAC match. Alex's income of $1,000/month is prorated as follows:
   - Subtract the earned income deduction from their total gross monthly income. ($1,000 x .20 = $200, $1,000 - $200 = $800)
   - Divide the $800 by the number of people in the household, including Alex. ($800 divided by 4 = $200/person)
   - Disregard the portion from Alex and count the remainder as unearned income to the rest of the household. ($800 - $200 = $600)

Deductions

Allow deductions for the eligible household as described below under the following categories of ineligible members. See **7-E, Income** for more information on handling and allowing deductions.

Ineligible Students

Do not allow any deduction for child support, dependent care, or shelter costs when an ineligible student pays the entire cost. Do allow a share of these costs for the eligible household members when the costs are shared with an ineligible student.

If the actual amount paid by the eligible members is known, allow only that amount. If you cannot differentiate between the amounts paid by eligible members and ineligible students, prorate the expense and allow the amount attributable to the eligible members as a deduction.

Do not allow any deduction for utilities when an ineligible student pays the entire cost. Allow the eligible members the entire standard utility allowance if the household pays the entire cost or the ineligible student shares the cost. Use the applicable utility allowance for the expenses that the household (including the ineligible member) is responsible to pay.

Non-Specified Ineligible Aliens, IPVs, Work Registration, Fleeing Felons, and Parole and Probation Violators

Non-Specified Ineligible Aliens, people who are disqualified for intentional program violation or failure to meet mandatory work registration requirements, fleeing felons, and parole and probation violators are treated like eligible members when determining what deductions the eligible household is entitled to.

The eligible household is entitled to the entire household's amount of child support, dependent care, shelter costs, and medical expenses, even if the expenses are billed to or are in part or entirely paid by the ineligible person.

> Mr. B is elderly and has allowable medical expenses. He cannot get SNAP benefits because he is disqualified for intentional program violation. Mr. B's medical expenses are allowed when calculating SNAP benefits for the eligible household.

Specified Ineligible Aliens, Ineligible ABAWDs, SSN Disqualifications, and NAC Match Disqualifications

Legal reference: 7 CFR 273.11(c)(3), IC 239.2, 87 FR 59633

Policy: Households that include Specified Ineligible Aliens, ineligible ABAWDs, or persons disqualified for failure to provide an SSN or failure to respond to a NAC match at application, recertification, or the addition of a household member are allowed either the full or a prorated share of deductions depending on the type of deduction and who is responsible for the expense.

Procedure: Determine whether a full or prorated share is allowed as follows:

- Do **not** prorate deductions for:
  - Utility costs, whether an **eligible** or **ineligible** member pays or is responsible for paying them;
  - Medical expenses of an eligible elderly or disabled member, whether an **eligible** or **ineligible** member pays or is responsible for paying them;
  - Shelter care costs when an **eligible** member pays or is responsible for paying them;
  - Dependent care costs when an **eligible** member pays or is responsible for paying them; or
  - Child support paid by an **eligible** member.

  Allow the full amount of these deductions.

- **Do** prorate deductions for:
  - Shelter costs when an **ineligible** member pays for or is responsible for the expense;
  - Dependent care costs when an **ineligible** member pays for or is responsible for the expense; and
  - Child support paid by an **ineligible** member.

  Allow the eligible household's prorated share of these deductions.

Comment:

1. The household consists of Mr. and Mrs. X and their three children. Mrs. X is a Specified Ineligible Alien. Mr. X is eligible and works. He is responsible and pays for the rent. Because Mr. X is a member of the eligible group and is responsible for the expense, the entire shelter expense is allowed.

2. Mr. and Mrs. Y have four children. Mr. Y is a Specified Ineligible Alien. The SNAP eligible group consists of Mrs. Y and the children. Mr. Y is responsible and pays for the rent of $600 and all utility expenses, including heat. The family is eligible for a prorated share of the rent and the entire big standard for utilities.

   The amount allowable for rent is calculated as follows:

   $600 divided by 6 people (all household members) = $100
   $100 X 5 people (the eligible household members) = $500.

3. A child is the only eligible member. The only income in the household is the child support the mother receives. The child support is used to pay the household expenses.

   Because the child support is the child's income, the child is paying all the expenses. The allowable deductions are not prorated because the eligible member pays the expense.

4. A mother receives FIP for her child. The mother is an ineligible alien for both FIP and a Specified Ineligible Alien for SNAP. The only income in the household is the FIP. The FIP is used to pay the household expenses.

   Because the FIP is the child's income, the child is paying all the expenses. The allowable deductions are not prorated because the eligible member pays the expense.

5. The household consists of Ms. H (a Specified Ineligible Alien) and her citizen children Ali, Omar, and Zara. Ms. H explains that of her $1,000/month verified mortgage expense, she pays $800/month from her earnings and Ali (20 years old) is responsible to pay $200/month from his earnings.

   Because Ali is a citizen, his portion of the expense is not prorated. The $800 portion Ms. H pays is prorated as:

   $800 divided by 4 people (all household members)= $200
   $200 X 3 people (the eligible household members) = $600

   Therefore, the household is entitled to a shelter deduction of: $600/month (the prorated portion of Ms. H's expense) + $200 (Ali's portion)= $800/month.

Ineligible Households Due to Lottery or Gambling Winnings

Legal reference: 7 CFR 273.11(r)

A household certified for SNAP benefits is required to report when anyone in the household receives lottery or gambling winnings over the resource limit during the certification period. The household's attestation to the amount of their lottery or gambling winnings does not need to be further verified, unless questionable. A household who reports lottery or gambling winnings over the limit must be canceled (see **14-B(5)** for instructions).

A household who loses eligibility due to the receipt of lottery or gambling winnings remains ineligible until they meet regular income and resource limits. This means they cannot be considered categorically eligible until they are certified under regular SNAP rules. See **7-C, Categorical Eligibility Following Ineligibility Due to Lottery or Gambling Winnings**.

Data matches that show lottery or gambling winnings are not considered verified and therefore should be held to be verified/clarified at the next recertification.

Migrants and Seasonal Farm Workers

The policies in this section apply to households that have at least one member who is a migrant or seasonal farm worker.

"Migrants" are defined as those who travel between states or counties to find work, especially harvesting crops, on a seasonal basis. While in the migrant stream, the household may or may not have a permanent place of residence to return to at night, and therefore, may be considered homeless.

A "seasonal farm worker" is a person who works on a farm or ranch on a seasonal basis when the work is generally within commuting distance of the person's home.

The following sections describe special policies for:

- **Application processing**
- **Emergency services**
- **Income**
- **Budgeting for destitute households**

Application Processing

Legal reference: 7 CFR 273.10(f)(3); 273.2(F)(1)(vi); and 273.10(e)

For migrant households, you can waive the requirement that a household must prove it lives in Iowa if proof cannot reasonably be obtained. Document in the case file any efforts to verify residency.

Migrants are entitled to postpone out-of-state verification only once each season. If a migrant household requesting emergency service has already had verification of out-of-state information postponed in the current season, grant a postponement of out-of-state verification only for the first month's issuance.

An "initial month" for migrant or seasonal farm worker households is the first month the household is certified following a break of at least one month in participation. This means that you do not prorate benefits from the date of the application when at least one household member got SNAP during the month before the month in which the household applies. Assign households the longest certification periods possible based on the predictability of the household's circumstances. Certify households for at least four months.

Emergency Services

Legal reference: 7 CFR 273.10(e)(2) and (3), 273.2(i)(1)

Migrants and seasonal farm workers are eligible for emergency service if the household meets any one of the standard emergency criteria as defined in **7-B, Determining Eligibility for Emergency Service**.

A migrant and seasonal farm worker household is also entitled to emergency services if the household is destitute and has $100 or less in liquid resources. A household is destitute if the household's only income for the month of application is from one or both of the following sources:

- Terminated income that was received before the date of application.
  - When the income is normally received monthly, "terminated" means the income will not be received from the same source during the balance of the month of application nor during the following month.

- When the income is normally received more frequently than monthly, “terminated” means the income will not be received again from the same source during the balance of the month of application nor during the following month.
- When the income is normally received less frequently than monthly, “terminated” means the income will not be received in the month in which the next payment would normally be received.

- A new source from which the household will not receive more than $25 by the tenth calendar day after the date of application. “New source” applies to income of:
  - $25 or more that is normally received on a monthly or more frequent basis when the household has not received any income from that source within 30 days before the date the application was filed.
  - $25 or more that is received less often than monthly if the income was not received within the last normal interval between payments.

A household applies in early January and will be paid quarterly starting late in January. The income from a new source is considered if the household has not received more than $25 from that source during October or since that time.

Income

Legal reference: 7 CFR 273.10(e)(2) and (3), 273.9(c)(1)(ii), and 273.9(c)(5)(ii)

Do not count migrant and seasonal farm worker general assistance or public assistance vendor payments for housing and transportation while workers are in the job stream.

