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 THE MAXIMUM FOOD SUPPLEMENT PROGRAM
    ALLOTMENT

PROGRAM AFFECTED: FOOD SUPPLEMENT PROGRAM (FSP)

ORIGINATING OFFICE: OFFICE OF PROGRAMS

SUMMARY:

On February 17, 2009, the President signed into law the American Recovery and
Reinvestment Act of 2009. One provision of the law is an increase in the minimum
benefit for one and two person households and the maximum benefit amounts. The
increases go into effect April 1, 2009 and will remain effective until the cost of the
Thrifty Food Plan (under law prior to the stimulus legislation) exceeds the levels
prescribed in the stimulus legislation and results in higher maximum benefit levels.

The eligibility standards have not changed.

ACTION REQUIRED:

Effective April 1, 2009 the maximum benefits will increase as follows:

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Maximum Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$200</td>
</tr>
<tr>
<td>2</td>
<td>367</td>
</tr>
<tr>
<td>3</td>
<td>526</td>
</tr>
<tr>
<td>4</td>
<td>668</td>
</tr>
<tr>
<td>5</td>
<td>793</td>
</tr>
<tr>
<td>6</td>
<td>952</td>
</tr>
<tr>
<td>7</td>
<td>1,052</td>
</tr>
<tr>
<td>8</td>
<td>1,202</td>
</tr>
<tr>
<td>Each additional person</td>
<td>150</td>
</tr>
</tbody>
</table>
The minimum benefit for one and two person households will increase to $16.

CARES was modified on March 7, 2009 effective April 1 to support these changes. CARES will generate a notice to inform households of the change in benefits.

We have attached updated Food Supplement Program Manual pages.

**INQUIRIES:**

Please direct FSP policy questions to Rick McClendon at 410-767-7307 or Kay Finegan at 410-767-7939 and systems questions to Delorise Gallop 410-767-9735.

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 $16.

600.3 DEDUCTION STANDARDS

Standard Deduction
Household size up to and including 3 people----------------------------- $144
Household of 4---------------------------------------------------------- $147
Household size of 5------------------------------------------------------- $172
Household size of 6 or more--------------------------------------------- $197
Excess Shelter Deduction-----------------------------------------------up to $446
Homeless Household Shelter Allowance---------------------------------- $143
Standard Utility Allowance (SUA)---------------------------------------- $414
Limited Utility Allowance (LUA)------------------------------------------ $250
Telephone Standard----------------------------------------------------- $37

* 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 Supplement Program (FSP) Allotment

A. Determine a household’s monthly FSP 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 FSP benefits 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 $16, even if the tables do not show a benefit amount at their net income levels.

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Col. A</th>
<th>Col. B</th>
<th>Col. C</th>
<th>Col. D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maximum Gross Monthly Income* 130% of Poverty</td>
<td>Maximum Net Monthly Income* 100% of Poverty</td>
<td>Monthly Income Elderly/Disabled Separate Household* 165% of Poverty</td>
<td>Maximum Allotment</td>
</tr>
<tr>
<td>1</td>
<td>$1127</td>
<td>$867</td>
<td>$1430</td>
<td>$200</td>
</tr>
<tr>
<td>2</td>
<td>1517</td>
<td>1167</td>
<td>1925</td>
<td>367</td>
</tr>
<tr>
<td>3</td>
<td>1907</td>
<td>1467</td>
<td>2420</td>
<td>526</td>
</tr>
<tr>
<td>4</td>
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<td>1767</td>
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<td>668</td>
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<td>5</td>
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<td>2067</td>
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<td>793</td>
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<tr>
<td>6</td>
<td>3077</td>
<td>2367</td>
<td>3905</td>
<td>952</td>
</tr>
<tr>
<td>7</td>
<td>3467</td>
<td>2667</td>
<td>4400</td>
<td>1,052</td>
</tr>
<tr>
<td>8</td>
<td>3857</td>
<td>2967</td>
<td>4895</td>
<td>1,202</td>
</tr>
<tr>
<td>Each Additional Member</td>
<td>+390</td>
<td>+300</td>
<td>+495</td>
<td>+150</td>
</tr>
</tbody>
</table>

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