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

FROM: ROBERT J. EVERHARD, EXECUTIVE DIRECTOR

RE: INCREASE IN THE UTILITY ALLOWANCES

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

The utility allowances were last increased in October 1994. Periodically we reassess the amount of the utility standards based on the Consumer Price Index for fuel. This transmittal provides information about increases in the standard and limited utility allowances.

OLD POLICY

The standard utility allowance (SUA) was $183 and the limited utility allowance (LUA) was $110.

NEW POLICY

Effective January 1, 1999:

➢ The standard utility allowance increases to $196

➢ The limited utility allowance increases to $118
ACTION REQUIRED

CARES

For payment accuracy it is important to correctly code the SHELL screen and to check the accuracy of entries at application, interim change, and recertification.

To give a utility allowance (SUA or LUA), three fields must be filled correctly at the bottom of the SHELL screen.

To give SUA, you must enter:
- Y in the Util Std field
- N in the “Is heat in the rent?” field
- Y or N in the “Do you pay light/cooking?” field

Example shown below:

<table>
<thead>
<tr>
<th>Subsidized V</th>
<th>Util Suppl</th>
<th>Util Std</th>
<th>Switch Date</th>
<th>Number HH Sharing Heat Source</th>
<th>Primary Heat Source</th>
<th>Secondary Heat Source</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Y</td>
<td></td>
<td>(MM YY)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rent Vendor
Beg Date End Date Is heat in the rent? N Do you pay light/cooking? Y

To give LUA, you must enter:
- Y in the Util Std field
- Y in the “Is heat in the rent?” field
- Y in the “Do you pay light/cooking?” field

Example shown below:

<table>
<thead>
<tr>
<th>Subsidized V</th>
<th>Util Suppl</th>
<th>Util Std</th>
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<td></td>
<td>Y</td>
<td></td>
<td>(MM YY)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rent Vendor
Beg Date End Date Is heat in the rent? Y Do you pay light/cooking? Y

When actual expenses are used as the shelter cost, enter an N in the Util Std field and enter the actual amount billed and the appropriate verification code in the Expense Type field.

Be sure to update the following fields:
- Number HH Sharing (prorates utility expenses for number of households BUT rent will have to be prorated off-line and then entered on CARES during those instances where more than one household is sharing the rent)
- Primary Heat Source (indicates the main heating source, i.e. gas, kerosene, etc.)
- Secondary Heat Source (indicates back-up heating source, if any)

Please place the attached manual page in the Food Stamp Manual.
ACTIONS DUE

This action is effective January 1, 1999.

INQUIRIES

Please direct policy questions to Kay Finegan at (410) 767-7939 and systems
questions to the DHR System Support Center at (410) 767-7002 or (800) 347-1350.

cc: FIA Management Staff
    Constituent Services
    OIM Help Desk
    CIS Testing Facility
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.

FORMULA CALCULATION

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

DEDUCTION STANDARDS

The following are the deduction standards per household unless otherwise noted:

Standard Deduction......................................................$134
Excess Shelter Deduction*........................................... up to $275
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 other dependent........................................... up to $175
Standard Utility Allowance (SUA)..............................$196
Limited Utility Allowance (LUA)...............................$118
Telephone Standard......................................................$ 20

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