EXCEPTION: **Do not exclude** these transportation payments when they are for gas or car repair to get the migrant back home or to another area of employment or for transportation to get the worker to the farm. **Exclude** reimbursements made to the migrant for travel expenses.

Destitute Households

Legal reference: 7 CFR 273.10(e)(2) and (3)

Determine eligibility for destitute households (see **Emergency Services** for destitution criteria) by comparing either the household’s gross or net income to the corresponding monthly income eligibility standard, depending on the type of household members. See **7-C, Categorical Eligibility** and **7-F, Gross Income Limit**.

Count only income between the first of the month and the date of application to determine the household’s gross and net monthly income for the month of application. Do not count any income received from a new source after the date of application.

Self-Employed Households

Policies in this section apply to self-employed people, including households that own and operate commercial boarding houses. See also **Self-Employment Policies for Farmers**. The following section describes self-employment policies for:

- **Resources**
- **Income**
- **Determining assistance**
- **Ending self-employment**

Resources

Property Essential to Employment

Legal reference: 7 CFR 273.8(e)

Exclude as a resource any property that is essential to a household's self-employment business. Examples include tools of a tradesman.

Continue to exclude the property when self-employment is temporarily interrupted because of circumstances beyond the control of the household, such as illness.

When a self-employment enterprise ends, count the equity value of any property that was previously excluded under this policy. EXCEPTION: For property of farmers, see **Self-Employment Policies for Farmers**.

Prorated Income

Legal reference: 7 CFR 273.8(e)(5), 273.8(e)(9), and 273.8(f)

Exclude as a resource any self-employment income that has been prorated. Prorated income remains excluded for the entire proration period, even if it is commingled in an account with funds that are not excluded.

To determine the amount of money to exclude from the liquid resources of a self-employed person whose income is annualized:

1. Add together:
   - The total allowable costs of doing business, and
   - The net countable yearly earnings from the self-employment enterprises
2. Deduct the total of these figures from the total liquid resources as of the date of the interview to determine the countable resource amount.

1. A self-employed household anticipates $5,000 in net countable income, and $95,000 in allowable business expenses. The household has $101,000 in resources as of the date of interview. Calculate countable resources as follows:

$ 5,000	(Net income)	$101,000	(Total liquid resources)
+ 95,000	(Expenses)	- 100,000	(Net income + expenses)
$100,000		**$ 1,000**	**Countable resources**

   The household is within resource limits.

2. A self-employed household anticipates gross income of $50,000 and $60,000 in allowable expenses. This results in a net loss of $10,000. As of the date of interview, total resources equal $61,500. Calculate countable resources as follows:

$ 0	(Net income)	$ 61,500	(Total resources)
+ 60,000	(Expenses)	- 60,000	(Net income + expenses)
$ 60,000		**$ 1,500**	**Countable resources**

   The household is within resource limits.

Income

Legal reference: 7 CFR 273.11(a), CFR 273.9(b)(1)(ii)

Policy: Determine net self-employment income by subtracting from the gross self-employment income either:

- The standard deduction of 40% (see **Standard Deduction**), or
- Actual allowable business expenses (see **Allowable Costs of Producing Income**).

If the household has more than one self-employment enterprise, determine the monthly income of each enterprise. Then add these to the other income of the household. “Separate” self-employment enterprises included:

- Enterprises under the ownership of different people.
- Enterprises under ownership of the same person that are not the same type of business.

1. Mr. N grows crops, custom farms, and operates a hog confinement unit. Consider all these enterprises as one self-employment enterprise.
2. Ms. O operates a child care business from home and also sells Avon. Since the two businesses are unrelated, consider these to be separate enterprises, and compute two self-employment income figures.
3. Mrs. P operates a beauty shop and her husband operates a carpentry business. Compute the income from each business separately.

Procedure: Consider a net monthly loss as zero income, unless the household has more than one self-employment business, or has self-employment income from farming. See **Offsetting Loss in One Enterprise from Gains in Another** and **Offsetting a Farm Loss Against Other Countable Income** for more information.

Add the earned monthly net self-employment income to any other earned income and apply the earned income deduction to the total. Most self-employment income is earned, but some rental income and income from property sold on contract is considered unearned self-employment income.

When self-employed households file federal income tax returns, the tax returns are generally used as verification. However, if a self-employed household does not file taxes, it must provide records for actual income and expenses. Proof of expenses is not required if the household chooses to use the standard deduction for self-employment expenses.

If part of the expense was for personal use, the household must identify the percentage used for the business. If using actual expenses, only allow that portion used for the business as a deduction.

Comment: It is the household's choice whether they want to determine net self-employment income by using the standard deduction or providing verification of actual expenses. Work with the household to determine what is best for their circumstances.

If the household states they want to use actual expenses but fails to provide verification, allow the standard deduction of 40% if you have verification of the income.

The following sections explain:

- **Standard deduction**
- **Allowable costs of producing income**
- **Nonallowable cost of producing income**
- **Shelter and utility deductions**
- **Rental income**
- **Income from property sold on contract**
- **Offsetting loss in one enterprise from gains in another**

Standard Deduction

Legal reference: 7 CFR 273.11(b)

Policy: When a client requests to have the standard deduction used instead of actual expenses, determine net self-employment income by deducting

40% from the gross self-employment income received. This deduction is intended to cover the costs of producing the income.

The client must state there are some allowable business-related expenses in order to get the 40% deduction.

Ms. A is a self-employed child care provider who does not file tax returns. Ms. A provides verification of gross self-employment income of $15,000 per year. Ms. A states she has expenses related to her child-care business.

The worker gives Ms. A the option of using the standard deduction or providing actual expenses to calculate net self-employment income. Ms. A requests to have the standard deduction used to calculate her net income. Her net self-employment income is calculated as follows:

$ 15,000	
- 6,000	Standard deduction of 40%
$ 9,000	$9,000 ÷ 12 = $750 per month net self-employment income

Allowable Costs of Producing Income

Legal reference: 7 CFR 273.9(c)(9), 273.11(b)(1)

If the household chooses to claim actual expenses, deduct from self-employment income the allowable costs of producing that income. Allowable costs of producing self-employment income include, but are not limited to:

- Costs of labor
- Stock (merchandise purchases for resale)
- Raw material
- Seed and fertilizer
- Insurance premiums
- Taxes paid on income-producing property
- Rental payments on income-producing equipment
- Lease/purchase option payments on income-producing property
- Cost of income-producing property, capital assets, equipment, machinery, and other durable goods
- Business related mileage, using either the standard mileage reimbursement rate for state of Iowa employees, or the actual expense method (actual costs of operating the vehicle such as gas, maintenance, and insurance).

Nonallowable Costs of Producing Income

Legal reference: 7 CFR 273.11(b)(2) and 273.10(d)(1)(ii)

Do **not** allow the following items as costs of producing income:

- Net losses from prior periods. Because net losses from a prior period are not an allowable deduction, do **not** use capital or supplemental losses shown on current income tax forms to offset self-employment income.
- Federal and state income taxes, money set aside for retirement, and other work-related personal expenses (such as transportation to and from work). Such expenses are accounted for by the 20 percent earned income deduction.
- Depreciation.
- Charitable contributions.
- Wages and fringe benefits provided to a household member.

Shelter and Utility Deductions

Legal reference: 7 CFR 273.9(d)(5)(i); DPL 03-03 Att. 1

A self-employed person who works out of the home may have a single rent payment, or single payments for a mortgage, property taxes, or homeowner's insurance that includes costs for both the home and the business. For example, most farmers have one mortgage that covers the home, the farmland, and other buildings on the farm.

Determine what percentage of the payment is for the home and what percentage is for the business. This information may be available through a variety of sources, including the income tax return, the county assessor's office, or the lending institution.

If you cannot determine what percentage to attribute to the business, do not allow any of these costs as a business expense. Allow the costs as a shelter deduction.

When you have determined what percentage of these payments are business costs and what are shelter costs, treat the costs as if they are for separate buildings, as follows:

- For the **business** deduction, allow the percentage of rent, mortgage payment, insurance, and property taxes that is attributed to the business.
- For the **shelter** deduction, allow the percentage of rent, mortgage payment, insurance, and property taxes that is not attributed to the business.

Handle utilities as follows:

- If a self-employed person who works out of the home claims the entire utility expense as a business expense, do not allow a standard utility allowance.

- If a self-employed person who works out of the home claims a percentage of the utility expense as a business expense, allow the applicable standard utility allowance as a shelter deduction and nothing for the business.

Rental Income

Legal reference: 7 CFR 273.9(b)(2)(ii)

If a household member manages a rental property an average of 20 or more hours a week, the rental income is earned. If a household member does **not** manage the property at least 20 hours a week, the rental income is unearned.

