



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

Family Investment Administration
ACTION TRANSMITTAL

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**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: REPORTING REQUIREMENTS

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY:

On April 29, 2003, the Food and Nutrition Service published a final rule that changes reporting requirements. The new policy:

- ◆ Raises the unearned income reporting threshold from \$25 to \$50,
- ◆ Changes the definition of the date that the household knows of a change in income and gives a timeframe for when a simplified reporting household has to report income exceeds the gross income limit (130 percent of poverty level);
- ◆ Limits the length of the certification period to no more than 6 months for households required to report changes in earnings of more than \$100.
- ◆ Provides policy about agency action on changes in income.

ACTION REQUIRED:

Effective April 1, 2003, all food stamp households, with a few exceptions, are subject to simplified reporting. Households who are not in the simplified reporting group are change reporters. The following households are change reporters:

- ◆ Households that include Able-bodied Adults Without Dependents (ABAWDS) unless the ABAWD is exempt from work registration because he or she is employed 30 hours or more per week,
- ◆ Migrant worker households,
- ◆ Households in which one or more household members are homeless,
- ◆ Households in which all members are elderly or disabled and do not have earned income, including TEMHA households,

Reminders:

- ◆ Households receiving Transitional Food Stamps have no reporting requirement.
- ◆ Recipients of Maryland Children's Health Program, Medical Assistance, Transitional Emergency, Medical and Housing Assistance, Public Assistance to Adults and Temporary Cash Assistance have to report all changes within 10 days.

New or Changed Reporting Requirements

Change reporting households are required to report when:

- **Unearned income goes up or down by \$50** (except for changes in TCA, RCA, TEMHA, or PAA grants).

Example 1: Ms. A is 65. Her only income is social security benefits in the amount of \$600. In June her case manager completed the recertification and assigned a 12-month certification period. In September SSA notifies her that her benefit will increase to \$645. She is not required to report this increase in income until her next recertification.

- Earnings go up or down by more than \$100 **from the amount last used to calculate the household's allotment, provided that the household is certified for no more than 6 months.**

Note: Because of expanded simplified reporting, only migrant and homeless households and ABAWDS not meeting the work requirement fall under this reporting requirement. These households are often in unstable situations or have limited eligibility. The case manager will not assign a certification period longer than 6 months.

- There is a new source of income. This includes starting or stopping a job or changing jobs, **if the change in employment results in a change in income.**

Example 2: Mr. B applied for food stamps on May 4. He is an ABAWD who works 25 hours per week at minimum wage. The case manager certified Mr. B for 6 months. In July Mr. B got a new job. The new job was for the same number of hours and wage rate. Since there is no change in earnings, he is not required to report the new job.

Reminder: Ongoing Reporting Requirements

Change reporting households must also report when:

- Income from a private source changes by more than \$100. (Example: gifts from family members).
- Someone comes into or moves out of the household.
- There is a change in residence resulting change in shelter cost.
- Resources (cash on hand, checking savings accounts, or stocks, bonds) exceed

- \$2000 or \$3000 for household with elderly or disabled members.
- Changes in the number of work hours for an able-bodied adult without dependents.
- Changes in the legal obligation to pay child support.

Definition of the Date that the Household knows of a Change in Income

Change Reporting

The household must report a change within 10 days of the date that the household receives the first payment attributable to the change.

Note: We already require households to report a new source of earnings within 10 of the first paycheck. This expands the definition to all income types.

Example 3: Ms. C is disabled and receives TEMHA. Her case manager certifies her for May through April. In August, she receives an award letter from SSA, notifying her of her SSI eligibility. She received her first check September 1. She has until September 11 to report the new source of income. If the 10th day falls on a weekend or holiday, the customer must report the change by the next business day.

Simplified Reporting

Households in the simplified reporting group must report when income exceeds 130 percent of the federal poverty rate (food stamp gross income limit). Households must report this change no later than 10 days from the end of the calendar month in which the change occurred, provided the household has at least 10 days within which to report the change.

Example 4: Mr. and Mrs. D and their 21-year old son are certified for food stamps. Mr. D works 40 hours per week at \$6.00/hour. The case manager used monthly income of \$960 and certified the household for the months of May through October as a simplified reporting household. In June, Mrs. D went to work. She received her first pay in July. Her income, when added to Mr. D's income, exceeds 130 percent of the poverty level for the household size. The household must report the change no later than August 10.

Agency Action on Changes in Income

If a household reports a change in income, and the new income is expected to continue for at least one month beyond the month in which the change is reported, the case manager will act on the change according to sections 420.5 – 420.7 of the Food Stamp Manual. This applies to both change reporting and simplified reporting households. This policy also applies to other changes in household circumstances that are not expected to continue, such as temporary changes in household composition.

Example 5: Mr. and Mrs. E's certification is from September through February. Mr. E works for a department store and the household is in simplified reporting. On December 10, he reports an increase in his income. It exceeds 130 percent of the federal poverty level. He also reports that he expects the increase to last only through the middle of January. The case manager will not count the increase since the change is not expected to continue beyond January.

Attached is a revised Food Stamp Reporting Guide.

ACTION DUE:

This policy change is effective July 1, 2003.

INQUIRIES:

Please direct questions to Kay Finegan at 410-767-7939 or Marilyn Lorenzo 410-767-7333.

Attachment

cc: FIA Management Staff
Constituent Services
DHR Help Desk
RESI