TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS
FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA
RE: STUDENT EARNINGS

PROGRAM AFFECTED: FOOD STAMP PROGRAM AND TEMPORARY CASH
ASSISTANCE

ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND
REGULATION

BACKGROUND

The Mickey Leland Childhood Hunger Relief Act increased the age for exclusion of student earned income. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, reduced it.

CURRENT POLICY

The earnings of elementary or high school students who are members of an NPA-FS household and are 21 years old or younger are excluded.

NEW POLICY

The earnings of elementary or high school students who are members of an NPA-FS household and who are 17 or younger are excluded. The student must be attending school at least half-time.

REMINDERS

- The earnings of a child in a TCA or TCA/NPA FS household are excluded for food stamps.
The earned income of a high school or elementary student living on his own is not excluded.

The treatment of earned income of students in schools of higher education has not changed.

EXAMPLES

Example #1: An NPA-FS household member is a 17 year old senior in high school. He is working 30 hours per week. The earnings are excluded.

Example #2: An NPA-FS household member is 16 years old. He is not in school. His earnings are countable.

Example #3: A TCA/FS household member is a 19 year old included in the TCA grant. His earnings are excluded for both TCA and the Food Stamp Program.

ACTION REQUIRED

AIMS

The case manager will make the determination as to whether the income is excluded using the food stamp and TCA criteria. If excluded, do not enter the income on the AIMS 3.

CARES

The case manager will make the determination as to whether the income is excluded using the food stamp, Medical Assistance, and TCA criteria. Enter the excluded earned income of a student on the ERN1 screen using valid value GT- Older Americans Act. This will exclude the earnings for the current assistance unit (AU) and inform the case manager of the earnings if the earnings need to be considered in subsequent months.

If the earned income of a student is countable for a Medical Assistance related case, enter the code MA - MA countable only - on the ERN1 screen of the child who has the earnings. This will cause the earning to be counted for MA.

Food Stamp Manual pages are attached.

ACTION DUE

The policy is effective October 1, 1996, for applicants and at recertification or interim change for recipients.
INQUIRIES

Please direct questions to Kay Finegan at (410) 767-7925.

cc: FIA Management Staff
    Constituent Services
f. The student shall have the primary responsibility for obtaining and providing the verification of allowable exclusions. Acceptable forms may include school budget sheets, receipts, collateral contacts, or other forms of reasonable verification.

g. Amounts excluded from educational assistance for dependent care cannot be deducted from income when calculating the food stamp benefits.
GENERAL
INFORMATION: C. All loans, including loans from private
individuals as well as commercial
institutions, other than educational loans on
which repayment is deferred. A loan on which
repayment must begin within 60 days after
receipt of the loan is not considered a
delayed repayment loan. A formal repayment
agreement is not required, however, the
intent to repay the loan must exist. The
household’s statement may be accepted
regarding the repayment agreement. In
questionable cases, or cases where recurring
private loans are made, a signed statement
regarding the repayment obligation may be
obtained from the individual making the loan.

D. Money received for the care and maintenance of a
third party beneficiary who is not a household-
member. Such payments would include payments made
payable to a guardian or protected payee for care
of a non-household member. If the intended benefi-
ciaries of a single payment are both household and
non-household members, only that portion of the
payment intended for the non-household member can
be excluded. The household member’s share would
have to be considered, unless otherwise excluded.

EXAMPLE: An AFDC child is attending Maryland School
for the Deaf. The child is included in the AFDC
grant. A prorata share of the grant is excluded
and the child is excluded from the household during
the school year.

NOTE: If the non-household member’s portion cannot
be readily identified, the payment must be evenly
prorated among the intended beneficiaries. The
non-household member’s prorated portion, or the
actual cost of care and maintenance, whichever is
less, would be excluded as income.

E. The earned income of elementary or high
school students who are members of the NPA
household and are 17 years old or
younger. The student must be attending
school at least half-time. This
exclusion applies during school breaks
and vacations, provided the student
plans to attend when regular sessions
resume. If the student’s portion of
earned income cannot be differentiated
from that of other household members,