Property Sold on Contract

Legal reference: 7 CFR 273.9(b)(2)(ii)

Count income from installment sales contracts as unearned self-employment income. Count the net income, after allowable expenses, over the period of time a payment is intended to cover. For example, if the household receives a payment once a year, prorate the net income over one year. If payment is received monthly, count the net income monthly.

When a household that sells property on contract is responsible for the mortgage payment for that property, deduct taxes, insurance, and both the principal and interest portions of the mortgage payment from the contract income.

Offsetting Loss in One Enterprise From Gains in Another

Legal reference: 7 CFR 273.11(a)(2)(iii)

If the household has more than one self-employment enterprise, offset the self-employment losses from one enterprise against the profits of another enterprise. Do not carry over losses from prior years.

If the household has both earned or unearned self-employment income, offset the loss from the profit of each type of self-employment income separately. If both types of self-employment income show a profit at this point, allow the 20 percent earned income deduction only for the earned self-employment income.

Household 1	Business A Earned	Business B Earned	Business C Unearned	Business D Unearned
Gross Income	$100,000	$ 6,000	$ 45,000	$ 21,000
Expenses	- 92,000	- 9,000	- 49,000	- 15,000
Profit/Loss	$ 8,000	$ (3,000)	$ (4,000)	$ 6,000

$ 8,000	Earned Business A	$ (4,000)	Unearned Business C
+ (3,000)	Earned Business B	+ 6,000	Unearned Business D
$ 5,000	Earned income	2,000	Unearned income
Prorate and apply 20% deduction		Prorate and no 20% deduction	

If at this point the earned self-employment enterprises show a loss, the unearned self-employment enterprise show a profit, and there is an overall profit after offsetting, do not allow the 20 percent earned income deduction.

Household 2	Business N Earned Income	Business M Earned Income	Business O Unearned Income
Gross Income	$ 12,000	$ 8,000	$ 9,000
Expenses	- 10,000	- 12,000	- 5,000
Profit/Loss	$ 2,000	$ (4,000)	$ 4,000

$ 2,000	Earned Business N		
+ (4,000)	Earned Business M		
$ (2,000)	Earned Income	4,000	Unearned Business O
	$ (2,000)	Earned income	
	+ 4,000	Unearned income	
	$ 2,000	Prorate and no 20% deduction	

If at this point the earned self-employment enterprises show a profit, the unearned self-employment enterprises show a loss, and there is an overall profit after offsetting, allow the 20 percent earned income deduction.

Household 3	Business X Earned Income	Business Y Earned Income	Business Z Unearned Income
Gross Income	$ 30,000	$ 12,000	$ 15,000
Expenses	- 29,000	- 6,000	- 20,000
Profit/Loss	$ 1,000	$ 6,000	$ (5,000)

$ 1,000	Earned Business X	$ (5,000)	Unearned Business Z
+ 6,000	Earned Business Y	+ 7,000	Earned income
$ 7,000	Earned income	$ 2,000	Prorate and apply 20% deduction

After any offsetting is done, if the income from self-employment is still a loss, consider this income to be zero. Do **not** offset a loss from self-employment income against other sources of earned or unearned income.

EXCEPTION: A self-employed farmer can also offset a farm loss against any other countable income. See **Offsetting a Farm Loss Against Other Countable Income** for more information.

Determining Assistance

Legal reference: 7 CFR 273.11(a)

Either annualize self-employment income over a 12-month period or consider it on a seasonal basis.

When self-employment income is intended to meet the household's need for only part of a year, average it over the period of time it is intended to cover. For example, when self-employed vendors work only in the summer and supplement their income from other sources during the balance of the year, average the self-employment income over the summer months, rather than over a year.

The following sections explain:

- **How to annualize income and expenses**.
- **How to count capital gains with annualized income**.
- **When to use even and uneven proration of income in calculating benefits**.

Annualized Income and Expenses

Legal reference: 7 CFR 273.11(a)(1)

When self-employment income represents the household's annual income, prorate it over 12 months. Do this even if the household:

- Receives the income within a short period during that 12 months, or
- Has other income in addition to the self-employment.

To annualize self-employment income, anticipate with the household the income and expenses of the business for the next 12 months. Normally, the best way to anticipate annual self-employment income is to use the household's most recently completed federal income tax return. If a tax return is not available, the household should provide records with an accurate summary of its income and expenses. The records obtained from the household must cover the 12-month time period used to annualize income.

If the household experiences a significant increase or decrease in business income, the annualized income may not provide a good projection. A substantial change in business may also affect projections. In these cases, work with the household to arrive at the best estimate of future income.

A substantial change in the business includes but is not limited to:

- A change in the nature or scope of the business, such as changing from selling Avon to selling Stanley or an insurance salesman who decreases or increases the number of types of insurance policies offered; or
- A substantial capital gain or loss occurs that was not previously considered; or
- A disaster or casualty loss not covered by insurance occurs, such as a flood or a fire.

If a self-employment enterprise has been in existence for less than a year, average its income over the period that it has been in operation and project the monthly amount for the coming year.

Capital Gains

Legal reference: 7 CFR 273.11(a)(3)

For self-employment income, add the anticipated monthly amount of capital gains to the anticipated monthly self-employment income, and subtract the cost of producing the self-employment income.

Use capital gains only to determine an anticipated amount. Do **not** allow capital or supplemental losses when determining anticipated capital gains.

Calculate a new average amount and use if the anticipated capital gain amount changes.

The formula for calculating proceeds from the sale of capital goods or equipment is: the sale price, minus purchase price, plus any amounts depreciated for federal income tax purposes.

A farmer sells a tractor for $10,000 after having paid $12,000 for it five years ago. During the five-year period of ownership, depreciation was calculated at a rate of $1,200 per year. Capital gain is computed as follows:

$ 10,000	Sale price
- 12,000	Purchase price
+ 6,000	Depreciated amount ($1,200 per year x 5 years)
$ 4,000	Actual gain from sale of equipment

If capital gain amounts are obtained from federal income tax forms, use the entire proceeds of the sale, even though only a percent of the proceeds is taxed for federal income tax purposes.

Even and Uneven Proration for Benefits

Legal reference: 7 CFR 273.11(a)

An eligible household with self-employment income has the option of having **benefits** determined either:

- By using the same net self-employment income that was used to determine eligibility (an **even** monthly amount), or
- By unevenly prorating the household's annual self-employment income over the period for which the household's self-employment income was averaged, to more closely approximate the time the income is actually received.

When net self-employment income is unevenly prorated, assign it so that the self-employment income together with other income and deductions at the time of certification will not exceed the maximum monthly net income eligibility standard for the household's size.

Households normally decide between even and uneven proration at the time of certification and cannot change the decision during the certification period.

Ending Self-Employment

Legal reference: 7 CFR 273.11(a)(1)

A person is no longer self-employed when the person files Chapter 7 bankruptcy. Consequently, the resource exemption for property essential to self-employment would no longer be granted. However, any assets under the jurisdiction of a trustee are not considered available to the household nor counted as resources.

See **Self-Employment Policies for Farmers** for specific provisions relating to ending farming.

If bankruptcy and reorganization are filed under Chapter 11 provisions, the household is still considered self-employed. Anticipated income based on the most recent year's tax return and the debt reorganization plan can be used to determine SNAP eligibility.

If a household receives income from self-employment after the enterprise has ended, count it as:

- Earned, if the former enterprise produced earned income.
- Unearned, if the former enterprise produced unearned income.

Deduct any expenses related to the terminated enterprise that are paid in the same month as the income is received. Allowable expenses are those listed in **Allowable Costs of Producing Income**. Add the net income to other earned income and apply the earned income deduction to the total.

Self-Employment Policies for Farmers

The policies under **Self-Employed Households** apply to farmers. The following sections contain additional information that pertains only to farmers and not to other self-employed households. They describe:

- **Treatment of farm-related resources**.
- **Treatment of special kinds of farm income**.
- **When and how farm losses can be offset against other countable income**.

Resources

Legal reference: 7 CFR 273.8(e)(5), 273.8(h)

Exclude as a resource grain that is expected to be in storage for less than 12 months. It is considered property essential to employment. Count the equity value of grain that will be stored for 12 or more months.

Count patronage dividends as a resource when they are paid as shares of stock in a cooperative.

Continue to exclude the following resources for one year from the date the farming ends:

- Property essential to a self-employed farmer.
- Licensed vehicles previously used primarily for self-employed farming.

Income

Legal reference: 7 CFR 273.9(c); 273.9(b)(1)(ii); 273.11; 273.9(b)(2)(v)

Do **not** count the following as income:

- Federal gasoline tax credit
- State gasoline tax refund
- Animals slaughtered for home consumption
- Crop insurance proceeds received for damaged or destroyed crops if received as a non-recurring lump-sum payment

Count patronage dividends as income when a cooperative makes the payments in cash.

