TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF

FROM: KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR

RE: INCREASE IN UTILITY ALLOWANCES AND INCREASE IN TELEPHONE ALLOWANCE

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICE: OFFICE OF PROGRAMS

SUMMARY:

Every year we review the utility and telephone allowances to determine if they should increase, decrease or stay the same. Based on the most recent Consumer Price Index (CPI) for the Baltimore/Washington area, the standard and limited utility allowances will increase. A recent survey of telephone service providers indicates that phone rates have gone up this year. The telephone allowance will increase slightly.

ACTION REQUIRED:

Effective January 1, 2007:

- The Standard Utility Allowance (SUA) will increase to $327 per month.
- The Limited Utility Allowance (LUA) will increase to $197 per month.
- The telephone allowance will increase to $29.

CARES will be modified on December 9, 2006 to support these changes.

We have attached updated Food Stamp Manual pages.

INQUIRIES:

Please direct food stamp policy questions to Rick McClendon at 410-767-7307 or Kay Finegan at 410-767-7939 and systems questions to Kim Butler 410-767-7950.

cc: FIA Management Staff  
    Constituent Services  
    DHR Help Desk
600.1 STANDARDS FOR ELIGIBILITY AND MAXIMUM ALLOTMENTS

A. The standards for the following appear in Section 600, page 2.

1. Column A - Maximum Gross Monthly Income Standards (130% of poverty)
2. Column B - Maximum Net Monthly Income Standards (100% of poverty)
3. Column C - Maximum Gross Income Standard for Elderly and Disabled Separate Household (165% of poverty)
4. Column D - Thrifty Food Plan/Maximum Allotment

B. Standards 1, 2, and 3 are used to determine household eligibility and not for computing allotments.

600.2 FORMULA CALCULATION

A. Multiply the household’s net monthly income by 30%.
B. Round the product up to the next whole dollar if any cents result.
C. Subtract the product from the maximum allotment amount for the household size found in Column D, Section 600.

NOTE: In an initial month, if the allotment is less than $10, no benefit is issued. Except in an initial month, all eligible one and two person households must be issued the minimum allotment of $10.

600.3 DEDUCTION STANDARDS

Standard Deduction
Household size up to and including 3 people------------------------ $134
Household size of 4--------------------------------------------- $139
Household size of 5--------------------------------------------- $162
Household size of 6 or more----------------------------------- $186

Excess Shelter Deduction------------------------------------------ up to $417
Homeless Household Shelter Allowance----------------------------- $143
Dependent Care (child or elderly or disabled adult)
For each dependent child under age 2----------------------------- up to $200
For each dependent age 2 and over------------------------------ up to $175
Standard Utility Allowance (SUA)-------------------------------- $327
Limited Utility Allowance (LUA)--------------------------------- $197
Telephone Standard--------------------------------------------- $29

* The excess shelter deduction does not apply to households with an aged or disabled member. These households receive an uncapped shelter deduction.

600.4 Determining the Food Stamp Allotment
A. Determine a household’s monthly food stamp allotment by using the Basis of Issuance Tables:

1. Calculate the household’s net monthly income.
2. Compare the household’s net monthly income to the maximum net monthly income standard, Column B below. Households that are not categorically eligible for food stamps will have net monthly incomes that are lower than or equal to the amounts shown in Column B.
3. Find the allotment by reading in the Basis of Issuance Tables, down to the appropriate income and across to the appropriate household size.

NOTE: A household that is categorically eligible is entitled to any allotment shown in the appropriate column on the tables. Persons in household sizes of one or two and categorically eligible are eligible for a benefit of $10, even if the tables do not show a benefit amount at their net income levels.

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Monthly Income Elderly/Disabled Separate Household* 165% of Poverty</th>
<th>Maximum Gross Monthly Income* 130% of Poverty</th>
<th>Maximum Net Monthly Income* 100% of Poverty</th>
<th>Maximum Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Col. A</td>
<td>Col. B</td>
<td>Col. C</td>
<td>Col. D</td>
</tr>
<tr>
<td>1</td>
<td>$1348</td>
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<td>$155</td>
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<td>1430</td>
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<td>8</td>
<td>4620</td>
<td>3640</td>
<td>2800</td>
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<td>Each Additional Member</td>
<td>+468</td>
<td>+369</td>
<td>+284</td>
<td>+117</td>
</tr>
</tbody>
</table>

* 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.