



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

FIA ACTION TRANSMITTAL

Issuance Date: January 2, 1997

Effective Date: Upon Receipt

Control Number: FIA/OPA #97-70

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

FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA

RE: INCREASE IN THE MINIMUM WAGE

PROGRAM AFFECTED: FOOD STAMP PROGRAM

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

BACKGROUND

Public Law 104-188 provided an increase in the minimum wage from \$4.25 to \$4.75 for hours worked on or after October 1, 1996. Food Stamp Program change reporting rules require households to report changes in the amount of gross monthly income of more than \$25 within 10 days of the date the change becomes known. The Food and Consumer Service has provided states with a waiver to change the date that the change in income has to be reported.

WAIVER POLICY

Households are required to report changes in the amount of gross monthly income of more than \$25 due to the change in minimum wage within 10 days of the date the household receives its increased wages. This waiver applies to any household with a wage earner who reports a wage rate increase during October or November 1996.

Example

A household received a pay check on 10/9 for pay period 9/ 25 through 10/1. The pay check included only one day (10/1) at the higher wage rate (.50 x 8 hours = \$4). The pay received 10/16 for 10/2 through 10/8 had a \$20 increase (.50/hour x 40 hours = \$20). The pay received 10/23 had a \$20 increase. Since the change in earnings was more than \$25, reporting was required. The customer had until 11/2 (10 days) to report the change. The agency had until 10

days (11/12) to act on the change. After the adverse action period of five working days, the new allotment would have been effective 12/96.

ACTION REQUIRED

This policy will primarily be applied when calculating the amount of an overissuance. When processing an overissuance due to an increase in minimum wage, consider the waiver to the reporting requirement in establishing when an overissuance began.

INQUIRIES

Please direct questions to Kay Finegan at (410) 767-7939.

cc: FIA Management Staff
Constituent Services