When a farmer sells grain, count the sale price as income, even if the money is used to repay a commodity credit loan. If a farmer uses the grain itself to repay the loan (instead of paying with money), the value of the grain is the amount of money that was previously loaned. Consider that amount as income at the time of repayment.

Offsetting a Farm Loss Against Other Countable Income

Legal reference: 7 CFR 273(3)(1)(i), 273.11(a)(2)(iii)

NOTE: This policy applies only to farmers who receive or anticipate receiving annual gross income of **at least $1,000** from the farming enterprise.

If the cost of producing the self-employment income from farming exceeds the income derived from self-employment as a farmer, deduct the loss from any other countable income in the household.

If a farm self-employment enterprise results in a loss, offset that loss from the household's gross income before the income is compared to the gross income eligibility standards. However, apply the earned income deduction to the gross earnings before the excess farm expenses are offset.

Allow the standard deduction after any farm loss is deducted from the countable earned and unearned income.

If the farming household has other sources of nonfarm self-employment, offset any farm losses against any gains from other self-employment enterprises first. Then determine the amount of the farm loss, if any. Offset any remaining farm loss against other sources of non self-employment income. Then compare the amount to the gross income limit.

Household A receives the following income:

$ 500	Monthly earnings from employment
$ 200	Monthly child support
$ 5,000	Self-employment annual nonfarm income, Source A
($ 1,000)	Self-employment annual nonfarm income, Source B
($10,000)	Self-employment annual farm income

Compute the household's income as follows:

Income from self-employment:

$ 5,000	Nonfarm income, Source A
- 1,000	Nonfarm loss, Source B
$ 4,000	
- 10,000	Farm loss
($ 6,000)	÷ 12 = ($500) per month farm loss

Gross income test:

$ 500	Earnings from employment
+ 200	Child support
$ 700	
- 500	Prorated farm loss
$ 200	This income is compared to the gross income table

Benefit calculation (shown only to point of standard deduction)

Earnings from employment	$ 500
Earned income deduction	- 100
(20%)	$ 400
	+ 200
Child support	$ 600
	- 500
Farm loss	$ 100

Household B receives the following income:

$ 1,000	Monthly earnings from employment
$ 250	Monthly child support
$ 6,000	Self-employment annual nonfarm income, Source A
($12,000)	Self-employment annual farm income
($ 7,000)	Self-employment annual nonfarm income, Source B

The household's income is computed as follows:

Income from self-employment:

$ 6,000	Nonfarm income, Source A
- 7,000	Nonfarm income, Source B
($ 1,000)	Nonfarm income loss. This figure is ignored.
($12,000)	Farm income ÷ 12 = ($1,000) per month farm loss

Gross income test:

$ 1,000	Earnings from employment
+ 250	Child support
$ 1,250	
- 1,000	Prorated farm loss
$ 250	This income is compared to the gross income table

Benefit calculation (shown only to point of standard deduction)

Earnings from employment	$ 1,000
Earned income deduction	- 200
(20%)	$ 800
	+ 250
Child support	$ 1,050
	- 1,000
Farm loss	$ 50

Students

Legal reference: 7 CFR 273.5

When determining student eligibility, consider a person to be enrolled in an institution of higher education if the person is enrolled in:

- A business, vocational, technical or trade school that normally requires a high school diploma or equivalency certificate for enrollment in the curriculum. Examples may include cosmetology school, welding school, or an automotive technology program.
- A regular curriculum at a junior, community, two-year, or four-year college or university that offers degree programs regardless of whether a high school diploma is required.

  NOTE: This does not include special programs such as courses for English as a second language and workforce development and occupational training programs that are not part of the regular curriculum, but which are often held on community college campuses. Examples include CNA and CDL programs. Be sure to ask clarifying questions to determine if a household member is in a training or other special program or enrolled in the school's regular curriculum. Individuals enrolled in these special programs that are not part of the regular curriculum are not considered to be enrolled in an institution of higher education and therefore are not subject to student eligibility requirements.

  While students in these special programs are not required to meet student eligibility requirements, they may be exempt from work registration based on their participation in the school or training program. See **7-C, Exemptions from Work Registration** for more information on how these programs may impact the client's MWR status.

When a student is an alien, require the student to verify alien status. If the student is an ineligible alien, do not apply student policies. Follow the policies that apply to ineligible aliens.

The following sections explain:

- Nonfinancial eligibility (student status)
- **Counting educational assistance as a resource**
- **Counting educational assistance as income**

Nonfinancial Eligibility

Legal reference: 7 CFR 273.5, 273.1(b)

Students who are required to meet student eligibility criteria but who do not meet it are not eligible for SNAP. See **Ineligible Household Members** earlier in this chapter for treatment of the income and resources of ineligible students.

The following sections explain:

- When students can be eligible
- **The effects of student status**

Eligible Students

Legal reference: 7 CFR 273.5(a), (b)(1)

Students do **not** need to meet student eligibility criteria when they are:

- Under age 18.
- Aged 50 or over.
- Physically or mentally unfit for employment.
- Attending high school or a high school equivalency program.
- In an on-the-job-training program.
    - An on-the-job training program is a type of work-based learning program where a participant works for an employer while also receiving training. The employer may or may not be reimbursed for the participants' wages through a workforce of other state for federally sponsored program.
    - Example: A gas and pipe welding company has a training program that provides workers with real-time training about the machines and procedures at that employment site. Participants are employees of the workplace where they are doing the OJT, but as part of the training program receive additional supervision, specific skill-based training on the job site, case management, tools, a welding certification, and post-training follow up.
- Attending school less than half time (the school defines half time).
- In a school or training program that is not an institution of higher education.
- A single parent enrolled in an institution of higher education on a full-time basis (as determined by the institution) and is responsible for the care of a child under 12. "Single parent" means a parent living with a child and not living with that child's other legal, or natural parent, or not living with a spouse.

All other students must meet at least one of these student eligibility criteria:

- Work at least 20 hours a week and be paid wages. When hours of work fluctuate, average the hours for a period of time that allows a reasonable estimate of the hours expected to be worked per week. Exceptions to working 20 hours a week may be made, such as when a student becomes ill or is excused from work because of final exams.
- Self-employed, working at least 20 hours a week and receiving gross weekly earnings at least equal to the federal minimum wage multiplied by 20 hours. When hours of work fluctuate, average the hours for a period of time that allows a reasonable estimate of the hours expected to be worked per week.

- Work, or anticipate work, in a state or federally financed work-study program during the regular school term. To qualify under this provision, the student must be approved for work study at the time of application/recertification for SNAP, the work study must be approved for the school term, and the student must anticipate actually working during that time.
- Responsible for the physical care of a dependent household member under the age of six. More than one person cannot claim responsibility for the care of the same child. If there are two or more children in a household, each adult can claim responsibility for the care of different children.
- Responsible for the physical care of a household member under age 12 when circumstances indicate adequate child care is not available to allow the student to attend school and work at least 20 hours a week.
- Receiving a FIP grant, approved for FIP but not yet receiving it, or approved but not receiving a cash grant because the grant is under $10.
- Placed in an institution of higher education through:
  - Section 236 of the Trade Act of 1974, or
  - The Workforce Innovation and Opportunity Act (WIOA), formerly known as Workforce Investment Act (WIA), or
  - A state or local government employment and training program. Central Office has identified the following two programs, which are offered through all Iowa community colleges:
    - GAP
    - PACE (Pathways for Academic Career & Employment). Students must be eligible for PACE based on income, not the other PACE eligibility criteria.

    There may be other programs that meet this criteria. If you become aware of a potential program, send it to Policy Support for a determination.

Student Status

Legal reference: 7 CFR 273.5(b)(1) and (2), 273.7(b)

Consider a newly enrolled college student to be enrolled starting on the first day of the school term, no matter when the student registered for classes or paid to enroll.

Students retain their eligible or ineligible status during school vacations and breaks, including summer break, if they intend to register for the next normal school term (summer school is not considered a normal school term).

Student eligibility status no longer applies when the student graduates, is suspended or expelled, drops out, or does not intend to register for the next normal term.

Resources

Legal reference: 441 IAC 65.14(234)

Exclude from resources all financial assistance received for education or training that is excluded for Modified Adjusted Gross Income (MAGI)-related Medicaid.

Income

Legal reference: 441 IAC 65.12(234), Iowa Code Section 257.11B

Treat educational assistance the same whether a student is attending an institution of higher education or a school or program that is not an institution of higher education. Do not count as income any financial assistance received for education or training that is exempt for MAGI-related Medicaid. See **MAGI related Medicaid job aids** for a list of exempt income.

In addition, regardless of how MAGI treats work study income, treat it as follows for SNAP:

- Federally funded work study is excluded.
- State-funded work study is excluded up to the amount ear-marked for educational expenses.

NOTE: Funds in a Students First Education Savings Account, established by the Students First Act which was signed into Iowa law on January 24, 2023, are excluded.

