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FIA ACTION TRANSMITTAL

Issuance Date: September 20, 1996

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

Charles E. Henry for
FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

**RE: FOOD STAMP MASS CHANGE - OCTOBER 1996 AND CHANGE IN
HOMELESS SHELTER ESTIMATE**

PROGRAM AFFECTED: FOOD STAMPS

**ORIGINATING OFFICE: OPA/ DIVISION OF PROGRAM POLICY AND
REGULATION**

BACKGROUND

Each October, the United States Department of Agriculture publishes a new Thrifty Food Plan (TFP) on which food stamp program allotments are based. Because of the uncertainty of federal welfare reform legislation, the Food and Consumer Service delayed issuing the information to states. The Food Stamp Program provisions of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 was signed by the President on August 22, 1996. Effective October 1, 1996, the net and gross monthly income standards will increase. The maximum allotments will also increase slightly. The excess shelter deduction and standard deduction will not change. The homeless household shelter estimate no longer applies.

NEW POLICY

- The standard deduction will remain at \$134.
- The excess shelter deduction will remain at \$247.
- The \$143 homeless shelter estimate is no longer treated as a shelter cost. Instead, a homeless shelter allowance of \$143 will be deducted from income (after a 20% earned income deduction, if appropriate). Households receiving the homeless shelter allowance cannot also receive a deduction for shelter costs. This change is effective for applications, recertifications, and interim changes after October 1, 1996.

- The changes to the income standards include the following revisions to be effective October 1, 1996:

	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
HH Size	Column A	Column B	Column C	Column D
1	\$ 839	\$ 645	\$1,065	\$ 120
2	1,123	864	1,425	220
3	1,407	1,082	1,785	315
4	1,690	1,300	2,145	400
5	1,974	1,519	2,506	475
6	2,258	1,737	2,866	570
7	2,542	1,955	3,226	630
8	2,826	2,174	3,586	720
Each Additional Member	+284	+219	+361	+ 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.

AIMS IMPACT

CHANGE IN ALLOTMENTS AND ELIGIBILITY STANDARDS

On September 28, 1996, all food stamp cases that are in "A" or "U" status that are not in special processing or adverse action status for November will go through mass change. The simulated mass change will be run on September 13, 1996. The S-200 Notice of Action letters will be produced. 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 November. These cases will not be part of the mass change unless changes are made on AIMS by the close of business on September 27, 1996. For cases in special processing, if the allotment amount will be increasing beyond the old standard limits, the change cannot be made until October 1, 1996. Issue a supplement if the change cannot be made until after the October issuance cut off date for the food stamp category.

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 adjustment. The "W" status cases are listed on the S-300 report.

Cases that are eligible for a combined allotment for September and October prior to September 28th will be issued benefits using the old allotment amounts. Issue a supplement for the difference after September 30th.

HOMELESS ALLOWANCE

Enter the \$143 homeless shelter allowance amount on the AIMS 3 using deduction code "F54". (F54 is the child support deduction code and will be used until a new code is established). Document the case record thoroughly.

CARES IMPACT

CHANGE IN ALLOTMENTS AND ELIGIBILITY STANDARDS

The CARES mass change will take place on September 21, 1996. On the morning of October 1, 1996, CARES will contain the new parameters. No additional action is required.

HOMELESS ALLOWANCE

For homeless households with earnings, enter the \$143 homeless shelter allowance on the ERN2 screen in the Wk Exp fields. If a homeless household does not have earnings, enter the allowance on the CARE screen using "HL" in the ID field to identify the deduction. Thorough narration is necessary.

PAYMENT ACCURACY: A household receiving the homeless shelter allowance is not entitled to a shelter deduction. Do not enter shelter expenses on the AIMS or CARES systems and ensure that any previously entered shelter cost is deleted.

ACTION REQUIRED

Basis of Coupon Issuance Tables and manual pages are attached.

QUESTIONS

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

NOTE: The new processing will actually be in place in AIMS on September 30, 1996. However, we recommend that only emergency OTOs and cases that must be processed to meet compliance standards be transacted prior to the end of the month. These transactions will never be counted on any statistical report or productivity report and the effective dates for these transactions may not reflect the actual effective dates. Any OTOs issued on this day must use the new issuance table amounts.

cc: FIA Management Staff