

Katherine L. Cook

DEPARTMENT OF HUMAN RESOURCES INCOME MAINTENANCE ADMINISTRATION 11 W. Saratoga Street altimore, Maryland 21201	IMA ACTION TRANSMITTAL
	EFFECTIVE DATE: December 1, 1995
ISSUANCE DATE: November 17, 1995	CONTROL NUMBER: IMA OPA #96-19

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR INCOME MAINTENANCE
INCOME MAINTENANCE SUPERVISORS**

**FROM: *Katherine L. Cook*
KATHERINE L. COOK, ACTING EXECUTIVE DIRECTOR, IMA**

RE: DECREASE IN THE STANDARD DEDUCTION

PROGRAMS AFFECTED: FOOD STAMPS

ORIGINATING OFFICE: OFFICE OF POLICY ADMINISTRATION

SUMMARY

This transmittal notifies local departments of a decrease in the standard deduction.

BACKGROUND

Action Transmittal IMA OPA #96-05 was issued on September 13, 1995, on the food stamp mass change which increased the standard deduction from \$134 to \$138 effective October 1, 1995. On October 21, 1995, the President signed the Fiscal Year 1996 Agriculture Appropriations Bill. This law requires that the standard deduction be frozen at the FY95 levels with the November issuance, if possible. Because of the late notice, Maryland is making the change effective with December issuances.

NEW POLICY

Effective December 1, 1995, the standard deduction is reduced from \$138 to \$134.

AIMS IMPACT

On November 28, 1995, all food stamp cases that are in "A" or "U" status that are not in special processing or adverse action status for January will go through mass change.

The simulated mass change is scheduled to be run on November 16, 1995. The S-200 Notice of Action letters will be sent on November 17, 1995. The child support bonus amounts for December will be used in the calculation for the simulated mass change. The S-930 Mass Change Detail report will not be printed, but the information will be available online via the AMCI transaction for the simulated run and the APRI transaction for the actual run.

The S-920 Mass Change Exception report will be produced after the simulated run and again after the actual run. You will receive the first S-920 shortly after the simulated run. This report will show cases in special processing and cases in adverse action status for January. These cases will not be part of the mass change unless changes are made on AIMS by the close of business on November 29, 1995.

The recoupment portion of food stamp cases with a recoupment status of "W" will not be part of the mass change. These cases must be looked at individually to determine if the recoupment amount needs to be adjusted. The "W" status cases are listed on the S-300 report.

CARES IMPACT

The CARES mass change, which may result in a slight decrease in benefits, will take place on November 18, 1995, to be effective December 1, 1995. Adverse action notices are generated if appropriate. Eligibility workers will receive alert #224 (grant changed in batch) for any assistance unit with a change in status or benefit level.

ACTION REQUIRED

Please replace the pages in the Food Stamp Manual with the attached pages.

Questions may be directed to Kay Finegan at (410) 767-7939.

Attachments

c: DHR Executive Staff
IMA Management Staff
Arnold Dixon



REF: 7 CFR

Section Title

Section

Page

STANDARDS FOR INCOME AND DEDUCTIONS

600

STANDARDS FOR ELIGIBILITY AND THRIFTY FOOD PLAN

- A. The standards for the following appear in the Food Stamp Manual, Section 600, page 1.
 - (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 HH (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 Thrifty Food Plan amount found in Column D, Section 600, page 1. If the allotment is for one or two person household, it must be a minimum of \$10 except in the initial month.

DEDUCTION STANDARDS

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

Standard Deduction.....	\$134
*Excess Shelter Deduction.....(up to)	247
Homeless Household Shelter Estimate	143
Dependent Care (Child or Elderly or Disabled Adult)	
For Each Child Under 2.....(up to)	200
For Each Other Dependent.....(up to)	175
Standard Utility Allowance (SUA).....	183
Limited Utility Allowance (LUA).....	110
Telephone Standard.....	20

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



REF: 7 CFR	Section Title	Section	Page
	BASIS OF ISSUANCE	600	1

BASIS OF ISSUANCE AND ELIGIBILITY STANDARDS

To determine a household's monthly food stamp allotment using the Basis of Issuance Tables:

- Calculate the household's net monthly income.
- Compare the household's net monthly income to the maximum net monthly income standard, Column B below. Households which are not categorically eligible for food stamps will have net monthly incomes which are lower than or equal to the amounts shown in Column B.
- Find the allotment by reading in the Basis of Issuance Tables, down to the appropriate income and across to the appropriate household size.
- 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 benefits of \$10, even if the tables do not show a benefit amount at their net income levels.

HH Size	Maximum Gross Monthly Income* 130% of Poverty	Maximum Net Monthly Income 100% of Poverty*	Monthly Income Elderly/Disabled Separate HH* 165% of Poverty	Maximum Allotment Thrifty Food Plan
Column A	Column B	Column C	Column D	
1	\$ 810	\$ 623	\$1,028	\$ 119
2	1,087	836	1,380	218
3	1,364	1,050	1,732	313
4	1,642	1,263	2,084	397
5	1,919	1,476	2,436	472
6	2,196	1,690	2,788	566
7	2,474	1,903	3,140	626
8	2,751	2,116	3,492	716
Each Additional Member	+278	+214	+352	+ 90

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