Department of HUMAN SERVICES

Employees' Manual

Title 7, Chapter J

Revised August 27, 2021

Intentional Program Violation

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Overview

The Department of Human Services is responsible for investigating any case of alleged intentional program violation (IPV) and for making sure that cases are acted upon through either an administrative disqualification or a court hearing.

This chapter explains the policies and procedures for pursuing and establishing IPVs.

Legal authority is found in the Food Stamp Act of 1977, Title 7 Code of Federal Regulations 273.16, Iowa Code Chapter 234, and 441 Iowa Administrative Code, Chapters 7 and 65.

Definition of Intentional Program Violation

Legal reference: 7 CFR 273.16(c)

An "intentional program violation" means having intentionally:

- Made a false or misleading statement, or
- Misrepresented, concealed, or withheld facts, or
- Committed an act that is a violation of the Food Stamp Act, Supplemental Nutrition Assistance Program regulations, or any state rule relating to the use, presentation, transfer, acquisition, receipt or possession of a benefit transfer instrument.

A person can only be found guilty of an intentional program violation through an administrative disqualification or court hearing.

Administrative Disqualification

The following sections explain:

- When to refer a case for an administrative disqualification hearing
- How to refer a case for a disqualification hearing
- Client benefits while waiting for a hearing
- Notifying the client of a hearing decision

When to Refer a Case for a Disqualification Hearing

Legal reference: 7 CFR 273.16(a)

Unless the individual has been found guilty in a federal, state, or local court, refer the following types of cases to the Department of Human Services Appeals Section for an administrative disqualification hearing:

- Cases where:
  - The SNAP claim is $1,000 or less and no other program claim is involved, or claims for all programs for this incident are $1,000 or less, and
  - You have sufficient documentary evidence to substantiate that a person has intentionally made one or more acts of intentional program violation.
- Cases previously referred for prosecution that were declined by the legal authority or formally withdrawn by the state. See Court Referrals. The county office will be notified by the DIA Investigations Division when this occurs. Do not refer the case while DIA is pursuing or plans to pursue the case in court.

"Sufficient documentary evidence" includes applications, wage reports, IEVS reports, employer's statements, RREDs, or any documentation on which the client has not fully reported income, resources, household composition, etc. It can also include statements provided to the client explaining reporting requirements. Include all information used to establish the client's intent to commit fraud.

Refer a person for an administrative disqualification hearing regardless of the person's current eligibility. An IPV referral may be appropriate for a new applicant even if the applicant is denied benefits. Evaluate the situation to determine whether an IPV referral is appropriate. More than one member of a household can be referred for an intentional program violation.

How to Refer a Case for an Administrative Disqualification

Legal reference: 7 CFR 273.16

To make a referral for an administrative disqualification hearing, complete form 470-3035, *IPV Referral Cover Sheet*, and obtain a supervisor's signature. To refer more than one member of a household, send a separate form for each person.

Email the *IPV Referral Cover Sheet* to the DHS Appeals Section at appeals@dhs.state.ia.us. The Appeals Section will set up the appeal record and notify staff once an appeal number has been assigned.

Within two working days of receipt of the email stating the appeal file has been established, upload a copy of the IPV Referral Packet, along with copies of all supporting documentation, into the Appeals Information System (AIS). Once the supporting documentation is uploaded, the DHS Appeals Section will review and certify the referral to the Department of Inspections and Appeals so a hearing can be scheduled.

When making the referral, make every effort to ensure you have the most recent, valid address for the person.

When referring a person for more than one act (e.g., failure to report income or failure to report resources) during the same period, include referral information on all actions. (If the case is found guilty, only one disqualification period is established.)

While additional information can later be submitted indicating further fraudulent behavior, only one disqualification period can be imposed for the same time period. Once a disqualification period is established, another disqualification period cannot be imposed for infractions that occurred before that period. This is true also if the household commits a second offense before the final decision being reached on the first offense.

Although another disqualification period cannot be imposed, refer these cases for an IPV so the claim can be considered an IPV claim if appropriate.

1. Mrs. C is found guilty of an intentional program violation for failure to report income during January 2017. The disqualification period is established for 12 months, as the first offense. The worker later determines that Mrs. C also intentionally failed to report income in November 2016. The worker establishes a claim for an inadvertent household error and refers the November 2016 incident for an IPV hearing.

   If Mrs. C is found guilty of IPV, the claim will be changed to an IPV claim. However, a second disqualification period will not be imposed, as the act was committed before the establishment of the first disqualification period.

2. Mr. A fails to report income during January 2016. A referral is made when the offense is discovered in March 2016. In May 2016, Mr. A again fails to report income. The final decision stating that Mr. A is guilty of an IPV is issued on July 7, 2016. The second offense is discovered in July 2016.

   The worker refers the second offense for an IPV hearing. If Mr. A is found guilty, the claim will be changed from an inadvertent household error to an IPV. No additional disqualification will be imposed, as the second offense was committed before the first disqualification period was established.

Do not notify the household member of the administrative disqualification hearing referral. The Administrative Hearings Division of the Department of Inspections and Appeals will notify the household member of the scheduled hearing on *Notice of IPV Hearing*. When you receive the notice of hearing, send the client a copy of all information you submitted for the referral.

Client Benefits While Waiting for a Hearing

Legal reference: 7 CFR 273.16(e)(5)

A pending disqualification hearing does not affect the person's or household's right to be certified and participate in the program. Determine the eligibility and benefit level of the household in the same manner as for any other household.

You cannot disqualify a household member for intentional program violation until you receive notification that one of the following has occurred:

- The final decision has been issued on an administrative disqualification hearing, and the person has been found guilty of committing an IPV, or
- DIA informs you that the person was found guilty in a federal, state, or local court.

Notifying the Client of the Hearing Decision

Legal reference: 7 CFR 273.16(e)(9)

The Administrative Hearings Division of DIA notifies the household and the county office of the proposed decision. The Appeals Section of DHS issues the final decision. Procedures concerning the proposed and final decisions are found in 1-E, *Appeal Decision*.

When the decision is that the household member did not commit an intentional program violation, the final decision serves as the written notice to the household.

When the final decision is that the person committed an intentional program violation, send a written notice to the person before imposing the disqualification. Use the written notice furnished to you by the Appeals Section on form 470-0288, *Notice of Disqualification*. The Appeals Section sends instructions for this process with the form.

Disqualification Hearing Process

The Department of Inspections and Appeals (DIA) conducts administrative disqualification hearings. The following sections describe procedures for:

- Waiver of Administrative Disqualification Hearing
- Scheduling an administrative disqualification hearing
- Consolidating hearings
- Conduct of the hearing
- A client's failure to attend a hearing
- Time frames for the hearing and decision
- Appealing the decision

Waiver of Administrative Disqualification Hearing

Legal reference: 273.16(f)

Individuals facing an IPV Administrative Disqualification Hearing (ADH) may voluntarily waive their rights to that hearing and be automatically disqualified. Only the DHS Appeals Unit is authorized to issue this form. The form will be considered invalid if issued by anyone other than the DHS Appeals Unit.

If the household member chooses to sign form 470-5530, *Waiver of Right to an Administrative Disqualification Hearing*, the member will be disqualified from participating in SNAP for a specified time. No administrative disqualification hearing will be held.

NOTE: the process for establishing a claim is not affected and clients will still have appeals rights on the amount of the overpayment.

The same disqualification penalty will be imposed if the individual chooses to give up their right to an ADH and signs the waiver form or if the individual participates in the hearing and is found guilty by an ALJ.

No further administrative appeal procedure exists after an individual waives their right to an ADH and a disqualification penalty has been imposed.

Procedure: Upon receiving an IPV ADH referral, the Appeals Unit will send the *Waiver of Right to an Administrative Disqualification Hearing* 470-5530 to the client. They have 10 days to return the signed form to take advantage of the waiver option.

If the individual doesn't return the signed waiver by the due date, the Appeals Unit will proceed with scheduling an ADH. Individuals will be allowed to sign and return the waiver form prior to or during the hearing. The ALJ will dismiss the hearing if that signed/dated waiver form is received.

Scheduling an Administrative Disqualification Hearing

Legal reference: 7 CFR 273.16(e)(3), (4), 441 IAC 7.22(217)

The DIA Administrative Hearings Division provides written notice to the suspected household member on the *Notice of IPV Hearing* at least 30 days before the scheduled hearing. The notice is sent by first class mail to the last known valid address. If the notice is returned as undeliverable, the judge is required to proceed with the hearing.

The time and place of the hearing must be arranged so that the hearing is accessible to the household member suspected of intentional program violation. Hearings are generally conducted over the telephone. An in-person hearing will be held at the request of the household member suspected of committing the violation.

Consolidation of Hearings

Legal reference: 7 CFR 273.16(e)(1)

Appeal hearings and administrative disqualification hearings may be combined if the issues arise out of the same or related circumstances and due notice has been provided the person by the DIA Administrative Hearings Division. If the hearings are combined, the timeliness standards for conducting disqualification hearings apply.

