



Department of Human Resources  
311 W. Saratoga St.  
Baltimore, MD. 21201-3521

**FIA ACTION TRANSMITTAL**

**Issuance Date:** OCTOBER 1, 1996

**Effective Date:** OCTOBER 1, 1996

**Control Number:** FIA/OPA # 97-32

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

**FROM: *K. Cook for K. Mahon*  
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



REF: 7CFR	Section Title <b>EXCLUDED INCOME</b>	Section 211	Page 1E
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211.3

Exclusions

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.



REF: 7 CFR	Section Title	Section	
	EXCLUDED INCOME	211	2

211.3 o Exclusions

GENERAL INFORMATION:  
 (Con'd)

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 deferred 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 beneficiaries 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,