



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

## FIA ACTION TRANSMITTAL

Control Number #03-13

Effective Date: October 1, 2002

Issuance Date: September 9, 2002

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS/CASE MANAGERS**

**FROM: CHARLES E. HENRY, EXECUTIVE DIRECTOR**

**RE: FOOD STAMP MASS CHANGE - OCTOBER 2002**

**PROGRAM AFFECTED: FOOD STAMPS**

**ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS**

### **SUMMARY:**

On May 13, 2002, President Bush signed Public Law 107-171 (the Farm Bill), which includes the Food Stamp Program reauthorization. A number of provisions in the law affect the Food Stamp Program. This action transmittal is one of several that you will receive about policy changes resulting from this federal legislation.

One of the Farm Bill provisions changed the standard deduction to a variable rate dependent upon household size. The new rates are set at 8.31% of the net income limit based on household size and will be adjusted annually as a cost of living increase. **No household will receive a standard deduction of less than \$134 or higher than the standard for a six person household.**

In addition, each October, the United States Department of Agriculture publishes a new Thrifty Food Plan (TFP) on which food stamp program allotments are based. The net and gross monthly income standards increase effective October 1, 2002. The maximum food stamp allotments, standard deduction and excess shelter deduction also increase. The homeless shelter allowance is unchanged.

### **ACTION REQUIRED:**

Customer notices for increases or decreases will be generated at the time of mass change. FS benefit and new recoupment amounts do not require action by the case manager. The only exceptions are recoupment cases where the payment plan source is grant reduction (GR) or court order (CO). These cases must be updated manually. A report identifying these cases will be distributed.

**CHANGES EFFECTIVE OCTOBER 1, 2002**

- The Food Stamp Program excess shelter deduction increases to **\$367**.
- The standard deduction changed to a variable amount: based on household size :
  - **HH 1-4 \$134**
  - **HH 5 \$147**
  - **HH 6+ \$168**
- The homeless shelter allowance will **remain at \$143**. Households in which all members are homeless but are not receiving free shelter are entitled to the standard homeless shelter allowance of \$143. Allow actual shelter expenses, instead of the homeless shelter allowance, if the actual shelter costs would be higher under the excess shelter calculation.
- The changes to the income standards include the following revisions which are effective October 1, 2002:

	Maximum Gross Monthly Income* 130% of Poverty	Maximum Net Monthly Income* 100% of Poverty	Monthly Income Elderly/Disabled Separate HH* 165% of Poverty	Maximum Allotment Thrifty Food Plan
HH Size	Column A	Column B	Column C	Column D
1	\$ 960	\$ 739	\$1,219	\$ 139
2	1,294	995	1,642	256
3	1,628	1,252	2,066	366
4	1,961	1,509	2,489	465
	2,295	1,765	2,913	553
6	2,629	2,022	3,336	663
7	2,962	2,279	3,760	733
8	3,296	2,535	4,183	838
Each Additional Member +	334	+257	+424	+105

\* Maximum gross and net monthly income figures are not used for computing the food stamp allotment. They are included as a reference for determining the household's eligibility.

- Revised food stamp manual pages are attached. Please replace previous manual pages with these attachments.

Limited quantities of the Basis of Issuance Tables will be distributed separately.

**PAYMENT ACCURACY**

There should be little or no payment accuracy impact as a result of this change. However, local departments utilizing manual FS calculation work sheets are reminded to make adjustments for the new standard deductions for calculations effective October 1, 2002.

**ACTION DUE:**

Effective October 1, 2002.

**INQUIRIES:**

Please direct Food Stamp policy inquiries to Marilyn Lorenzo at 410-767-7333 or Kay Finegan at 410-767-7939 and Systems inquiries to Theresa Holmes 410-238-1303.

Attachments: Food Stamp Manual Section 600 Pages 1 & 2

cc: DHR Executive Staff  
FIA Management Staff  
Constituent Services  
DHR Help Desk  
RESI