If the hearings are combined for the purpose of setting the amount of the claim at the same time as determining whether or not an IPV has occurred, the household will lose its right to a subsequent hearing on the amount of the claim.

Conduct of the Hearing

Legal reference: 7 CFR 273.16(e)(2)

Hearings are conducted in accordance with procedures in 1-E, *Rights of Appellants During Hearings*, by an administrative law judge from the DIA Administrative Hearings Division. Final decisions may be appealed to the Iowa district court, the same as for other appeal hearings.

At the administrative disqualification hearing, the administrative law judge advises the household member or representative that he or she may refuse to answer questions during the hearing. The household member is advised of this right because the information may be used in a civil action by the state or federal government.

When a Client Does Not Attend a Hearing

Legal reference: 7 CFR 273.16(e)(4)

If the household member or the household's representative fails to appear at the hearing, the hearing will be conducted without the household member represented.

The judge considers the evidence and determines if there is clear and convincing evidence that an intentional program violation was committed.

A client who does not appear for the hearing may request review of the proposed decision and provide the reason for not attending. A client can claim good cause up to 30 calendar days after the proposed decision is issued. The county office will have the opportunity to respond to the client's request for review. Then the file will be returned to DIA for the judge to determine if good cause for not attending the hearing exists.

If the judge determines that good cause does exist, the file will be reopened and a new hearing will be set.

Criteria for Determining Intentional Program Violation

Legal reference: 7 CFR 273.16(e)(6)

The administrative law judge must base the determination of intentional program violation on clear and convincing evidence that demonstrates the person committed, and intended to commit, an intentional program violation. It is your responsibility to gather the evidence the administrative law judge uses to make a decision. Clear and convincing evidence lies somewhere between a preponderance of proof and evidence beyond a reasonable doubt. Evidence that will help document and support your case includes:

- Documentation of prior failure to report changes.
- Documentation of prior failure to provide accurate information.
- Documentation of prior IPV decision.
- A copy of the judgment in a criminal court conviction.
- A copy of the *Confession of* Judgment, if household admitted the overissuance to DIA.

Time Frames

Legal reference: 7 CFR 273.16(e)(2)

The DIA Administrative Hearings Division must conduct the hearing and issue a proposed decision, and the DHS Appeals Section must notify the household and the county office of the final decision within 90 days of the date the household member is notified in writing that the hearing has been scheduled. The household member or the appeals advisory committee may request a review, as in all other appeals.

The household member or representative is entitled to a postponement of the hearing of up to 30 days, provided that the request is made at least ten days in advance of the scheduled hearing date. If the hearing is postponed, the 90-day time limit is extended for as many days as the hearing is postponed.

Appealing the Decision

Legal reference: 7 CFR 273.16(e)(8)(ii)

No further administrative appeal procedure exists after the final decision of an adverse disqualification hearing is issued. The determination of intentional program violation cannot be reversed by a subsequent hearing decision. However, the household member is free to appeal the case to the Iowa district court.

Filing of a court appeal does not stop the Department from imposing the disqualification penalty. The period of disqualification may be subject to stay if a client files for judicial review and requests a stay order preventing the Department from implementing the disqualification period. A stay order must be issued by the court.

Court Referrals

This section deals with court hearings initiated by the DIA Investigations Division. It does not relate to judicial reviews of administrative disqualification hearings. The following subsections describe:

- When to refer a case for a court hearing
- How to refer a case for a court hearing
- How to process a court conviction
- Procedures when a disqualification decision is reversed

When to Refer a Case for a Court Hearing

Legal reference: 7 CFR 273.16(a) and (g)

Refer the following types of cases to the DIA Investigations Division for a court hearing:

- Cases where the SNAP claim is over $1,000.
- Cases where the combined claims for all programs are over $1,000 and you believe there may have been an intentional program violation.

Refer a person for a court hearing regardless of the current eligibility of the person.

How to Refer a Case for a Court Hearing

Legal reference: 7 CFR 273.16(a) and (g)

In the web-based Overpayment Recovery (WOPR) system, the fraud referral screen is visible when a court hearing is needed as explained above. This referral screen must be completed before submitting the claim, or an error message will be received. Submission of this screen completes the referral process.

The Investigations Division will send form 427-0500, *Overpayment Recovery Case Status*, giving the status of the referral. When there are changes in status of the referral, final court decisions, or any necessary action, the Investigations Division will send form 427-0500. Review the criteria for initiating a referral for administrative disqualification hearing if the prosecution action has been declined or withdrawn.

How to Process a Court Conviction

Legal reference: 7 CFR 273.16(g)(3)

If the court finds that the household member committed a fraudulent act involving SNAP, you will receive notification from the DIA Investigations Division.

A separate referral for an administrative disqualification hearing is not necessary. The appropriate disqualification period shall be imposed based on the decision of the court.

When a Disqualification Decision Is Reversed

Legal reference: 7 CFR 273.16(j)

If a determination of intentional program violation is reversed by a court decision, the Appeals Section will notify you whether to restore lost benefits.

Penalties for Intentional Program Violation (IPV)

Legal reference: 7 CFR 273.16(b) and 273.18(c)(2)ii; 441 IAC 65.21(5)

The penalty for being found guilty of committing an IPV is disqualification from participating in SNAP. The disqualification period depends on whether the finding was made through an administrative disqualification (including waiver of hearing) or court hearing, as explained below.

Apply the penalty only after a person is found to have committed an IPV through an administrative disqualification hearing, signed waiver, or court hearing. Disqualify only the person found to have committed the IPV. One or more IPVs that occurred before April 1, 1983, are considered as one previous disqualification when determining these penalties.

IPV Determined Through Administrative Disqualification Hearing or Signed Waiver

If the finding is that a person committed an IPV:

- By falsely representing identity or residency in order to get SNAP benefits in more than one household at the same time, the person is ineligible to participate in the program:
  - For 10 years for the first or second violation.
  - Permanently for the third violation.
- For any other reason, including trafficking of benefits less than $500, the person is ineligible to participate in SNAP:
  - For 12 months for the first violation.
  - For 24 months for the second violation.
  - Permanently for the third violation.

IPV Determined Through Court Hearing

If the finding by a federal, state, or local court is that the person committed an IPV, impose the disqualification period as ordered by the court. If the order does not specifiy a disqualification period, impose the period as explained below. If the finding is that the person committed an IPV:

- By using or receiving benefits in a transaction involving the sale of a controlled substance, the person is ineligible to participate in the program:
  - For 24 months for the first violation.
  - Permanently for the second violation.
- By trafficking SNAP benefits of $500 or more, the person is ineligible to participate in the program permanently for the first violation. (See 7-A, *Definitions*, for the definition of "trafficking.")
- By trading firearms, ammunition, or explosives for SNAP benefits, the person is ineligible to participate in the program permanently for the first violation.
- For any other reason, the penalties are no different than they are through an administrative disqualification hearing.

Imposing the Disqualification Period

Legal reference: 7 CFR 273.16(e)(8)(i), (iii), and (iv)

When the person is found to have committed an intentional program violation, disqualify that person the first month that action can be taken following the final decision. If a client chooses the Waiver of Administrative Disqualification Hearing, the Appeals Unit will contact the worker to implement the IPV. Once the disqualification period begins, it continues uninterrupted until completed, regardless of the household's eligibility. Regardless of whether or not the person is actively on benefits at the time of disqualification, always start the disqualification period on the first of the month.

Notification must be in writing. The DHS Appeals Section will send you the form to use to take action and notify the client.

1. Ms. A is found guilty of a first IPV and the final decision is issued March 5, 2017. Ms. A received March SNAP benefits. Ms. A is removed from the SNAP household effective April 1, 2017, as this is the first month that action can be taken with timely notice. The IPV disqualification starts April 1, 2017.
2. Mr. B is found guilty of a first IPV and the final decision is issued March 30, 2017. Mr. B received March SNAP benefits and will receive April benefits. Mr. B is removed from the SNAP household effective May 1, 2017, as this is the first month that action can be taken with timely notice. The IPV disqualification starts May 1, 2017.
3. Ms. C is found guilty of a first IPV. The final decision is issued March 25, 2017. Ms. C is not active for SNAP in March because she did not reapply after her previous certification expired in January. Since there are no benefits to cancel, timely notice is not an issue. The IPV disqualification starts the first day of the next month, April 1, 2017.
4. Mr. D signs the *Waiver of Administrative Disqualification Hearing* 470-5530 to accept the IPV. Upon receipt of the signed waiver, the Appeals Unit will notify the worker to impose the IPV.

See 7-I for the treatment of income and resources of household members who are ineligible because of an intentional program violation.

Restitution

Legal reference: 7 CFR 273.16(b)

The remaining household members must agree to make restitution within 30 days of the date the DIA Investigations Division mails the written demand letter to the household. All restitution must be made in accordance with established procedures for cash or coupon repayment or allotment reduction. (See 7-H, *Intentional Program Violation Claim*.)

If the household members do not agree to make restitution or fail to make restitution, the household's monthly allotment will be reduced.

SNAP Employment and Training Program

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Overview

Legal reference: 7 CFR 273.7(e), 273.7 B(1) and (2); 441 IAC 65.28(7) and (8)

The Iowa SNAP Employment and Training (E&T) Program provides education and employment training, as well as assistance with job search and job retention services to SNAP recipients at no cost to them. The program is designed to assist SNAP recipients who:

- Are at least 18 (16-17 if the recipient has a high school diploma or is working toward an equivalent).
- Need additional skills to reenter the workplace.
- Need to regain certification or licensure or upskill in an area in which they are already trained.
- Are able-bodied adults without dependents (ABAWD) and wish to meet work requirements through involvement in the E&T Program.

EXCEPTION: Federal law prohibits recipients of Family Investment Program (FIP) benefits from participating in any SNAP employment and training service.

While the E&T Program is voluntary, income maintenance workers must screen for eligibility and provide information to eligible participants. All SNAP applicants and recipients who meet the criteria listed above must be screened and their referral status documented, regardless of their MWR/ABAWD status.

EXCEPTION: Screening and referrals for persons over the age of 67 will be completed by the E&T Eligibility Specialist (E&T ES) upon request from an E&T provider.

NOTE: The state's share of employment and training funding is based on the work registration status of all SNAP recipients as entered in the Automated Benefit Calculation system on the TD03 screen WR field.

Iowa's SNAP E&T Program is a combined effort between HHS, Iowa Workforce Development (IWD), and community partners. IWD is the Intermediary Administrator for the program.

Employment and Training Providers

The following E&T Providers provide employment and training services to SNAP recipients in the provider's service area. A complete list of services provided by each provider and their service areas can be found at https://workforce.iowa.gov/jobs/worker-programs/snap/provider-list.

- Kirkwood Community College (KCC)
- Des Moines Area Community College (DMACC)
- Goodwill of the Heartland (GWH)

- Hawkeye Community College (HCC)
- Iowa Western Community College (IWCC)
- Southeastern Community College (SCC)
- Central Iowa Shelter and Services (CISS)
- IWD American Job Centers (AJC) physical locations
    - Dubuque Office
    - Ottumwa Office
    - Sioux City Office
    - Fort Dodge Office
    - Waterloo Office
- Statewide, Virtual Services
    - CodeX
    - The Help Center (HCTN)
    - IWD AJCs

Referrals

IM must screen and refer all applicants and recipients who meet the criteria in the Overview section who are between the ages of 18-67. To complete the E&T referral, use the E&T Referral button in WISE and then access the E&T Referral Verbal Script link to view needed information to discuss in the interview. If the E&T Referral button does not work, the person does not meet criteria for an E&T referral and IM does not need to take further action. If the person specifically asks about E&T, IM can provide the contact information for the E&T Specialist so the person can follow up on their own but does not need to complete a screening and does not need to contact the E&T Specialist.

Review the information for each person listed to determine which household members will be referred to E&T and click the check box for those individuals. Answer the initial screening questions using the “yes” or “no” selection fields. Depending on the answers provided, more questions may appear. Answer all questions. If the final screening question is available to complete and the household member has expressed interest in hearing from an E&T provider, IM will click “yes” and provide the contact information for the E&T Specialist so the interested participant can follow up for more information about E&T. The E&T Specialist can be contacted at ETVerification@dhs.state.ia.us or 515-281-3131. If the household member is not interested in hearing from an E&T provider, IM will click “no”.

IM then must click the button to Save & Send Email to submit the referral. **Referral will not be completed until Save & Send Email is clicked.** IM does not need to communicate directly with the E&T Specialist, as the system will document the referral information automatically as long as IM clicks the button to Save & Send Email.

1. IM is interviewing Adam, who has an E&T Referral link in WISE. IM clicks through and begins the referral process by asking the first questions available. Adam says he's interested in training to get a better job and thinks he would be able to work within the next year. IM answers "yes" to the first two questions, and three more questions pop up.

   IM continues with screening and asks about interest in virtual services and also in the E&T program. Adam says no to virtual services but would like to work with E&T. IM answers "no" and "yes", and then asks Adam if he would like HHS to make the referral to E&T on his behalf. He agrees, so IM answers "yes" to the final question and gives Adam the email to contact the E&T Specialist, as Adam stated he would rather communicate via email.

   IM completes the referral by clicking Save & Send.

2. IM is interviewing Brenna, who has an E&T Referral link in WISE. IM clicks through and asks Brenna the screening questions. She tells the IM she doesn't want any help with education or training, and she's not able to work within the next year due to her disability.

   IM answers "no" to the first two questions and clicks Save & Send to document the referral.

Participants are eligible for the E&T program if they have a pending SNAP application or are receiving SNAP benefits and:

- Are 18 and older (special consideration given to 16- or 17-year-olds with an HS diploma or are working toward an HS diploma or equivalent),
- Are not receiving FIP assistance or other cash assistance under Title IV, such as Tribal TANF, and
- Will be able and ready to work within one year of education/training completion.

The E&T Referral link will not populate in WISE for applicants or participants who do not meet the first two criteria listed above.

See Participant Eligibility and Tracking for additional information on eligibility.

Employment and Training Components

Legal reference: 7 CFR 273.7(e)(1); 441 IAC 65.28(8)

The E&T Program offers a range of services from basic skills to advanced training to accommodate persons with various levels of need and abilities.

The E&T Providers are responsible for ensuring the policies applicable to the employment and training components are appropriately applied. The E&T Providers may require a participant to engage in vocational testing activities when deemed necessary to determine if a component is appropriate for improving the participant's opportunity for employment.

The E&T Program has multiple components for participants. These include:

- **Supervised Job Search** program requires development and tracking of a Job Search Plan (JSP) identifying job search activities fulfilling the minimum requirements of weekly communication that occur at State approved locations. This component does not meet the requirements of a qualifying ABAWD activity.
- **Integrated Education and Training** provides education and literacy programs to participants while working or participating in an on-the-job training activity. Participants complete both education and employment during the week, with rotating daily schedules. This component may be a qualifying ABAWD activity while the participant is actively participating.
- **Education services:**
  - **Basic educational services** are general education development, adult basic education, and English as a second language. ABAWDs actively participating in this component may be considered an eligible student or considered to be meeting work requirements. This component may be a qualifying ABAWD activity while the participant is actively participating.
  - **Expanded educational services** are vocational training and education up to completion of a two-year Associate of Arts degree. Already possessing a degree does not preclude a person from participating in employment and training. This component may be a qualifying ABAWD activity while the participant is actively participating.
- **Job Retention Services** provide support to participants who have secured employment, after or while participation in E&T, including but not limited to guidance, coaching, clothing/equipment, and other job-required fees, and registered apprenticeship and other on the job training supports. Only participants who anticipate participating in JRS services for at least 30 days are enrolled in this component. JRS is offered for a maximum of 90 days. JRS does not require active SNAP benefits while the participant is actively participating.
- **Work Readiness** participants may receive skill and interest assessment and educational remediation services to prepare the participant for the workforce. Work readiness activities may focus on fundamental cognitive skills or non-cognitive, behavioral skills, and soft skills. Fundamental cognitive skills may include but are not limited to literacy, basic math, problem solving and critical thinking. Behavioral skills may include, but are not limited to workplace relationships, communication, integrity, personal presentation, work ethic. This component may be a qualifying ABAWD activity while the participant is actively participating.

- **On-the-Job Training** program is work placement made through a contract with an employer or registered apprenticeship program sponsor in the public, private non-profit, or private sector. The contract must be limited to a specific period required for a participant to become proficient in the specific occupation. The provider and employer determine specific education and on-the-job training provided.
- **Internship** is a planned, structured learning experience that takes place in a workplace, and the contract must be limited to a specific period of time required for a participant to become proficient in a specific occupation. The term of the training period should consider the skill requirements for the occupation, academic and occupation skill level of the participant, prior work experience, and the participant's employability plan (20 CFR 680.700). Depending on the provider and employer an internship may be paid or unpaid work experience.

Participation Allowances

Legal reference: 7 CFR 273.7(4); 441 IAC 65.28(7)

Participants enrolled in the E&T Program may be eligible for supportive services such as:

- Tuition, books, fees, and training manuals
- Equipment or tools of the trade
- Background checks, fingerprinting, and drug testing when necessary for employment
- Dental work (limited to minor work, not to exceed $500 annually)
- Uniforms or other special clothing
- Test fees, certification fees, licensing, or bonding
- Safety equipment items
- Items all students enrolled in a specific training or course of study are required to have (For example: Nursing students are required to undergo a tuberculosis test as a condition of participating in the course of study. This would only be covered if no other health care coverage is available.)
- National Career Readiness Certificate (NCRC)
- Industry-specific workplace skills credentialing or training
- Housing assistance, after all other potential resources have been exhausted.
- Utility assistance, after all other potential resources have been exhausted.
- Transportation costs related to E&T participation
- Child/dependent care (in specific situations)
- Other items as approved by the HHS E&T Program Managers

The E&T Providers provide the supportive services directly to the participant. The Department will reimburse the provider a portion of these costs, but E&T participants do not receive supportive services directly from the Department.

Participant Eligibility and Tracking

Legal reference: 7 CFR 273.24(a)

The E&T Eligibility Specialist (E&T ES) will track referrals, eligibility, and participation in SNAP E&T. A notation is made in the participant's narrative in WISE when they enroll in and exit the E&T Program. The notation will include an entrance and exit date.

ABAWDs participating in SNAP E&T may meet their work requirement through participation. Contact etverification@dhs.state.ia.us to inquire about a person's employment and training status if you believe their WR code should be changed.

ABAWDs may also be participating in non-SNAP employment and training programs through Iowa Workforce Development or other agencies. Verification of participation through these programs must be verified with the applicable agency and not the SNAP E&T ES.

The following information is provided for general knowledge but is the responsibility of the E&T ES.

Policy: SNAP applicants are eligible for E&T from the date of application through the SNAP E&T screening and referral process, or until a SNAP eligibility determination is made.

EXCEPTION: Persons receiving FIP are not eligible for SNAP E&T. See FIP further in this chapter.

- IM role: Determine SNAP eligibility, complete, and document the E&T screening and referral process.
- E&T ES role: Determine E&T eligibility dates by monitoring SNAP and FIP eligibility.

Effective Date of E&T Eligibility

A SNAP applicant is eligible for E&T prior to a SNAP eligibility determination. Actions taken by the E&T ES are dependent upon if an E&T referral is documented in WISE.

Application Is Pending Without an E&T Referral Documented

If an interview hasn't been completed, an E&T referral won't be documented in WISE for a SNAP applicant. When this happens, the E&T ES must review E&T eligibility twice:

1. After the interview, and
2. Again when an eligibility determination is made.

Once the interview is held, if the IM has documented a referral to E&T:

- Is appropriate, see When an Application Is Pending With an E&T Referral Documented In WISE.
- Is not appropriate, the E&T ES must contact the applicant to ensure they understand they aren't eligible for E&T services.

  If the applicant is still not an appropriate E&T referral, E&T eligibility ends as of the date of interview.

1. A SNAP application and an E&T referral are submitted on April 3rd. The E&T ES verifies HHS received the SNAP application, approves E&T, and narrates in WISE.

   The SNAP interview is held on April 10 and the applicant indicates during the screening and referral process that they aren't interested in E&T services.

   The E&T ES reviews the case and sees the applicant isn't eligible for E&T. The E&T ES contacts the client to clarify the discrepancy. The applicant indicates they want to work with the third-party provider but aren't planning to work within the next 12 months. The E&T ES notifies the provider that the applicant's eligibility is limited to April 3 – 10th.
2. Same situation as example 1, but the applicant indicates during the call with the E&T ES that they misunderstood the question, and are interested in E&T. The E&T ES updates the referral information in WISE, and E&T remains active, at least through the eligibility determination

When an Application Is Pending With an E&T Referral Documented In WISE

- If the SNAP application is approved, the only action needed is the monthly eligibility review completed by the E&T ES.
- If the SNAP application is denied, E&T eligibility is limited to the application date through the *Notice of Decision (NOD)* date that denies the application.

SNAP Eligibility Denial

When a SNAP application is denied for failing to provide information, E&T eligibility must be re-evaluated if the requested information is returned within 60 days of the application date:

- If information is returned within the first 30 days of the application date – no break in E&T eligibility.
- If information is returned in the second 30 days of the application date, E&T eligibility begins with the effective date of SNAP eligibility.

SNAP application filed March 6, and application denied March 23 for failing to provide information.

- If information is returned prior to April 5, and the client is determined eligible, there is no break in E&T eligibility.
- If information is returned April 25, and the client is determined eligible, E&T eligibility periods are:
  - March 6 - 23
  - April 25 – through the end of SNAP eligibility.

A RRED submitted after the end of the certification period is treated as an application.

SNAP Ongoing Client

A person who is receives SNAP is eligible for E&T from the date of their E&T application when an E&T referral is documented in WISE.

When a request for E&T is submitted by the E&T provider during the certification period, SNAP eligibility has already been determined, and E&T eligibility is approved.

Clients who have a RRED due may have a disruption in their E&T eligibility, depending on when the RRED is received and processed. E&T providers will be notified when a RRED is due for the client to assist in ensuring there is no break in assistance.

1. Client is receiving SNAP effective January – June. A request for E&T is submitted by the provider and received March 20. E&T should be approved with a March 20 effective date if there is an E&T referral in WISE. During the monthly eligibility check in May, the provider should be notified that the HH will receive a RRED in June so they can provide any assistance necessary to complete.
2. Client is receiving SNAP effective January – June. A request for E&T is submitted by the provider on June 25th. The RRED has been received but has not been processed. E&T eligibility is approved effective June 25. The provider is notified that July eligibility has not yet been established and is pending.
   a. The RRED is processed with an eligibility date of July 1 (including the E&T screening and referral completed). The provider is notified that the client is now eligible for July, with no break in eligibility.
   b. The RRED is processed (including the E&T screening and referral completed) with an eligibility date of July 15. The provider is notified that the client is eligible for July effective the 15th. There is no E&T eligibility between July 1-14.

See 7-B and 7-G for more information on SNAP eligibility dates when there is a delay in processing.

FIP

A client who is **receiving** FIP is not eligible to receive E&T services. Their employment & training services are provided by the PROMISE JOBS program.

When a FIP application is **pending**, the applicant is eligible for SNAP E&T (assuming they otherwise meet SNAP E&T requirements) at least while the FIP application is pending:

- If the FIP application is approved, the E&T provider must be notified that SNAP E&T eligibility has ended as of the date on the FIP *NOD*.
- If the FIP application is denied, the only action needed is the monthly eligibility review completed by the E&T ES.

FIP/SNAP application is filed and an E&T referral is received on March 2. E&T is approved effective March 2, with a notification to the provider that a FIP application is pending. A decision is made on FIP eligibility with a March 23 *NOD* date.

- If FIP is approved, SNAP E&T eligibility is limited to March 2 – March 22, and the E&T provider is notified the applicant's E&T eligibility ends on March 22.
- If FIP is denied, SNAP E&T eligibility remains, and the only action needed is the monthly eligibility review completed by the E&T ES.

NOTE: If the SNAP application is denied, handle as determined under "application" above.

FIP applications denied for failing to provide information must be monitored through the end of the grace period. If FIP is subsequently approved, SNAP E&T must be cancelled effective with the immediately preceding date shown on the FIP *NOD* approval date. There is no recoupment for SNAP E&T services provided in this situation.

See 4-B, *Grace Period Following Denial of an Application* for more information about the FIP grace period.

Discretionary Exemptions

Legal reference: 7 CFR 273.24(g)

Federal law allows states to exempt ABAWDs by applying what is called a discretionary exemption. Iowa uses these exemptions for some participants enrolled in employment and training who would otherwise be ABAWD.

Only Central Office can apply the discretionary exemption to eligible participants. ABAWDs exempt for this reason will have a notation in WISE and have an WR code of "F" for the applicable months.

Substitution of FIP Work Rules

Legal reference: 7 CFR 273.25

The USDA Food and Nutrition Service gives states the option to operate a mini-simplified SNAP program. This option allows the state to replace SNAP work rules with Family Investment Program (FIP) work rules for some households.

Iowa has chosen to operate a mini-simplified SNAP program for FIP households in which the parent is exempt from SNAP mandatory work registration due to caring for a child under age six. Because FIP parents included in the program are exempt from work registration, they are not subject to SNAP disqualification for failure to comply with work requirements. Inclusion of a household in the program has no effect on how SNAP eligibility and benefits are determined.

Under the mini-simplified SNAP program, the monthly SNAP and FIP benefits are combined to determine the maximum number of hours the parent may participate in an unpaid work activity subject to the federal Fair Labor Standards Act under FIP.

Maximum hours for a month are determined by dividing the total amount of benefits by the state or federal minimum wage (whichever is higher). If the FIP parent works the maximum number of hours and still falls short of the hours needed to meet the FIP work obligation, the FIP parent is deemed to meet the FIP work obligation.

Including the SNAP benefit amount in determining the maximum number of work hours provides the parent an opportunity to increase job skills and improve employability. It also helps Iowa meet FIP work participation rate requirements.